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**STATE OF HAWAII  
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
House Committee on Consumer Protection and Commerce**

**Monday, February 10, 2020  
2:00 p.m.  
State Capitol, Conference Room 329**

**On the following measure:  
H.B. 1833, H.D. 1, RELATING TO PEER-TO-PEER CAR-SHARING**

Chair Takumi and Members of the Committee:

My name is Stephen Levins, and I am the Executive Director of the Department of Commerce and Consumer Affairs' Office of Consumer Protection (OCP). The OCP appreciates the intent of and offers comments on this bill.

The purpose of this bill is to prohibit vehicle owners from making a vehicle subject to a manufacturer's recall available as a shared car on a peer-to-peer car-sharing program, until the vehicle has undergone safety recall repairs, defines terms relating to peer-to-peer car sharing, and establishes insurance coverage requirements during the car-sharing period.

The business model of peer-to-peer car rental differs markedly from that of the existing traditional car rental, which Hawaii Revised Statutes chapter 437D currently regulates. Consequently, the OCP believes that the creation of a new chapter governing peer-to-peer car sharing in Hawaii is a sensible legal adaptation to address

this new business model. The OCP also believes that to ensure that consumers are adequately protected, the new chapter should require consumer disclosures, such as clear and conspicuous disclosures to consumers of the terms and conditions associated with the car sharing agreement, all required taxes and fees, and the total price to rent the vehicle.

It is axiomatic that consumer safety is of paramount importance in renting a vehicle to a consumer. As such, the prohibition on shared vehicle owners allowing a vehicle under a manufacturer's recall to be available for vehicle-sharing, until necessary safety recall repairs have been made, is a critical component of this bill and should be required in any comprehensive law regulating the industry. The average completion rate for newer passenger vehicle recalls is 75%, and this percentage drops to 44% for vehicles 5 to 10 years old. The recall provision will help to protect consumers who rent vehicles from a peer-to-peer car-sharing program by removing potentially unsafe vehicles from the road, such as those with defective Takata airbags.

The OCP understands this measure is a work in progress and is willing to work with other stakeholders to craft a comprehensive peer-to-peer car-sharing chapter that will ensure the protection of consumers. As such, the division respectfully offers the following amendments to H.D. 1:

#### **Exclusions in Motor Vehicle Insurance Policies**

The OCP recommends adding a subsection (c) to page 9, after line 15, to help ensure that the shared vehicles have the required insurance: "(c) No peer-to-peer car sharing program shall make available through its business platform any shared car when the shared car owner's motor vehicle insurance policy excludes any coverage required under this chapter."

#### **Vicarious Liability Exemptions**

The exemption from vicarious liability on page 10, lines 6 to 10 appears unnecessary, because current state and federal laws should control. Accordingly, the Department suggests deleting this provision.

### **Equipment and Vehicle Responsibility**

The OCP recommends amending the equipment and vehicle responsibility provisions on page 14, line 15 to page 15, line 4 to clarify the responsibilities of the parties regarding the use of items such as GPS devices and the vehicle.

**§ -11 Responsibility for equipment[.] and vehicle.** (a) A peer-to-peer car-sharing program shall have sole responsibility for any equipment, such as a global positioning system or other special equipment that is put in or on the shared car to monitor or facilitate the car-sharing transaction, and shall agree to indemnify and hold harmless the shared car owner or shared car driver for any damage to or theft of the equipment during the sharing period not caused by the shared car owner. The peer-to-peer car-sharing program has the right to seek indemnity from the shared car driver for any loss or damage to the equipment that occurs during the sharing period.

(b) No peer-to-peer car-sharing program or shared car owner shall require a shared car driver to make an advance deposit in any form, including an advance charge against the credit card of a shared car driver, for damages to a shared car occurring during the car-sharing period. No peer-to-peer car-sharing program or car sharing owner shall require any payment for damages to a vehicle occurring during the car-sharing period until after the cost to repair vehicle damages and liability therefor is agreed to by the car sharing driver or is determined pursuant to law.

### **Motor Vehicle Safety Recalls**

H.D. 1 only obligates the peer-to-peer company to check on a vehicle's recall status when it is first registered on the peer-to-peer website. This is inadequate, as the obligation to check on recall status should be continuous, and the renter's safety should be the paramount concern in the rental process. To help ensure that consumers will not be offered unsafe recalled vehicles to rent via the peer-to-peer website, the OCP requests amending the motor vehicle safety recall section on page 15, line 5 to page 16, line 6 as follows:

**§ -12 Motor vehicle safety recalls.** (a) At the time when a vehicle owner registers as a shared car owner on a peer-to-peer car-sharing program and prior to the time when the shared car owner makes a shared car available for car-sharing on the peer-to-peer car-sharing program, the peer-to-peer car-sharing program shall:

- (1) Verify that no safety recalls exist for the make and model of the shared car for which repairs have not been made; ~~[and]~~

- (2) Notify the shared car owners of the requirements under subsection (b); and
  - (3) Verify every seventy-two hours that any vehicle available for use through a peer-to-peer car-sharing program is not subject to an open safety recall for which repairs have not been made.
- (b) ~~[If the shared car owner receives an actual notice of a safety recall on the shared car, a shared car owner shall not make the vehicle available as a shared car on a peer-to-peer car-sharing program until the safety recall repair has been made.]~~ A shared car owner shall:
- (1) Not make a vehicle available for use through a peer-to-peer car-sharing program if the shared car owner has received notice of a safety recall on the vehicle, until the safety repair has been made;
  - (2) Remove any vehicle made through a peer-to-peer car-sharing program upon receipt of notice of a safety recall as soon practicably possible but no longer than forty-eight hours after receipt of notice of a safety recall; and
  - (3) Notify the peer-to-peer car-sharing program of a safety recall within forty-eight hours of receipt of a safety recall when the vehicle is in the possession of a shared car driver so that the peer-to-peer car-sharing program may notify the shared car driver and the vehicle can be removed from use until the shared car owner effects the necessary safety recall repair.
- ~~[(c) If a shared car owner receives an actual notice of a safety recall on a shared car while the shared car is being used in the possession of a shared car driver, as soon as possible after receiving the notice of the safety recall, the shared car owner shall notify the peer-to-peer car-sharing program about the safety recall.]~~

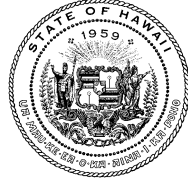
### **Penalties**

Currently, this measure contains no penalty provisions. As such, the OCP suggests adopting the civil penalties language in HRS section 437D-19 to ensure violators of this chapter face the same civil penalties as those afforded in the Motor Vehicle Rental Industry Act.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE  
GOVERNOR

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**DEPARTMENT OF TAXATION**  
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To: The Honorable Roy M. Takumi, Chair;  
The Honorable Linda Ichiyama, Vice Chair;  
and Members of the House Committee on Consumer Protection & Commerce

From: Rona M. Suzuki, Director  
Department of Taxation

**Re: H.B. 1833, H.D. 1, Relating to Peer-to-Peer Car-Sharing**

Date: Monday, February 10, 2020

Time: 2:00 P.M.

Place: Conference Room 329, State Capitol

The Department of Taxation (Department) appreciates the intent of the tax provisions in H.B. 1833, H.D. 1, and provides the following comments.

H.B. 1833, H.D. 1, has a defective effective date of July 1, 2050 and Section 2 amends the Rental Motor Vehicle, Tour Vehicle, and Car-Sharing Vehicle Surcharge Tax (RVST) by adding new definitions for "car-sharing program agreement" and "peer-to-peer car-sharing program" and a new section levying a peer-to-peer car-sharing surcharge tax of an unspecified amount per day on any day or portion of a day a peer-to-peer car is shared that shall be collected and paid by the peer-to-peer program.

The Department appreciates the intent of this measure because it believes this is the most efficient way to collect RVST. Collection of tax from one source is more efficient than collecting from each of the underlying taxpayers. The most well-known example of this is income tax withholding by employers.

As peer-to-peer motor vehicle owners are already subject to the RVST under current law, H.B. 1833, H.D. 1: (1) imposes the RVST on peer-to-peer car-sharing transactions twice and (2) requires both peer-to-peer car-sharing programs and peer-to-peer vehicle owners to register for RVST licenses. To correct this, peer-to-peer owners engaging in peer-to-peer rental transactions would need to be specifically exempted from the RVST and the owners would need to be exempted from the requirement to register for an RVST license if they are engaging exclusively in peer-to-peer rental transactions.

Instead, the Department offers the approach taken in H.B. 2368, our Administration bill, to address the imposition of RVST. The renting of cars by individuals is substantively no different than the renting of cars by a company. As such, the Department does not believe that a separate imposition as proposed by this measure is appropriate. H.B. 2368 takes the same approach as Act 2, Session Laws of Hawaii 2019.

Finally, the Department notes that it can implement this measure provided a functional

effective date is inserted. The Department requests an effective date no earlier than January 1, 2021 to allow time to update its forms and computer system.

Thank you for the opportunity to provide comments.



February 10, 2020

The Honorable Roy Takumi  
Hawaii State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

RE: Support of House Bill 1833 HD1

Dear Chairman Takumi,

Thank you for the opportunity to submit testimony in support of House Bill 1833 HD1 Relating to Peer-to-Peer Carsharing.

Getaround is a peer-to-peer carsharing marketplace platform that empowers members to safely share their vehicles with others by the hour and the day. Getaround operates in over three hundred cities globally, and while not currently in Hawaii, we certainly would like to be in the future. Our proprietary connected car technology helps users find, book and unlock nearby vehicles on-demand using their smartphones. Getaround's platform connects people whose cars are sitting unused with people who need to use a car -- giving people access to a pool of shared vehicles. It's the modern equivalent of borrowing a friend or family member's car.

Carsharing -- and Getaround's carsharing platform -- makes car ownership more affordable. Carsharing offsets the substantial costs of owning a car by allowing owners to share the car when it would otherwise be sitting idle. That extra money, which in states where Getaround operates can amount to \$300 to \$600 per month, means a lot to lower and middle-income residents.

And it's not just car owners who benefit. Carsharing provides convenient and affordable on-demand access to vehicles for those who do not own cars or for whom car ownership is cost prohibitive. Low and middle-income residents in particular benefit tremendously from convenient access to affordable transportation— transportation that helps them go to job interviews, run errands, take their children to school, or go away for the weekend with family.

Carsharing also has real environmental benefits. Sharing just one car can take approximately ten other cars out of gridlock. Shared vehicles result in fewer cars on the road, fewer vehicle miles traveled, and a reduction in greenhouse gas emissions. Research from UC Berkeley confirms these benefits.

As one of the nation's leading carsharing platforms, while Getaround has its own requirements and standards, we support consumer-friendly protections and laws that provide certainty around liability and insurance. Where the law is unclear, we want certainty so that we can orient our business accordingly and make sure that everyone -- from our owners, to our users, to third parties who encounter cars on the road -- is protected.

As the growth of carsharing nationwide shows, consumers want to add carsharing to their transportation options. But it is still a young and emerging industry and a series of regulations that is unbalanced, inflexible, or misaligned with the carsharing model may do far more harm than good.

Getaround supports HB 1833 HD1 because it creates the insurance and consumer protections requirements necessary for peer-to-peer carsharing to be safe for consumers while allowing this innovative mobility option to flourish. HB 1833 HD1 incorporates provisions from the Peer-to-Peer Car Sharing Program Model Act developed by the National Council of Insurance Legislators (NCOIL) with substantial stakeholder participation, to provide an insurance framework that protects shared car owners, drivers, and the broader community. This framework creates clear mandatory insurance coverages for peer-to-peer carsharing, including requiring car sharing platforms to provide liability insurance for every transaction ensuring that the shared car owner and shared car driver are adequately covered.

Going further, HB 1833 HD1 holds carsharing programs accountable by explicitly defining the legal responsibilities of the carsharing program, including mandating clear record keeping and disclosing to consumers of insurance and indemnification provisions, fees, and terms and conditions of sharing agreements. It also establishes safety laws on peer-to-peer carsharing, which have already been established in other states, such as prohibiting the sharing and use of cars subject to safety recalls.

Getaround supports the adoption of a robust regulatory framework in Hawaii that addresses the issues unique to our industry. We are willing to work with the legislature and committee on additional amendments to HB 1833 HD1. We appreciate the legislature's interest in this issue and we urge the committee to pass HB 1833 HD1.

Best regards,

A handwritten signature in black ink that reads "Andrew Byrnes". The signature is fluid and cursive, with the first name being more prominent.

Andrew Byrnes  
Deputy General Counsel and Global Head of Public Policy  
Getaround, Inc.  
andrew.byrnes@getaround.com





February 9, 2020

Chairman Roy Takumi  
House Committee on Consumer Protection and Commerce  
Hawaii State Capitol  
415 South Beretania St.  
Honolulu, HI 96813

*Re: H.B. 1833 HD1 – Peer-to-Peer Car Sharing*

Aloha Chairman Takumi:

Avail is a peer-to-peer car sharing company that is backed by Allstate. It allows car-owners to share their cars with drivers in need of convenient, affordable transit options. Peer-to-peer car sharing is a way for individual car owners to earn extra income and for individuals to access a new transit option. Car sharing gives Hawaii residents a new solution to longstanding mobility needs, including offering transportation where public transit is not an option and consumer friendly alternatives to traditional car rental companies. By using existing personal vehicles, car sharing has been shown to reduce traffic congestion as well.

We write today to discuss H.B. 1833 HD1 on peer-to-peer car sharing, which is set to be heard by the House Committee on Consumer Protection and Commerce. We are very appreciative of your interest in this pro-consumer and innovative business platform and thank you for taking the appropriate and measured legislative response necessary to promote the car sharing industry. By enacting H.B. 1833 HD1, Hawaii would follow a number of states across the country by providing clear definitions for the industry, relevant insurance and consumer protections as well as create the level playing field necessary to encourage competition with the traditional rental car companies.

It is important that this legislation be the prevailing model in Hawaii, as consistency is critical to operations and consumer protections. The definitions within the bill follow the recently nationally adopted model law passed by NCOIL last month which lays out exactly what car sharing is and how it should be regulated. These definitions are the foundation for establishing the appropriate regulatory environment and ensuring shared car owners and shared car drivers are protected at all times.

The insurance and liability provisions in this bill reflect the three-party business model of car sharing and help provide various coverage needs for all parties involved. The car sharing industry, unlike the rental car companies, has agreed to assume primary liability because we understand how important it is to protect consumers. Additionally, the provisions related to disclosures, recalls and driver verification will help assure all parties involved are protected and secure during the transactions.

Lastly, while this bill would apply a yet to be valued surcharge tax on peer-to-peer car sharing we would like to highlight that any tax structure should ensure a competitive environment with the traditional car rental companies. The car sharing industry is willing and able to discuss the appropriate tax structure for our business, however it should be noted that Hawaii residents who would look to share their car and the platforms that enable such sharing cannot benefit from the enormous tax breaks that the rental companies receive. The three-party business model of peer-to-peer car sharing is drastically different from the rental car companies and relies on individuals who have already paid taxes on the purchase of



their vehicles, unlike the rental companies, so we ask that any tax discussions consider these differences. This will help create a competitive environment and avoid redundant and burdensome taxes on individual car owners looking to earn a little extra income from sharing their personal vehicles.

Thank you again for this thoughtful legislation, and we look forward to working with you as this bill continues through the legislative process.

Mahalo,

*Danielle Lenth*

Danielle Lenth  
Director of External Relations  
Avail/Allstate



Testimony of  
Charles Melton – Senior Public Policy Manager  
Turo Inc., San Francisco, CA

**In Support of HB 1833 HD1**

February 10, 2020

Chairman Takumi, Vice Chair Ichiyama and members of the House Committee on Consumer Protection and Commerce, I respectfully submit this written testimony on behalf of Turo, an internet-based, peer-to-peer car sharing platform. Thank you for the opportunity to provide our perspective on this legislation and to express our support of HB 1833 HD1.

Turo is a peer-to-peer car sharing platform that connects personal car owners with those in need of a mobility solution. Through the Turo online marketplace, anyone with the need of a mobility option can obtain the freedom a vehicle can provide. In Hawai'i, our community of car owners share their vehicle with mothers, fathers, neighbors and community members while earning a little extra income to help recover the cost of car ownership.

HB 1833 HD1 is sensible and comprehensive legislation to regulate the emerging industry of peer-to-peer car sharing, while defining and distinguishing it separately and apart from other participants in the mobility space. This legislation is based on the Peer-to-Peer Car Sharing Program Model Act which is supported by the National Council of Insurance Legislators and has been adopted by other state legislatures, including the states of Colorado and Indiana. The language of the Model Act, which is included in HB 1833 HD1, was agreed upon through extensive stakeholder participation and ensures there are robust measures for consumer safety, transparent pricing, insurance coverage and roadside assistance for every peer-to-peer car sharing user.

Specifically, HB 1833 HD1 provides an insurance framework that protects shared car owners, drivers, and the broader community. This legislation takes additional steps to ensure that shared car owners and shared car drivers are provided insurance coverage.

Additionally, HB 1833 HD1 creates protections ensuring that consumers are disclosed the insurance and indemnification provisions, any fees, and the terms and conditions of sharing agreements for peer-to-peer car sharing. This legislation ensures that car owners, drivers and the community are safe and supported, while also holding peer-to-peer car sharing platforms accountable.

Included in this legislation is language that would apply a surcharge created specifically for peer-to-peer car sharing. Turo is committed to working with the legislature on this surcharge and to identify a fee that is fair, equitable and sensible for Hawai'i residents who use peer-to-peer car sharing or share their personal vehicle.

Turo and our community of Hawai'i peer-to-peer car sharing residents are appreciative of the legislature's interest in protecting consumers while also establishing a comprehensive regulatory framework for peer-to-peer car sharing. Turo is committed to working with the committee and legislature on additional amendments to HB 1833 HD1. Thank you for the opportunity to provide this written testimony. For the reasons stated, we encourage this committee to support HB 1833 HD1.



**TECHNET**  
THE VOICE OF THE  
INNOVATION ECONOMY

TechNet Southwest | Telephone 916.600.3551  
915 L Street, Suite 1270, Sacramento, CA 95814  
[www.technet.org](http://www.technet.org) | @TechNetUpdate

January 29, 2020

Representative Aquino  
415 South Beretania St  
Honolulu, HI 96813

**RE: SUPPORT HB 1833**

Dear Representative Aquino,

On behalf of TechNet, I am writing today in support of HB 1833, related to Peer-to-Peer Car Sharing. TechNet is the national, bipartisan network of innovation economy CEOs and senior executives. Our diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over three million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance.

**HB 1833 sets out a comprehensive peer-to-peer car sharing regulatory framework and is in line with language previously approved by the National Conference of Insurance Legislators (NCOIL), the Council of State Governments (CSG) and the Colorado Legislature.** The bill includes important consumer protections and safety measures including recall protections, robust insurance and driver licensure requirements, disclosures and much more. Importantly, this bill defines peer-to-peer car as a novel and unique source of transportation and mobility, benefiting all Hawaii residents participating in the sharing economy. Furthermore, this legislation will enable and support Hawaii residents to share their personal car or, they can access to a car from their neighbor or another resident of Hawaii.

Consumer protections outlined in HB 1833, include required emergency and roadside assistance for all customers; prohibitions on vehicles subject to federal safety recalls; establishes a notification process and protections for lienholders, lenders and lessors; and requires consumer disclosures of insurance and indemnification provisions, fees, terms and conditions of sharing agreements.

Mandatory insurance requirements in HB 1833 create clear mandatory insurance coverages for peer-to-peer car sharing, requires car sharing platforms to provide liability insurance for every transaction and ensures that the shared car owner and shared car driver are provided insurance coverage.

Peer-to-peer car sharing has become an incredibly convenient way of connecting people wishing to utilize internet-based platforms to safely and securely share their personal vehicle with drivers seeking affordable, convenient, accessible and locally sourced mobility

options. We urge you to support HB 1833 which TechNet believes fosters and encourages this growing innovation while establishing important safeguards and consumer protections.

If you have any questions regarding TechNet's support of HB 1833, please do not hesitate to contact Courtney Jensen, Executive Director, at 916-600-3551 or [cjensen@technet.org](mailto:cjensen@technet.org).

Thank you,

Courtney Jensen  
Executive Director, Southwest  
TechNet



**SanHi**

GOVERNMENT STRATEGIES  
A LIMITED LIABILITY LAW PARTNERSHIP

**LATE**

DATE: February 10, 2020

TO: Representative Roy Takumi  
Chair, Committee on Consumer Protection and Commerce  
*Submitted Via Capitol Website*

FROM: Matt Tsujimura

RE: **H.B. 1833 HD 1 Relating to Peer-to-Peer Car-Sharing**  
**Hearing Date: Monday, February 10, 2020 at 2:00 p.m.**  
**Conference Room: 329**

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Dear Chair Takumi, Vice Chair Ichiyama and Members of the House Committee on Consumer Protection and Commerce:

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, Enterprise CarShare and Enterprise Commute (Van Pool).

Enterprise **submits comments** on H.B. 1833 HD 1 which authorizes and regulates peer-to-peer car-sharing in the State.

The evolution of the rental car industry has created new and innovative ways to rent a car. Enterprise supports the evolution of the industry so long as consumer safety and accountability remain the priority. Enterprise also believes that any regulation of peer-to-peer car sharing should include vehicle safety requirements, transparency in pricing, insurance, and payment of appropriate fees and taxes.

H.B. 1833 HD 1 is based on model legislation from the National Council of Insurance Legislators, and has been amended to include language pertaining to airport usage and taxes. Enterprise appreciates the amendments made in H.B. 1833 HD 1.

We strongly support the passage of H.B. 1833 HD1, to continue the discussion of how best to regulate this innovative new way of providing transportation.

Thank you for the opportunity to submit testimony on this bill.

**TESTIMONY OF NAHELANI WEBSTER FOR THE HAWAII ASSOCIATION  
FOR JUSTICE (HAJ) IN OPOSITION TO H.B. 1833 HD1**

Monday February 10, 2020  
2:00 PM  
Room 329

To: Chair Roy M. Takumi and Members of the House Committee on Consumer  
Protection & Commerce:

My name is Nahelani Webster and I am presenting this testimony on behalf of the  
Hawaii Association for Justice (HAJ) in opposition to H.B. 1833 HD1, Relating to Peer  
to Peer Car Sharing.

We appreciate the Committee's efforts to legislate in this important area. The rise  
of Peer to Peer Car Sharing in our state presents risks for our residents and visitors that  
must be addressed. Owners who make their vehicles available through Peer to Peer sites  
may not be aware that motor vehicle insurance policies commonly exclude coverage for  
cars when used in exchange for payment. If an accident were to occur, the victim, driver  
and the car owner could find themselves without coverage for the loss. It should be the  
responsibility of the Peer-to-Peer company to carry adequate insurance coverage, the  
same way Transportation Network Companies are mandated to provide coverage.

Therefore, we propose adding the following language:

"In addition to any other insurance coverage required by  
this chapter, a peer-to-peer car sharing program shall maintain  
insurance in an amount of at least one million dollars that  
provides coverage for the program's liability for an act or  
omission of the program that is the proximate cause of death,  
bodily injury, or property damage to any person in any one



accident because of the operation of a shared vehicle through the program.”

H.B. 1833 HD1 does not provide adequate security and protection for motor vehicle accidents. Hawaii’s statutory minimum coverage reflects a compromise between the needs of accident victims and the financial difficulties faced by cash-strapped families. There is no reason for companies deriving substantial profit to be subject to the same modest requirements. For these national companies the low rates of insurance coverage in H.B. 1833 HD1 amounts to a windfall at the expense of residents and visitors who sustain injury.

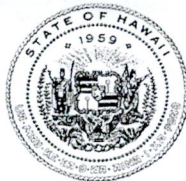
H.B. 1833 HD1 only requires the car sharing company to ensure a policy is available that meets the statutory minimum and does not exclude car sharing. That is certainly no guarantee of coverage to persons that may be injured.

**Recommended amendments to page 4, delete lines 20 through to page 5, line 5.** This language is overly broad and creates loopholes in the insurance coverage resulting in a lack of coverage. For example, if a driver was to state the year of their vehicle to be 2013, when it was in fact 2012, then this assumption of liability would not apply to the vehicle owner? The peer-to-peer car company should be responsible to ensure they have accurate and correct information from those using their service.

In addition, if the shared vehicle driver fails to return the shared vehicle pursuant to the terms of program agreement then the peer-to-peer company should carry adequate insurance to protect both the vehicle owner and driver.

Adequate insurance coverage for residents and visitors is in the public interest and supports the tourism and other industries in the state. H.B. 1833 HD1 in its present form does not provide that.

Thank you for allowing me to testify regarding this measure. Please feel free to contact me should you have any questions or desire additional information.



LATE

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 10, 2020  
2:00 P.M.  
State Capitol, Room 329

**H.B. 1833 H.D. 1  
RELATING TO PEER-TO-PEER CAR SHARING**

House Committee on Consumer Protection & Commerce

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The Department of Transportation **supports** this bill.

The bill lays out insurance and liability requirements for the peer-to-peer program, vehicle owners and vehicle drivers. We have no comment on those portions of the bill. However, we do have a comment on the definition of a shared car. We recommend changing the first sentence to read: ““Shared car” means a motor vehicle as defined in Section 286-2, Hawaii Revised Statutes.”

It is also suggested that the word “motor” be placed in front of at least the first “vehicle” in the definitions of “Peer-to-peer car-sharing”, “Peer-to-peer car-sharing program” and “Shared car owner”.

For **§ -10 Driver's license verification and data retention**, we suggest placing the word “valid” in front of the word “driver’s” in (1) and the word “motor” in front of the word “vehicles”.

In **§ -10 (a)(2)(A)** we suggest changing it to read: “Has a valid driver’s license issued by the state or country of the driver’s residence that authorizes the shared car driver in that state or country to drive vehicles of the class of the shared car, provided that the foreign license is accepted by the State of Hawaii.” Not all foreign driver’s licenses are valid in Hawaii. The country must be a part of the Geneva Road User Convention.”

The intent of **§ -10 (a) (3)** is unclear. It would be helpful to either state the specific authorization in mind or provide an example of one that is possible, such as specific authorization for a person with a learner’s permit.

Thank you for the opportunity to provide testimony.