

STAND. COM. REP. NO.

1427

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 241
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Health and Transportation, to which was referred H.B. No. 241, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

beg leave to report as follows:

The purpose and intent of this measure is to establish a task force within the Department of Commerce and Consumer Affairs to develop proposed legislation for the regulation of peer-to-peer motor vehicle sharing companies.

Your Committees received testimony in support of this measure from Turo and Getaround. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs. Your Committees received comments on this measure from the Department of Transportation, Tax Foundation of Hawaii, Enterprise Holdings, and Allstate Insurance Company.

Your Committees find that car peer-to-peer sharing provides convenient and affordable on-demand access to vehicles for the growing number of Americans who do not own cars, or for whom car ownership is cost prohibitive. Your Committees further find that this measure establishes a task force within the Department of Commerce and Consumer Affairs to develop proposed legislation for



the regulation of peer-to-peer motor vehicle sharing companies and identify potential issues currently unaddressed by Hawaii law.

Your Committees have heard the concerns raised in testimony that the task force established by this measure does not address regulation of peer-to-peer companies in Hawaii, which are currently operating in the State without any oversight or consumer protection. Your Committees find that convening a task force is not the most prudent course of action at this time, as there is an immediate need to address concerns regarding safety, loss of revenue, and consumer protection.

Your Committees note that the companion to this measure, S.B. No. 662, S.D. 2 (Regular Session of 2019), which was previously passed by the Senate, prohibits vehicle lessors from renting, leasing, or offering for rent or lease, vehicles subject to a manufacturer's recall until appropriate repairs are made, defines peer-to-peer vehicle sharing related terms, and requires persons engaging in peer-to-peer vehicle sharing organization business to register with the Director of Taxation. Your Committees conclude that the language in S.B. No. 662, S.D. 2, is preferable because it contains language to immediately effectuate the regulation of peer-to-peer vehicle sharing, which will protect the health, safety, and welfare of the public.

Accordingly, your Committees have amended this measure by:

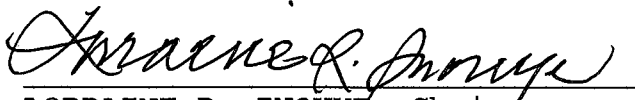
- (1) Deleting its contents and inserting the contents of S.B. No. 662, S.D. 2, a measure which:
 - (A) Prohibits vehicle lessors from renting, leasing, or offering for rent or lease, vehicles subject to a manufacturer's recall until appropriate repairs are made;
 - (B) Defines peer-to-peer vehicle sharing related terms; and
 - (C) Requires persons engaging in peer-to-peer vehicle sharing organization business to register with the Director of Taxation; and



- (2) Requiring all vehicles rented or leased by a peer-to-peer vehicle sharing organization to be covered by a motor vehicle insurance policy that meets minimum liability coverage requirements.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 241, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 241, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Commerce,
Consumer Protection, and Health
and Transportation,



LORRAINE R. INOUYE, Chair


ROSALYN H. BAKER, Chair



The Senate
Thirtieth Legislature
State of Hawai'i


Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB241, HD2	CPH/TRS, WAM	3/20/19		
<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
BAKER, Rosalyn H. (C)	✓			
CHANG, Stanley (VC)	✓			
KEOHOKALOLE, Jarrett	✓			
NISHIHARA, Clarence K.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
FEVELLA, Kurt	✓			
TOTAL	6			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:*	Committee Referral:	Date:		
HB241, HD2	CPH/TRS, VAM	3/20/19		
<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
INOUE, 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 File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

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