

STAND. COM. REP. NO.

1422

Honolulu, Hawaii

MAR 25 , 2021

RE: S.B. No. 251  
S.D. 2  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred S.B. No. 251, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Regulate the operations of transportation network companies in the State and establish a permitting process for these companies within the Department of Transportation; and
- (2) Make permanent the motor vehicle insurance requirements for transportation network companies and transportation network company drivers enacted by Act 236, Session Laws of Hawaii 2016.

Your Committee received testimony in support of this measure from the Department of Transportation; Uber Technologies, Inc.; American Property Casualty Insurance Association; Lyft; and Na Hoaloha Maui Interfaith Volunteer Caregivers. Your Committee received testimony in opposition to this measure from Charley's Taxi; Robert's Hawaii, Inc.; Hawaii Passenger and Property Carrier

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Association; and Hawaii Transportation Association. Your Committee received comments on this measure from the Hawaii Insurers Council.

Your Committee finds that uniform statewide regulation of transportation network companies is needed to ensure the safety, reliability, and cost-effectiveness of rides provided by transportation network company drivers, as well as to preserve and enhance access to important transportation options for residents and visitors of the State.

Your Committee further finds that Act 236, Session Laws of Hawaii 2016 (Act 236), closed the insurance gaps associated with transportation network companies by establishing mandatory motor vehicle insurance requirements for transportation network companies and transportation network company drivers. This measure makes the motor vehicle insurance requirements established by Act 236 permanent.

Your Committee has amended this measure by:

- (1) Clarifying that transportation network companies and transportation network company drivers are not motor carriers under the Motor Carrier Law; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 251, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 251, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



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



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AARON LING JOHANSON, Chair



