

STAND. COM. REP. NO.

3698

Honolulu, Hawaii

JUN 26 2020

RE: H.B. No. 2002
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 2002, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION NETWORK COMPANIES,"

begs leave to report as follows:

The purpose and intent of this measure is to create the regulatory framework of transportation network companies and transportation network company drivers to ensure operational consistency across the State, including the establishment of a permitting process within the Department of Transportation for transportation network companies and to make permanent certain insurance requirements for transportation network companies.

Your Committee received testimony in support of this measure from the Department of Transportation; Department of Customer Services, City and County of Honolulu; Lyft, Inc.; Hawaii Transportation Association; and three individuals. Your Committee received testimony in opposition to this measure from Uber Technologies, Inc. and Roberts Hawaii, Inc.

Your Committee finds that driver screening and other operating requirements for transportation network companies are currently only mandated for the City and County of Honolulu. This measure incorporates consensus language between the Department of



Transportation and other stakeholders to uniformly regulate transportation network companies across all islands and will help promote public safety for those that utilize transportation network companies as a transportation option.

Your Committee notes that the companion to this measure, S.B. No. 2808, S.D. 1 (Regular Session of 2020), which was previously passed by the Senate, is a substantially similar measure that creates statewide regulation of transportation network companies. Your Committee concludes that the language in S.B. No. 2808, S.D. 1, is preferable because it keeps the provisions that regulate transportation network companies, but does not include language regarding the enforcement of rules that may be promulgated. Your Committee notes that the Department of Transportation already has the authority to enforce the rules. Your Committee further finds that the language in S.B. No. 2808, S.D. 1, does not include additional provisions regarding complaints against transportation network companies that create a private right of action for unfair and deceptive trade practices. Your Committee notes that this is preferable, as the Hawaii Revised Statutes already authorize actions for unfair and deceptive trade practices and the Department of Transportation has the authority to audit and oversee the provisions of the measure.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2808, S.D. 1, a substantially similar measure, which:

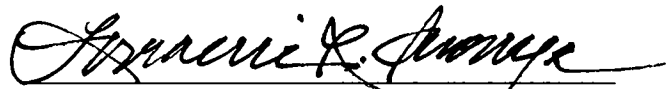
- (1) Removes provisions regarding the director of transportation's authority to implement, enforce, investigate, and inspect transportation network companies and drivers, and claims against transportation network companies;
- (2) Removes the requirement that vehicles used by the transportation network company be certified;
- (3) Removes provisions regarding an individual's right to sue or file complaints against a transportation network company;
- (4) Makes it effective upon its approval;



- (5) Inserts an annual permit fee amount of up to \$25,000 for transportation network companies to operate in the State; and
- (6) Makes technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2002, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2002, H.D. 2, S.D. 1, and be referred to your Committees on Commerce, Consumer Protection, and Health and Ways and Means.

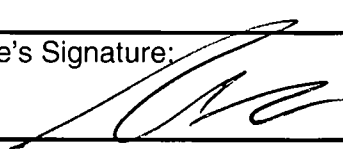
Respectfully submitted on
behalf of the members of the
Committee on Transportation,


LORRAINE R. INOUE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:*	Committee Referral:	Date:		
HB2002, HD2	TRS, CPH/WAM	6/24/20		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	✓			
HARIMOTO, Breene (VC)				✓
ENGLISH, J. Kalani				✓
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes