

SCR 184

SD 1



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# SENATE CONCURRENT RESOLUTION

REQUESTING THE INSURANCE COMMISSIONER TO STUDY THE ADEQUACY OF  
INSURANCE COVERAGE REQUIREMENTS FOR TRANSPORTATION NETWORK  
COMPANIES AND TRANSPORTATION NETWORK COMPANY DRIVERS.

1           WHEREAS, Act 236, Session Laws of Hawaii 2016 (Act 236),  
2 was intended to close the insurance gaps associated with  
3 transportation network companies by establishing motor vehicle  
4 insurance requirements for transportation network companies and  
5 transportation network company drivers; and  
6

7           WHEREAS, while Act 236 requires the Insurance Commissioner  
8 to conduct an annual study and report to the Legislature on the  
9 impact of Act 236 on personal motor vehicle insurance policy  
10 rates in the State, Act 236 does not require the Insurance  
11 Commissioner to study the adequacy of coverage required under  
12 Act 236 for claims arising from accidents involving  
13 transportation network companies and transportation network  
14 company drivers; and  
15

16           WHEREAS, in addition to the effect on insurance rates, it  
17 is important to determine whether the insurance coverage  
18 requirements for the personal vehicles of transportation network  
19 company drivers are adequate to cover claims by passengers,  
20 drivers, and members of the public, including other drivers and  
21 pedestrians, who may suffer injury, death, or property damage as  
22 a result of motor vehicles accidents involving transportation  
23 network companies and transportation network company drivers;  
24 now, therefore,  
25

26           BE IT RESOLVED by the Senate of the Twenty-ninth  
27 Legislature of the State of Hawaii, Regular Session of 2018, the  
28 House of Representatives concurring, that the Insurance  
29 Commissioner is requested to study the adequacy of insurance  
30 coverage requirements for transportation network companies and  
31 transportation network company drivers; and



1  
2 BE IT FURTHER RESOLVED that in completing the study, the  
3 Insurance Commissioner is requested to consider, among other  
4 things, the insurance coverage required by:  
5  
6 (1) The Department of Transportation for airport  
7 permittees pursuant to chapter 19-20.1, Hawaii  
8 Administrative Rules;  
9  
10 (2) The various counties for taxicabs and taxicab drivers;  
11 and  
12  
13 (3) The Public Utilities Commission for commercial  
14 vehicles and commercial vehicle operators pursuant to  
15 chapter 6-62, Hawaii Administrative Rules; and  
16  
17 BE IT FURTHER RESOLVED that the Insurance Commissioner is  
18 requested to submit a report of the Commissioner's findings and  
19 recommendations, including any proposed legislation, to the  
20 Legislature no later than twenty days prior to the convening of  
21 the Regular Session of 2019; and  
22  
23 BE IT FURTHER RESOLVED that a certified copy of this  
24 Concurrent Resolution be transmitted to the Insurance  
25 Commissioner.





DAVID Y. IGE  
GOVERNOR

DOUGLAS S. CHIN  
LIEUTENANT GOVERNOR

**STATE OF HAWAII**  
**OFFICE OF THE DIRECTOR**  
**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310  
P.O. BOX 541  
HONOLULU, HAWAII 96809  
Phone Number: 586-2850  
Fax Number: 586-2856  
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE**

**TWENTY-NINTH LEGISLATURE**  
**Regular Session of 2018**

**Thursday, April 12, 2018**  
**2:00 p.m.**

**TESTIMONY ON SENATE CONCURRENT RESOLUTION NO. 184, S.D. 1,  
REQUESTING THE INSURANCE COMMISSIONER TO STUDY THE ADEQUACY OF  
INSURANCE COVERAGE REQUIREMENTS FOR TRANSPORTATION NETWORK  
COMPANIES AND TRANSPORTATION NETWORK COMPANY DRIVERS.**

**TO THE HONORABLE ROY M. TAKUMI, CHAIR, AND MEMBERS OF THE  
COMMITTEE:**

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on S.C.R. 184, S.D. 1, requesting the Insurance Commissioner (“Commissioner”) to study the adequacy of insurance coverage requirements for transportation network companies (“TNCs”) and TNC drivers. My name is Gordon Ito, and I am the Commissioner for the Department’s Insurance Division. The Department takes no position on this concurrent resolution and provides the following comments.

This concurrent resolution requests that in studying the adequacy of insurance coverage requirements for the personal vehicles of TNC drivers to cover claims by passengers, drivers, and members of the public who may suffer injuries from motor vehicle accidents involving TNCs and TNC drivers, the Commissioner consider the insurance coverage required by: 1) the Department of Transportation for airport permittees; 2) various counties for taxicabs and taxicab drivers; and 3) the Public Utilities Commissioner for commercial vehicles and commercial vehicle operators. The Department respectfully submits that should the Committee consider establishing a task

force to study the adequacy of insurance coverage requirements for TNCs and TNC drivers, the task force should include the Department of Transportation, various counties for taxicabs and taxicab drivers, and the Public Utilities Commission to provide the necessary information and expertise for the Commissioner to submit a report on this subject.

Thank you for the opportunity to testify on this concurrent resolution.



**Testimony of Bob Toyofuku, on behalf of  
Uber Technologies Regarding SCR 184, SD 1  
April 12, 2018**

**To: Chairman Roy Takumi and Vice-Chair Linda Ichiyama and Members of the House Committee  
on Consumer Protection and Commerce:**

**My name is Bob Toyofuku and I am presenting this testimony on behalf of Uber Technologies regarding SCR 184, SD 1.**

**As you may be aware, Uber is a technology company with a simple vision: make safe and affordable transportation available everywhere, for everyone and everything at the push of a button. Uber's technology connects a network of riders with drivers in cities around the world, including Hawaii.**

**Uber was involved in the passage of Act 236 in 2016 which required Transportation Network Companies to have a certain amount of coverage to protect passengers, drivers and members of the public. The law requires that when a TNC driver is logged onto the company's digital network the primary liability insurance is at least \$50,000 per person, \$100,000 per accident and \$25,000 for property damage per accident. When a TNC driver is engaged in a prearranged ride, the primary liability insurance is \$1,000,000 per accident.**

**Regarding taxicabs and taxicab drivers, each county specifies the amount of insurance required which is determined by each county council by ordinance.**

**While Uber does not have any major concerns with this Resolution, because as stated above, laws already exist to require insurance coverage, it does not feel it is necessary to do a study at this time.**

**Thank you for the opportunity to present this testimony and I am happy to answer any questions.**