

STAND. COM. REP. NO. 2922

Honolulu, Hawaii

FEB 27 2020

RE: S.B. No. 2808
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 Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2808 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:

- (1) Establish rules, regulations, and permitting procedures
for transportation network companies operating in the
State; and
- (2) Make permanent insurance requirements for transportation
network companies and transportation network drivers.

Your Committee received testimony in support of this measure
from the Department of Transportation; Hawaii Passenger and
Property Carriers Association; and Uber Technologies, Inc. Your
Committee received testimony in opposition to this measure from
Roberts Hawaii, Inc. Your Committee received comments on this
measure from the Consumer Data Industry Association.

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 the concerns raised in the testimony of the Consumer Data Industry Association that this measure's requirement to have background checks performed only by those companies accredited by the Professional Background Screening Association (PBSA) is problematic and restrictive. As PBSA is a trade association and not a regulatory body, an accreditation from PBSA does not necessarily make background screenings compliant with federal law. Accordingly, an amendment to this measure is necessary to address this concern and remove this limitation.

Your Committee has amended this measure by requiring transportation network companies to conduct a national and local criminal background check for each applicant and driver on an annual basis, and deleting the use of a third-party commercial background check company accredited by the PBSA to perform the required check.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2808, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2808, S.D. 1.

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



ROSALYN H. BAKER, Chair



