



2300 Harrison Street
San Francisco, CA 94110

Lyft Testimony in Opposition to SB 2684
Senate Committee on Commerce, Consumer Protection, and Health
Friday, February 18, 2016

Chairwoman Baker and Members of the Senate Committee on Commerce, Consumer Protection, and Health:

My name is Annabel Chang, Director of Public Policy for Lyft testifying in opposition to SB 2684. First, thank you to all of the legislators who have recognized the importance of ridesharing and who are seeking proactively to find solutions for the peer-to-peer ridesharing industry here in Hawaii.

Lyft is an online ride-sharing application that connects people with efficient, friendly and safe drivers in their community. To use, simply download and register the application on your smartphone. From then on, requesting a ride happens with just the push of a button. This innovative model of ridesharing enhances access to alternative forms of transportation for Hawaii locals and tourists alike--and acts as a complement to the existing transportation infrastructure in the state. More than anything, Lyft is about giving people choices.

The citizens of Hawaii deserve the choice to share in safe, dependable, convenient, and modern transportation options. SB 2684 proposes an "insurance only" solution that we believe does not go far enough in protecting our riders. As with any new innovation or variance from traditional and long-standing practice, questions regarding liability and risk exposure have come up regarding companies such as ours. To address this, in March, 2015, transportation network companies ("TNC's") and large national insurance companies reached a nationwide agreement on a comprehensive insurance regime that clarifies responsibility and protects TNC drivers and passengers throughout all stages of a pre-arranged ride.

The first stage of a ride, commonly referred to as "Period 1," is the time during which the application is on and a driver is available to accept ride requests, but a ride has not been accepted. During this period, primary automobile liability insurance is required in the amount of at least \$50,000 for death and bodily injury per person, \$100,000 for death and bodily injury per incident, and \$25,000 for property damage. The insurance requirements must be met by a policy held by the transportation network company, the TNC driver, or any combination of the two.



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During Period 2, when a ride is accepted and the driver is en route to the passenger, and Period 3, when the passenger is in the vehicle, Lyft provides primary commercial liability coverage of \$1 million per incident.

We urge this Committee to instead move more comprehensive legislation that includes the national compromise language, as 28 other states have already done. The national compromise language provides far more coverage than the primary insurance currently required by common carriers throughout Hawaii. The national policy, adopted by insurance and transportation network companies, is better for the general public while also permitting all Transportation Network Companies - regardless of size - to compete in Hawaii. We truly believe that implementing the insurance compromise framework as part of a larger regulatory solution will bring the state into the modern age of transportation and ensure that its citizens are not left behind.

Lyft wants to work with legislators and other stakeholders to craft strong comprehensive legislation that protects consumers and allows the ridesharing industry to serve all residents of Hawaii equally.

For these reasons Lyft cannot support SB 2684, as it is not the right legislative vehicle to deliver on that shared goal. Thank you for this opportunity to testify.