

1 "Digital network" means any online-enabled technology
2 application service, website, or system offered or utilized by a
3 transportation network company that enables the prearrangement
4 of rides with transportation network company drivers.

5 "Prearranged ride" has the same meaning as defined in
6 section 431:10C-701.

7 "Transportation network company" means an entity that uses
8 a digital network or software application service to connect
9 passengers to transportation network company drivers; provided
10 that the entity:

11 (1) Does not own, control, direct, or manage the
12 transportation network company vehicles or
13 transportation network company drivers that connect to
14 its digital network, except where agreed to by written
15 contract; and

16 (2) Is not a taxicab association or a for-hire vehicle
17 owner.

18 "Transportation network company driver" has the same
19 meaning as defined in section 431:10C-701.

20 "Transportation network company rider" or "rider" means an
21 individual or persons who use a transportation network company's



1 digital network to connect with a transportation network company
2 driver who provides prearranged rides to the rider in a
3 transportation network company vehicle between destination
4 points chosen by the rider.

5 "Transportation network company vehicle" means a vehicle
6 that is:

- 7 (1) Used by a transportation network company driver to
8 provide a prearranged ride;
- 9 (2) Owned, leased, or otherwise authorized for use by the
10 transportation network company driver; and
- 11 (3) Not a taxicab, limousine, or other for-hire vehicle.

12 **§ -2 Relation to other laws; commercial vehicle; for-**
13 **hire vehicle; registration; exemption.** Solely for the purposes
14 of this chapter, neither a transportation network company nor a
15 transportation network company driver shall be deemed to be a
16 common carrier by motor vehicle, a contract carrier by motor
17 vehicle, a motor carrier as defined in section 271-4, a taxicab,
18 or a for-hire vehicle service. No transportation network
19 company driver shall be required to register a transportation
20 network company vehicle as a commercial or for-hire vehicle.



1 **§ -3 Transportation network company; permit; required.**

2 (a) No person shall operate a transportation network company in
3 the State without first having obtained a permit from the
4 director of transportation, the application for which shall be
5 in a form to be determined by the director of transportation;
6 provided that any transportation network company operating in
7 the State before the effective date of this chapter may continue
8 operating until the director of transportation has established a
9 permitting process and sets a registration deadline.

10 (b) The director of transportation shall issue a permit to
11 each applicant that satisfies the requirements for a
12 transportation network company as set forth by the director of
13 transportation and shall collect an annual permit fee of
14 \$ from the applicant prior to the issuance of a permit.

15 **§ -4 Fare transparency.** If a fare is collected from a
16 rider, the transportation network company shall disclose the
17 fare or fare calculation method to the rider on its website or
18 within the online-enabled technology application service before
19 the beginning of the prearranged ride. If the fare is not
20 disclosed to the rider before the beginning of the prearranged



1 ride, the rider shall have the option to receive an estimated
2 fare before the beginning of the prearranged ride.

3 § -5 **Agent for service.** Any transportation network
4 company in operation in the State shall maintain an agent for
5 service of process in the State.

6 § -6 **Identification of transportation network company**
7 **vehicles and drivers.** The transportation network company's
8 digital network shall display a picture of the transportation
9 network company driver and the license plate number of the
10 transportation network company vehicle.

11 § -7 **Electronic receipt.** Within a reasonable period of
12 time following the completion of a trip, the transportation
13 network company shall transmit an electronic receipt to the
14 rider on behalf of the transportation network company driver
15 that shall include the following information:

- 16 (1) The origin and destination or destinations of the
17 trip;
- 18 (2) The total time and distance of the trip; and
- 19 (3) The total fare paid.



1 § -8 Disclosure; limitations; insurance requirements.

2 The requirements of section 431:10C-703 shall apply to all
3 entities and individuals covered under this chapter.

4 § -9 Transportation network company driver requirements.

5 (a) Prior to entering into a contract with an individual to be
6 a transportation network company driver and allowing the
7 individual to accept trip requests through a transportation
8 network company's digital network:

9 (1) The individual shall submit an application to the
10 transportation network company and shall include the
11 following information:

12 (A) The individual's address;

13 (B) The individual's age;

14 (C) A copy of the individual's valid driver's
15 license;

16 (D) A copy of the applicable motor vehicle
17 registration;

18 (E) A copy of the applicable automobile liability
19 insurance; and

20 (F) Other information deemed necessary by the
21 transportation network company;



1 (2) The transportation network company shall conduct, or
2 have a third-party entity conduct, a national and
3 local criminal background checks for each applicant
4 that shall include a review of:

5 (A) A multi-state and multi-jurisdictional criminal
6 records locator or other similar commercial
7 nationwide database with validation (primary
8 source search); and

9 (B) The national sex offender registry; and

10 (3) The transportation network company shall obtain and
11 review, or have a third-party entity obtain and
12 review, a driving history research report for the
13 individual.

14 (b) The transportation network company shall not permit an
15 individual to act as a transportation network company driver on
16 its digital network who:

17 (1) Has more than three moving violations within the prior
18 three years, or one of the following major violations
19 in the past three years:

20 (A) Attempting to evade the police;

21 (B) Reckless driving; or



- 1 (C) Driving on a suspended or revoked license;
- 2 (2) Within the past seven years has been:
- 3 (A) Convicted of any felony; or
- 4 (B) Convicted of any other misdemeanor relating to
- 5 driving, violent, or sexual offenses;
- 6 (3) Is registered on the national sex offender registry or
- 7 any state sex offender registry;
- 8 (4) Does not possess a valid driver's license;
- 9 (5) Does not possess proof of registration for the motor
- 10 vehicle or vehicles used to provide prearranged rides;
- 11 (6) Does not possess proof of automobile liability
- 12 insurance for the motor vehicle or vehicles used to
- 13 provide prearranged rides; or
- 14 (7) Is not at least nineteen years of age.

15 § -10 **Non-discrimination; accessibility.** (a) The

16 transportation network company shall adopt a policy of non-

17 discrimination on the basis of destination, race, color,

18 national origin, religious belief or affiliation, sex,

19 disability, age, sexual orientation, or gender identity with

20 respect to riders and potential riders and shall notify the

21 transportation network company drivers of the policy.



1 (b) In addition to any policy established pursuant to
2 subsection (a), transportation network company drivers shall
3 comply with all applicable laws regarding non-discrimination
4 against riders or potential riders on the basis of destination,
5 race, color, national origin, religious belief or affiliation,
6 sex, disability, age, sexual orientation, or gender identity.

7 (c) Transportation network company drivers shall comply
8 with all applicable laws to accommodate service animals.

9 For purposes of this subsection, "service animal" has the
10 same meaning as in section 347-2.5.

11 (d) A transportation network company shall not impose
12 additional charges for providing services to persons with
13 physical disabilities.

14 § -11 Audit procedures; confidentiality of records. (a)
15 For the sole purpose of verifying that a transportation network
16 company is in compliance with the requirements of this chapter,
17 and no more than annually, the department of transportation
18 shall have the right to visually inspect a sample of records
19 that the transportation network company is required to maintain
20 pursuant to section 431:10C-704. The sample shall be chosen
21 randomly by the department of transportation in a manner



1 agreeable to both parties. The audit shall take place at a
2 mutually agreed location in the State. Any records furnished to
3 the department of transportation shall exclude information that
4 would tend to identify specific drivers or riders.

5 (b) In response to a specific complaint against any
6 transportation network company driver or transportation network
7 company, the department of transportation shall be authorized to
8 inspect records held by the transportation network company that
9 are necessary to investigate and resolve the complaint. The
10 department of transportation and transportation network company
11 shall conduct the inspection at a mutually agreed upon location
12 in the State. Any record furnished to the department of
13 transportation shall exclude information that would tend to
14 identify specific transportation network company drivers or
15 riders, unless the identity of a transportation network company
16 driver or rider is relevant to the complaint.

17 (c) Any records inspected by the department of
18 transportation under this section shall be confidential, are not
19 subject to disclosure to a third party by the department of
20 transportation without prior written consent of the
21 transportation network company, and shall be exempt from



1 disclosure under chapter 92F. Nothing in this section shall be
2 construed as limiting the applicability of any other exemptions
3 under chapter 92F.

4 § -12 Uniform statewide regulation. (a) This chapter
5 shall apply uniformly throughout the State and in all political
6 subdivisions of the State.

7 (b) This chapter shall supersede any ordinance or other
8 regulation adopted by a political subdivision that specifically
9 governs transportation network companies, transportation network
10 drivers, or transportation network vehicles, including those
11 adopted before the effective date of this chapter."

12 SECTION 3. Act 236, Session Laws of Hawaii 2016, is
13 amended by amending section 6 to read as follows:

14 "SECTION 6. This Act shall take effect upon its approval;
15 provided that section 2 of this Act shall take effect on
16 September 1, 2016 [~~provided further that this Act shall be~~
17 ~~repealed on September 1, 2021]~~."

18 SECTION 4. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2019-2020 and the
21 same sum or so much thereof as may be necessary for fiscal year



1 2020-2021 for the administration and implementation of the
2 purposes of this Act, including the hiring of any personnel to
3 oversee the new permitting and inspection requirements.

4 The sums appropriated shall be expended by the department
5 of transportation for the purposes of this Act.

6 SECTION 5. Statutory material to be repealed is bracketed
7 and stricken.

8 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Transportation Network Companies; Regulation; Permitting

Description:

Establishes rules, regulations, and permitting procedures for transportation network companies operating in the State. Makes permanent insurance requirements for transportation network companies and transportation network drivers. Appropriates funds. (HB1093 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



DEPARTMENT OF CUSTOMER SERVICES
CITY AND COUNTY OF HONOLULU

MISSION MEMORIAL BUILDING
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KIRK CALDWELL
MAYOR



SHERI T. KAJIWARA
DIRECTOR

RANDY M. LEONG
DEPUTY DIRECTOR

TESTIMONY OF ABUL HASSAN, LICENSING ADMINISTRATOR
CITY AND COUNTY OF HONOLULU, DEPARTMENT OF CUSTOMER SERVICES

HOUSE BILL 1093, "RELATING TO Transportation Network Companies"

TO: The Honorable Henry J. C. Aquino, Chair
And Members of the Committee on Transportation

The City and County of Honolulu would like to comment on H.B. No. 1093 that establishes rules, regulations, and permitting procedures for transportation network companies operating in the State.

The Division of Motor Vehicle, Licensing and Permits is the entity that oversees the Motor Vehicle Control section which has the specific duties associated with providing oversight and accountability over Transportation Network Companies (TNC) on the Island of Oahu. Our agency and said section is effectively the first line of oversight ensuring safe operability and standard assurance to the public from the effects of TNC operations.

We therefore suggest the following changes:

Page 4 line 13: Referencing annual permit fee of \$5,000

We do not believe that \$5,000 sufficiently accounts for the labor resources required to provide governmental oversight of TNCs; as such, we propose a per volume approach. If the TNC has less than 15 independent contractors and/or employees, the annual fee should be \$15,000; if between 15 but less than 50 independent contractors and/or employees, the fee should be \$50,000 for any employee with a total registered independent contractor and/or employee count of greater than 50 but less than 75 the fee should be \$150,000 per year. For all TNCs with an employee and/or independent contractor count of greater than 75 the annual fee per year shall be \$500,000.

The employee and/or independent contractor count shall be the total registered number with the vendor and not defined as off-peak or part-time.

All proceeds associated with the collection of the annual fees shall be utilized by the Director of Finance for the sole and explicit purpose of creating better enforcement mechanisms over TNCs through automation, better record keeping and additional hiring.

The Honorable Henry J. C. Aquino, Chair
And Members of the Committee on Transportation
Page 2

Our logic here is simply this; it takes far more than two government employees averaging \$100,000 in salary in order to provide enforcement. The legislation is effectively asking multi-billion dollar TNCs to furnish the city \$5,000 annually with an expectation that the \$5,000 will serve what purpose? Full enforcement? Compensation of traffic mitigation? Mitigation of ridership impact to Public Transportation?

We would ask that HB 1093 enables the County providing oversight to properly charge and subsequently be funded for its effort for such.

Page 7 Line 17: Referencing moving violations

Our agency is in agreement that the intent placed here is well; however, we would be remiss not to mention that the State of Hawai'i is the only State within the U.S. that does not have a centralized Motor Vehicle agency. How this impacts moving violation(s) is that the driver licensing record does not indicate the number of moving violation(s) as assessed by the Division of Traffic Safety and the State Judiciary. This failure to have a centralized communicative system creates a loop hole in which the proverbial wolf guards the hen-house. We would request contemplation on how the loophole can be mitigated as the lapse in oversight created by the loop hole has major safety ramifications for the general public.

Page 10 Line 3: Audit Procedures

Our comments herein are generated by hands-on experience and given to you by subject matter expert(s) that interact with TNCs on audit procedures. We therefore disagree with the approach of limiting the oversight to 'samples,' by the TNC when requesting records. TNCs should be able to fully disclose the total number of driver(s) registered with their company at any given time, to include, driver's license numbers, license plate numbers of the vehicles registered by independent contractor or employee and associated vehicle identification numbers for random verification at any and all times as required by the governing agency.

We fundamentally disagree, on record, that the information provided to us should omit information critical to identifying specific drivers. To do so defeats the entire purpose of oversight, creates a lapse in oversight, and generally render(s) this entire bill into a cosmetic oversight instead of what it should be; a fiduciary obligation to protect the public and the independent contractors.

Page 10 Line 17: The Department of Transportation shall be authorized to inspect
We require clarification on this. Until recently, the responsibility was given to the Public Utilities Commission and handed over to the local jurisdiction (in this case the County). We would therefore recommend that the language be changed to "The County shall be authorized to inspect on behalf of the Department of Transportation or relevant State agency."

The Honorable Henry J. C. Aquino, Chair
And Members of the Committee on Transportation
Page 3

In conclusion, our agency desires the ability to provide practical oversight over TNCs, believes that the annual fees are not high enough in light of the oversight required and the impact to the jurisdiction. Wants to ensure that this legislation gives the local jurisdiction appropriate tools to identify who, what, where, when and why as it relates to TNC operability. If the legislation can be amended to include an 'impact fee,' to mitigate congestion, we feel such should be done and the revenues directed to the County for the explicit utilization of providing oversight to TNCs.

Thank you for the opportunity to comment on H.B. No. 1093.



Testimony of Tabatha Chow, on behalf of Uber Technologies, Inc., in support of HB1093 HD1

February 11, 2019

To: Chair Takumi, Vice Chair Ichiyama, and members of the House Committee on Consumer Protection and Commerce:

My name is Tabatha Chow and I am the Senior Operations Manager for Uber Technologies, Inc. (“Uber”) in Hawaii. I am submitting this testimony on behalf of Uber in support of HB1093 HD1 relating to Transportation Network Companies.

The Uber app facilitates Transportation Network Company (TNC) services. This provides flexible work opportunities for thousands of small business owners across Oahu, Maui, Big Island, and Kauai. Our technology platform connects local, independent drivers, with Hawaii residents and visitors. These independent drivers complete millions of trips every year throughout Hawaii, via the Uber platform.

HB1093 HD1 would provide uniform regulations for TNC operations throughout all of Hawaii. **TNC driver screening and other operating requirements are currently only mandated for Honolulu county**, under ROH Chapter 12. TNC insurance regulations are mandated by HRS 431:10C-703 and TNC airport operations are subject to HAR Title 19, Chapter 20.1. HB1093 HD1 would ensure TNC driver screening and other operating requirements are mandated for all islands throughout Hawaii, not just Honolulu County.

The provisions of HB1093 HD1 are very similar to the current requirements of Honolulu ROH Chapter 12 and mandate background screenings for all drivers. These screenings include

criminal background checks on all potential drivers. These checks must search federal, state, and local databases as well as the Sex Offender Public Registry Website. Driver Motor Vehicle Record (MVR) checks are also included. Various other TNC operating requirements are also addressed, including: operating permits, fare transparency, driver and vehicle identification, receipt requirements, non-discrimination and accessibility policies, record retention, and audit provisions.

We thank the Committee for the opportunity to provide this testimony and look forward to working together.

Respectfully,

A handwritten signature in black ink, appearing to read 'Tabatha Chow', with a stylized, cursive flourish.

Tabatha Chow
Senior Operations Manager
Uber Hawaii

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: House Committee on Consumer Protection and Commerce

From: Cheryl Kakazu Park, Director

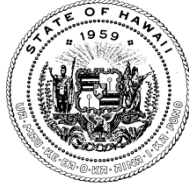
Date: February 12, 2019, 2:00 p.m.
State Capitol, Conference Room 329

Re: Testimony on H.B. No. 1093, H.D. 1
Relating to Transportation Network Companies

Thank you for the opportunity to submit testimony on this bill, which would establish regulations and permitting procedures for transportation network companies. The Office of Information Practices (OIP) previously recommended a technical amendment to a confidentiality clause. The House Transportation Committee made that amendment, and OIP has no further concerns regarding this bill.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 12, 2019
10:00 a.m.
State Capitol, Room 329

H.B. 1093, H.D. 1
RELATING TO TRANSPORTATION NETWORK COMPANIES.

House Committee on Consumer Protection and Commerce

The Department of Transportation (DOT) **supports** H.B. 1093, H.D. 1.

The DOT believes transportation options are a good thing for the communities we serve, and that the demand is apparent. The DOT also believes the regulations the bill provides to ensure our public is safe using these options are good.

Currently the DOT does not have the staffing, funding or infrastructure to run the program. We do not understand the requirements of the program sufficiently to determine the amount of the permit fee proposed to cover the program.

Thank you for the opportunity to provide testimony.

**HB 1093: WRITTEN TESTIMONY OF TRACI LEE OF LYFT
HOUSE CONSUMER PROTECTION & COMMERCE COMMITTEE
FEBRUARY 12, 2019**

Chair Takumi and Committee Members,

My name is Traci Lee, and I am a Senior Public Policy Manager for Lyft, responsible for Lyft's policy and government relations in Hawai'i. This testimony is to express Lyft's support for House Bill 1093, which creates a statewide regulatory structure for ridesharing that will allow Lyft to expand throughout Hawai'i.

Lyft was founded in 2012 to improve people's lives with the world's best transportation and make our cities more livable. Lyft is an online ride-sharing application that connects people with efficient, friendly and safe drivers in their community. At a basic level, Lyft was created as an alternative to personal car ownership, and we make it easier for people to offer their neighbors a ride and help people carpool more efficiently.

In Hawai'i, Lyft has been a transportation option on Oahu since June 2014, and available on Big Island, Maui, and Kauai since March 2017. Lyft service enhances transportation options for locals and tourists alike while also acting as a complement to existing transportation infrastructure investments. In addition to providing safe rides home for those who want to responsibly enjoy a night on the town, we have partnered with different transportation agencies and municipalities throughout the U.S. to make it easier for people to use public transit by serving as first-mile and last-mile connectors, or by being a guaranteed ride home from work thereby incentivizing carpooling and use of public transit in at least one direction.

More than anything, Lyft is about giving people choices. As of this year, 45 states across the country have passed statewide legislation, like HB 1093, that regulates Lyft in a safe and comprehensive manner. We hope that Hawai'i can join that effort and allow consumers to have the ability of choosing Lyft in cities across this great state.

We think it is valuable that students at UH Manoa or Kapiolani Community College, or any of the many universities on the islands can get safe rides home, that seniors can continue to have the freedom that they once had when they were able to drive themselves around, with the same level of service and regulatory requirements from Honolulu to Kapolei, from Hilo to Kona, or any of the more than 350 major cities across the nation where they can open the app and request a ride. Lyft provides a transportation option for communities that are traditionally underserved by other forms of transit, as demonstrated by the fact that 56% of rides in Hawai'i start in low-income areas. People like the service because they know are going to get seamless, affordable, and reliable transportation. They use it millions of times a day across the nation because it is consistent and it safe.

In fact, at Lyft, safety is our top priority. Our goal is to make every ride safe, comfortable, and reliable. Our riders use Lyft because they feel safe with our drivers, which is a product of this commitment.

Before drivers can accept rides on the Lyft platform they must undergo a mandatory local, state, and national background check conducted by Checkr, which is the leading provider of background checks across the country. Checkr is also accredited by the National Association of Professional Background Screeners, which requires a rigorous audit of its procedures and policies by an independent auditor appointed by the Background Screen Credentialing Council (BSCC).

Lyft also contributes to safer streets by significantly reducing the instances of impaired driving. In Hawai'i, 76% of Lyft passengers are less likely to drive substance impaired to the availability of Lyft.

But what really distinguishes Lyft is how we utilize technology to provide consumers with accountability features in addition to our robust background checks.

Every Lyft ride is tracked via GPS, and all rides are cashless. Passengers receive their driver's picture and license plate before they enter the vehicle, and riders can also send their real time GPS and ETA to family and friends. In short, no ride is ever anonymous. After the ride, both the driver and passenger rate each other. The rating system is an important tool for safety. Rides with low ratings and concerning feedback are automatically

flagged for our Trust & Safety team to investigate and take action, which may include instant removal from the platform if appropriate. And if a safety-related complaint is lodged following the ride, we deactivate the driver so that he or she is not able to give any further rides until after we've investigated the complaint. This process, which provides a new level of responsiveness, accountability and transparency that has never previously existed in the transportation industry, has been reviewed and approved by the City of Honolulu, and in 45 states.

We are proud that Lyft is more than just a ridesharing application-- it is also a unique and flexible economic opportunity that turns anyone with a car into an entrepreneur who can set a schedule according to their terms. In fact, 95% percent of Lyft drivers in Hawai'i drive less than 20 hours per week. The Lyft driver community is made up of retirees, single parents, students, folks trying to get around, and families simply trying to make ends meet. In Hawai'i, Lyft drivers span a diverse cross-section of the community-- 25% of drivers are veterans, 26% are over the age of 50, and 30% are female.

Along with these community and economic benefits, we believe that Lyft is contributing to a more sustainable Hawai'i. Indeed, over 80% of cars on the road have only one occupant. 27% of Lyft users do not own or lease a personal vehicle, and 66% of non-car owners say that Lyft has impacted their decision not to own or lease a personal vehicle. By getting a Lyft instead of driving their cars, Hawaiians are not just saving time, they are reducing congestion, freeing up parking, making more efficient use of existing roads, and with this bill, supporting sustainable transportation infrastructure.

Since last spring, all Lyft rides have been carbon neutral, and Lyft is now a fully carbon neutral company. Last year, we made a multi-million dollar investment to create a program to offset over 1 million metric tons of carbon. We've purchased enough renewable energy to cover the electricity consumption of every Lyft office space, driver hub, and electric vehicle mile on our platform. We are now one of the top 10 voluntary purchasers of carbon offsets on the planet, and every ride now contributes to fighting climate change.

Statewide legislation is a path towards providing consumers, drivers and visitors a consistent experience with Lyft. We urge this committee to

support establishing a clear, workable regulatory framework that can be applied to all ridesharing companies regardless of size and cities of operation to ensure that safe, reliable and affordable rides are available for all in Hawai'i.

Lyft does have some technical amendments that are respectfully requested to HB 1093, which are attached to this testimony. Thank you for your consideration of Lyft's testimony in support of HB 1093.

Lyft Suggested Technical Edits HB 1093

Lyft offers the following technical suggestions for changes to HB 1093:

- In Section 1, the definition of transportation network company would prohibit a transportation network company from owning a transportation network company vehicle. The inclusion of this prohibition would directly impact Lyft's ability to make our Express Drive program available in Hawaii. With Express Drive, millions of eligible drivers without a qualified vehicle now have the opportunity to immediately start earning money with Lyft. Express Drive is an innovative short-term vehicle access program that offers fuel efficient vehicles for rent to transportation network company drivers, which drivers can also use for their personal household needs. Express Drive rentals include insurance and routine maintenance and have a total cost of ownership that is similar to leasing a new car from a dealership. Similarly, the definition of transportation network company vehicle should be amended to clarify that any vehicle may qualify as a transportation network company vehicle, provided that the requirements of HB 1093 are met. For these reasons, Lyft would suggest the definitions be amended to read as follows:

"Transportation network company" means an entity that uses a digital network or software application service to connect passengers to transportation network company drivers. ~~provided that the entity:~~ A transportation network company:

- (1) *Does not ~~own~~, control, direct, or manage the transportation network company vehicles or transportation network company drivers that connect to its digital network, except where agreed to by written contract; and*
- (2) *Is not a taxicab association or a for-hire vehicle owner.*

"Transportation network company vehicle" means a vehicle that is:

- (1) *Used by a transportation network company driver to provide a prearranged ride;*
- (2) *Owned, leased, or otherwise authorized for use by the transportation network company driver; and*
- (3) *Not ~~operating as~~ a taxicab, limousine, or other for-hire vehicle.*

- In Section 6, Lyft suggests technical amendments to clarify that the picture of the driver and the vehicle's license plate number should be displayed to a rider during a prearranged ride. For these reasons, Lyft suggests section 6 be amended to read as follows:

6 Identification of transportation network company vehicles and drivers. ~~The~~ *During a prearranged ride, a transportation network company's digital network shall display to the rider a picture of the transportation network company driver and the license plate number of the transportation network company vehicle.*

- In Section 8, Lyft suggests technical amendments to clarify that insurance requirements in Hawaii Revised Statutes 431:10C-703 applies to transportation network companies and transportation network company drivers, rather than "entities and individuals".

8 Disclosure; limitations; insurance requirements. *The requirements of section 431:10C-703 shall apply to transportation network companies and transportation network company drivers ~~all entities and individuals covered under this chapter.~~*

- In Section 9, Lyft suggests technical amendments to align the driver applicant process with operations. Lyft suggests section 9 be amended to read as follows:

9 Transportation network company driver requirements.

- (a) ~~Prior to entering into a contract with an individual to be a transportation network company driver and~~ allowing ~~the~~ *an* individual to accept trip requests through a transportation network company's digital network:

(1) *The individual shall submit an application to the transportation network company and shall include the following information:*

- (A) *The individual's address;*
- (B) *The individual's age;*
- (C) *A copy of the individual's valid driver's license;*
- (D) *A copy of the applicable motor vehicle registration;*
- (E) *A copy of the applicable automobile liability insurance; and*
- (F) *Other information deemed necessary by the transportation network company;*

(2) *The transportation network company shall conduct, or have a third-party entity conduct, a national and local criminal background checks for each applicant that shall include a review of:*

- (A) *A multi-state and multi-jurisdictional criminal records locator or other similar commercial nationwide database with validation (primary source search); and*
- (B) *The US Department of Justice national sex offender registry public website; and*

(3) *The transportation network company shall obtain and review, or have a third-party entity obtain and review, a driving history research report for the individual.*

(b) *The transportation network company shall not permit an individual to act as a transportation network company driver on its digital network who:*

(1) *Has more than three moving violations within the prior three years, or one of the following major violations in the past three years:*

- (A) *Attempting to evade the police;*
- (B) *Reckless driving; or*
- (C) *Driving on a suspended or revoked license;*

(2) *Within the past seven years has been:*

- (A) *Convicted of any felony; or*
- (B) *Convicted of any other misdemeanor relating to driving, violent, or sexual offenses;*

(3) *Is registered on the US Department of Justice national sex offender registry public website or any publicly accessible state sex offender registry;*

(4) *Does not possess a valid driver's license;*

(5) *Does not possess proof of valid registration for the motor vehicle or vehicles used to provide prearranged rides;*

(6) *Does not possess proof of valid automobile liability insurance for the motor vehicle or vehicles used to provide prearranged rides; or*

(7) *Is not at least nineteen years of age.*

- In Section 10(c), Lyft suggests striking the last sentence, as “service animal” is not defined in Hawaii Revised Code 347-2.5. Instead, the definition references only “service dogs”.

(c) Transportation network company drivers shall comply with all applicable laws to accommodate service animals.

~~*For purposes of this subsection, "service animal" has the same meaning as in section 347-2.5.*~~