

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 155
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 155 entitled:

"A BILL FOR AN ACT RELATING TO PEER-TO-PEER CAR-SHARING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Adopt uniform standards for peer-to-peer car sharing;
and
- (2) Establish the peer-to-peer car sharing surcharge tax.

Your Committee received testimony in support of this measure from the Department of Transportation, Internet Association, Technet California and the Southwest, Enterprise Holdings, and Turo Inc. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice and one individual. Your Committee received comments on this measure from the Department of Taxation, Department of Commerce and Consumer Affairs Insurance Division, Department of Commerce and Consumer Affairs Office of Consumer Protection, Tax Foundation of Hawaii, and Grassroots Institute of Hawaii.

Your Committee finds that peer-to-peer car sharing is a vital, yet nascent, industry in the State. Due to its growing popularity, residents who participate in peer-to-peer car sharing



services need to have uniform protections and safety standards. Your Committee further finds that rental motor vehicle surcharge revenues deposited into the State Highway Fund amounted to \$58,000,000 in 2019, which was twenty percent of the total revenues. As such, the rental vehicle surcharge tax is a major source of revenue for the State Highway Fund and is vital for the continued operation, maintenance, and construction of the state highway system. This measure will provide uniform standards for peer-to-peer car sharing services and will also help to preserve revenues deposited into the State Highway Fund.

Your Committee also finds that further discussion of automobile manufacturer recall requirements may be warranted by the appropriate committee as this measure proceeds.

Your Committee has amended this measure by:

- (1) Requiring peer-to-peer car-sharing programs to provide primary insurance coverage for each shared vehicle at similar levels of insurance as required for a transportation network company;
- (2) Removing language relating to exemptions for vicarious liability;
- (3) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 155, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 155, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Transportation,

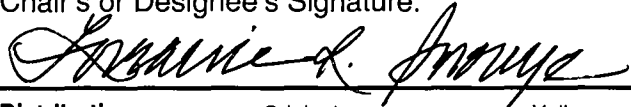


CHRIS LEE, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:* SB155	Committee Referral: TRS, JDC/WAM	Date: 2-16-2021		
<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
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ENGLISH, J. Kalani	✓			
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes