

STAND. COM. REP. NO. **772**-22

Honolulu, Hawaii

MAR 03 , 2022

RE: H.B. No. 1596
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1596 entitled:

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

begs leave to report as follows:

The purpose of this measure is to make permanent the insurance requirements for transportation network companies and transportation network company drivers.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Insurers Council, Uber Technologies, GEICO, and Lyft.

Your Committee finds that, before 2016, there was a discrepancy in insurance protections for passengers and third parties across the various commercial passenger services. While other commercial passenger services, such as common carriers by motor vehicle or taxicabs, had commercial insurance that protected their passengers and third parties during the course of a commercial activity, transportation network company drivers may not have had the proper coverage to protect passengers and third parties during the operation of a transportation company driver's personal motor vehicle as a ride-share.

2022-1744 HB1596 HD1 HSCR HMSO



To resolve this discrepancy and ensure that Hawaii consumers were properly protected as passengers and third parties, Hawaii established insurance requirements for transportation network companies and transportation network company drivers through the enactment of Act 236, Session Laws of Hawaii 2016 (Act 236). However, Act 236 contained a sunset date of September 1, 2021. The original sunset date of Act 236 was extended to September 1, 2023, by Act 132, Session Laws of Hawaii 2021. Your Committee finds that Act 236 is accomplishing its intended goal and therefore, the insurance requirements should be made permanent.

Your Committee has amended this measure by 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 H.B. No. 1596, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1596, H.D. 1, and be placed on the calendar for Third Reading.

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



AARON LING JOHANSON, Chair



