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Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce and Consumer Protection
and
Senate Committee on Ways and Means
Friday, April 1, 2022
10:00 a.m.
Conference Room 211 and Via Videoconference**

**On the following measure:
H.B. 1619, H.D. 2, S.D. 1, RELATING TO PEER-TO-PEER CAR-SHARING
INSURANCE REQUIREMENTS**

WRITTEN TESTIMONY ONLY

Chair Baker, Chair Dela Cruz, and Members of the Committees:

My name is Colin M. Hayashida, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department supports this bill and respectfully requests an amendment to the effective date in Section 4.

The purpose of this bill is to establish peer-to-peer car-sharing insurance requirements. These requirements ensure that carriers are admitted, which provides the Department with the authority to assist consumers with insurance complaints. This bill also ensures that there is adequate insurance coverage for the public who may be involved in an accident with users of the service. We note that on page 7, line 2, the bill also requires insurance to be procured from an admitted carrier, which ensures that the

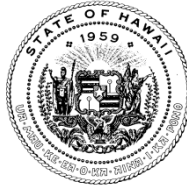
Insurance Division has regulatory oversight of the carrier and can respond to and assist with any claims issues or complaints consumers may have. The car sharing period definition and the start and stop time definitions in this bill are clear and prevent gaps in coverage.

Finally, the Department respectfully requests the following amendment:

Section 4, page 17, line 14: “This Act shall take effect [~~on January 1, 2050~~]
upon approval.”

Thank you for the opportunity to submit written testimony, and we respectfully ask the Committees to pass this bill with an upon approval effective date.

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
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April 1, 2022
10:00 A.M.

State Capitol, Conference Room 221/Teleconference



H.B. 1619, H.D. 2, S.D. 1
RELATING TO PEER-TO-PEER CAR-SHARING INSURANCE REQUIREMENTS

Senate Committee(s) on Commerce and Consumer Protection & Ways and Means

The Department of Transportation (DOT) **supports** H.B. 1619, H.D. 2, S.D. 1 which establishes peer-to-peer car-sharing insurance requirements.

The DOT believes that motor vehicle insurance requirements will increase traffic safety, and will not require additional funding to oversee the permit program.

Thank you for the opportunity to provide testimony.

TESTIMONY OF ALISON UEOKA

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair
Senator Stanley Chang, Vice Chair

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

Friday, April 1, 2022
10:00 a.m.

HB 1619, HD2, SD1

Chair Baker, Vice Chair Chang, and members of the Committee on Commerce and Consumer Protection, and Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means, my name is Alison Ueoka, President of the Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council strongly **supports** this consumer protection measure which provides insurance coverage for those injured by vehicles being used in a P2P program. Since the regulatory provisions for P2Ps are now contained in HB 1971, SD1, we ask for the following three amendments to this bill:

1. In the Definitions section, we ask that the sentence starting on Page 4, line 19 through Page 5, line 2 of the bill be deleted because it is a tax provision and is inappropriate to include in this insurance-only bill:

~~“Peer-to-peer car-sharing”, for the purposes of assessing a vehicle surcharge tax, does not mean the business of providing rental motor vehicles to the public as that phrase is used in section 251-3.”;~~

2. Delete section 431:10C-G (starting on page 14, line 3 through page 17, line 9) on disclosures, because we feel that this is a regulatory issue and is already contained in HB 1971, SD1; and
3. Make the effective date “upon approval.”

Thank you for the opportunity to submit our testimony.



Testimony of

Tami Bui – Senior Government Affairs Manager
Turo Inc., San Francisco, CA

Comments to HB 1619 HD 2 SD 1 April 1, 2022

Chairs Baker and Dela Cruz, Vice Chairs Chang and Keith-Agaran, and Members of the Senate Committee on Consumer Protection and Ways and Means, I respectfully submit comments to **HB 1619 HD 2 SD 1** on behalf of Turo.

Thank you for your leadership and efforts to establish an insurance framework for peer-to-peer car sharing. We share the goal of creating clear, consistent insurance rules that establish important protections for peer-to-peer car sharing participants, insurers, platforms, and the general Hawai'i public. We hope you take into consideration our innovative business model and look forward to working toward a result that is fair and provides an option to residents who are in need of a car as well as those who share their car as a way to help them become financially stable.

Our comments and attached redlines address insurance coverage and requirements as well as language based on neutral or agreed upon language with the Hawaii Insurers Council (HIC) and/or have already been adopted in other committees to related bill, HB 1971 HD 2 SD 1 and the Senate companion bill, SB 2444 SD 2.

Insurance coverage and requirements

1. Admitted carrier

Under current law, any business seeking to obtain insurance coverage must begin by attempting to secure that policy from the admitted market. After a series of declinations, businesses, including peer-to-peer car sharing today, are allowed to seek coverage from the surplus lines market.

The Insurance Commissioner's amendments in this bill would isolate peer-to-peer car sharing from all other businesses and limit us to only be able to use an admitted insurer *even if no admitted insurer offers an insurance product that meets the requirements of the statute.*

We agree with the desire to use an insurance carrier that falls under the direct oversight of the state. Our concern is that given that the platform must have the mandated coverage provided for in the bill in order to operate, if that coverage may only come from an authorized insurer, any unavailability of the policy in Hawaii's authorized market would equate to a prohibition on peer-to-peer car sharing should the market not bear a quote for the mandated coverage.

Currently, Turo's insurance policies are procured through a surplus lines subsidiary of Travelers Insurance. Even if Travelers Insurance is an admitted carrier in Hawaii, they do not currently offer the peer-to-peer platform coverage product through their admitted carrier. This means that as written, Turo would not be able to operate in the state of Hawaii. The Travelers' policy that Turo holds is a national policy, and a unique product that not many carriers offer in the first place, since it is not standard. Turo utilizes this product in all states where we currently operate. It is our understanding that peer-to-peer car sharing is not the only mobility option in Hawaii that secures necessary insurance coverage through the surplus lines market.

The language included in this bill would eliminate that opportunity ONLY for peer-to-peer car sharing. Our understanding is that other transportation industries such as Transportation Network Companies (TNCs) use surplus lines as well. Our question here is on what basis would there be a need to single out only peer-to-peer access to these surplus lines?

As such, we request amending language to what was previously offered by the Insurance Commissioner that we agreed to and included in HB 1971, as introduced, on P. 7, Section 2, lines 13-15:

"In addition to the insurance coverage required by this section, insurers offering insurance through a peer-to-peer car-sharing program shall be subject to chapter 431."

2. Insurance coverage of \$1M

The amendments impose an arbitrary and unfair \$1M insurance coverage requirement on peer-to-peer car sharing with no factual or policy basis for the assertion that peer-to-peer car sharing involves great risk. The analogous circumstances – rental car companies and individual vehicle drivers – are not required to carry coverage higher than state minimums and their risk on the road is equivalent to peer-to-peer car sharing.

There is no factual or policy basis for the assertion that peer-to-peer car-sharing involves a greater risk, let alone *ten times* greater risk, than any other permissive use. Peer-to-peer

platforms have operated nationally for years without any evidence of increased risk over rental cars or individual drivers.

While there have been comparisons made to higher coverage requirements in place for TNCs, peer-to-peer car sharing is its own distinct business model. Unlike TNCs, peer-to-peer car sharing does not include a transaction in which a paying passenger is driven by a for-hire driver. Peer-to-peer car sharing involves a shared car owner sharing their vehicle with a shared car driver. As such, there is no increased risk in a sharing transaction as compared to a Hawaii driver driving their own car on a Hawaii roadway or a consumer driving a rental car.

The language provided in the redlines below is an alternative compromise solution that replaces the current insurance sections in HB 1619, HD 2 as described above with the codification of Turo's current offerings.

The language provided would codify our existing business practices. The program will be required to assume all liabilities of the vehicle owner for bodily injury or property damage to third parties or uninsured and underinsured motorist or personal injury protection losses to at least \$750,000. At the same time, the program will also be required to ensure that a motor vehicle insurance policy is in place at all times to provide the driver with no less than the state minimum liability coverage. This ensures that all parties are insured, with no possibility for gaps in coverage.

3. Personal Injury protection

The language we propose would fulfill this requirement.

4. Optional coverages

There are requirements related to optional coverages. It is our understanding, that under existing Hawaii law, an insurer offering a motor vehicle insurance policy is required to offer to the named insured certain declinable optional coverages as part of that policy. However, in our context, it is our platform, and *not the shared driver*, that is the named insured on the policy providing coverage. Therefore, mechanically, Turo would not be able to fulfill this requirement. This exact same challenge is acknowledged and resolved in the current TNC statute. Our proposal would address this issue in the same way as the TNC statute in order to reflect our business model where the peer-to-peer program is the named insured.

Other language

There are requests for language consistency that have neutral and/or agreed upon language with the Hawaii Insurers Council (HIC) and/or been adopted in other committees on related bill HB 1971 HD 2 and the companion bill that was passed out by Senator Baker for SB 2444 SD 2 on 2/23/22.

1. Vicarious liability

There is language for a statutory exemption from vicarious liability consistent with the existing exemption for rental car companies in federal law that is not yet in HB 1619 HD 2 SD 1 but was adopted in related bill, HB 1971 HD 2 SD 1. The language below was adopted by the House Consumer Protection Committee on 2/17/22. HIC was neutral on this language. We ask for this amendment to be made to HB 1619 HD 2:

“Section -, Exemption; vicarious liability - Consistent with title 49 of the United States Code section 30106, a peer to-peer car-sharing program and a shared car owner shall be exempt from vicarious liability under any state or local law that imposes liability solely based on motor vehicle ownership.”

2. Definitional changes

There are a number of changes related to definitions that HIC support or are neutral to. These are included in the language provided.

There were also changes adopted in related and companion bills, HB 1971 HD 2 SD 1 and SB 2444 SD 2, on car sharing start time and termination time that we are requesting be updated in HB 1619 HD 2 SD 1.

3. Replacement of subsection (d) related to right to recovery language

HIC had provided new language in related testimony to HB 1619 HD 1, on 2/22/22. We agree to this language and we ask that it replace subsection (d) in HB 1619 HD 2 SD 1:

“(d) A motor vehicle insurer that pays a shared-car owner for loss or damage to a shared car that is excluded under the comprehensive physical damage coverage or collision physical damage coverage of the shared car owner’s or shared car driver’s policy shall have the right to seek to recover from the peer-to-peer car-sharing program or its motor vehicle insurer if:

- (1) The loss or damage to the shared car occurs during the car-sharing period; and

(2) The shared car owner or the shared car driver purchased comprehensive physical damage coverage or collision physical damage coverage, as applicable, from the peer-to-peer car-sharing program or its motor vehicle insurer.”

We thank you for the opportunity to provide comments.

A BILL FOR AN ACT

RELATING TO PEER-TO-PEER CAR-SHARING INSURANCE REQUIREMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that peer-to-peer car-
2 sharing programs, which are not rental car businesses, do not
3 have established requirements for insurance coverage. These
4 agreement-based car-sharing programs must ensure that cars in
5 their programs are properly insured specifically for peer-to-
6 peer car-sharing purposes.

7 The legislature further finds that it is in the public's
8 interest to establish requirements for peer-to-peer car-sharing
9 programs regarding mandatory insurance coverage.

10 Accordingly, the purpose of this Act is to establish
11 mandatory insurance terms for peer-to-peer car-sharing programs.

12 SECTION 2. Chapter 431, article 10C, Hawaii Revised
13 Statutes, is amended by adding a new part to be appropriately
14 designated and to read as follows:

15 "PART . PEER-TO-PEER CAR-SHARING INSURANCE

16 §431:10C-A Definitions. As used in this chapter:



1 "Car-sharing delivery period" means the period of time
2 during which a shared car is being delivered to the location
3 of the car-sharing start time, if applicable, as documented
4 by the governing car-sharing program agreement.

5 "Car-sharing period" means the period of time that
6 commences with the car-sharing delivery period or, if there
7 is no delivery period, that commences with the car-sharing
8 start time and, in either case, ends at the car-sharing
9 termination time.

10 "Car-sharing program agreement" means the terms and
11 conditions applicable to a shared car owner, a shared car
12 driver, and a peer-to-peer car-sharing platform, if
13 applicable, that govern the use of a shared car through a
14 peer-to-peer car-sharing program. "Car-sharing program
15 agreement" does not include a rental agreement as defined in
16 section 437D-3.

17 "Car-sharing start time" ~~means the time the shared car~~
18 ~~driver obtains operation, use, or control of a shared car~~
19 ~~through a peer to peer car sharing program~~ means the time when
20 the shared car becomes subject to the control of the shared car
21 driver at or after the time the reservation of a shared car is
scheduled to begin as documented in the records of a peer-to-peer
car-sharing program.

1 "Car-sharing termination time" means the latest of the
2 following events:

3 (1) The expiration of the agreed upon period of time
4 established for the use of a shared car according to
5 the terms of the car-sharing program agreement if
6 the shared car is delivered to the location agreed
7 upon in the car-sharing program agreement;

8 (2) When the shared car is returned to a location as
9 alternatively agreed upon by the shared car owner
10 and shared car driver as communicated through a
11 peer-to-peer car-sharing program;

12 (3) When a shared car is returned to the location agreed
13 upon in the car-sharing program agreement or
14 alternatively agreed upon by the shared car owner
15 and the shared car driver, as communicated through a
16 peer-to-peer car-sharing program, before the
17 expiration of the period of time established for the
18 use of a shared car according to the terms of the
19 car-sharing program agreement, and the shared car
20 driver notifies the peer-to-peer car-sharing program
21 of the location of the shared car;

(4) When a shared car, during the car-sharing period,
cannot safely or legally be operated and the shared

1 car driver notifies the peer-to-peer car-sharing
2 program that the shared car is inoperable and
3 identifies the location of the shared car;

4 (5) When the shared car ~~driver~~ owner receives notice
5 of a safety recall affecting the shared car and the
6 shared car driver returns the shared car to the
7 location agreed upon in the car-sharing program
8 agreement, or alternatively agreed upon by the
9 shared car owner and the shared car driver, and the
10 shared car driver notifies the peer-to-peer car-
11 sharing program of the location of the shared car;
12 or

13 (6) When the shared car owner or the shared car owner's
14 authorized designee takes possession and control of
15 the shared car.

16 "Peer-to-peer car-sharing" means the authorized
17 operation, use, or control of a motor vehicle by an
18 individual other than the motor vehicle's owner through a
19 peer-to-peer car-sharing program. "Peer-to-peer car-sharing",
20 ~~for the purposes of assessing a vehicle surcharge tax,~~ does
not mean the business



1 of providing rental motor vehicles to the public as that
2 phrase is used in section 251-3. Peer-to-peer car-sharing
3 does not mean the business of a lessor as defined in section
4 437D-3.

5 "Peer-to-peer car-sharing platform" means any person or
6 business that owns or operates a peer-to-peer car-sharing
7 program.

8 "Peer-to-peer car-sharing program" means:

- 9 (1) Any person who enables a shared car driver to
10 identify, reserve, or use a shared car owned by a
11 shared car owner; or
12 (2) Any person who enables a shared car owner to
13 describe, list, or make available a shared car for
14 identification, reservation, or use by a shared car
15 driver.

16 "Peer-to-peer car-sharing program" does not include:

- 17 (1) A transportation network company as defined in
18 section 431:10C-701;
19 (2) A car-sharing organization as defined in section
20 251-1;
(3) Any person registered and acting as a travel agency
pursuant to chapter 468L; or



1 (4) Any person registered and acting as an activity desk
2 pursuant to chapter 468M.

3 (5) A "lessor" as that term is defined in section 437D-3.

4 (6) A "lessor" as that term is defined in section 251-1.

5 "Shared car" means a motor vehicle that is registered
6 pursuant to chapter 286 and is not owned, controlled,
7 operated, maintained, or managed by or registered, directly
8 or indirectly through an affiliate, to the peer-to-peer car-
9 sharing program and is available for sharing through a peer-
10 to-peer car-sharing program. "Shared car" does not include a
11 rental motor vehicle or vehicle as those terms are defined in
12 section 437D-3. Shared car does not mean a "rental motor vehicle" as
13 that term is used in section 251-2 and section 251-3.

14 "Shared car driver" means an individual who has been
15 authorized to drive the shared car by the shared car owner
16 under a car-sharing program agreement. "Shared car driver"
17 does not include lessee as defined in section 437D-3.

18 "Shared car owner" means the registered owner of a shared
19 car. "Shared car owner" does not include lessor as defined in
20 section 437D-3.

~~§431:10C-B Insurance coverage during car-sharing period.~~

(a) ~~A peer to peer car sharing program shall ensure that
during each car-sharing period, the shared car shall be~~

1 ~~insured under a motor vehicle insurance policy issued by an~~
2 ~~admitted carrier that shall provide:~~

3 (1) ~~Primary insurance coverage for each shared car~~
4 ~~available and used through a peer-to-peer car-~~
5 ~~sharing program in amounts no less than \$1,000,000~~
6 ~~for death, bodily injury, and property damage per~~
7 ~~accident, and costs of defense outside such limits;~~

8 (2) ~~Primary insurance coverage for each shared car~~
9 ~~available and used through a peer-to-peer car-~~
10 ~~sharing program for personal injury protection~~
11 ~~coverage that meets the minimum coverage amount~~
12 ~~where required by section 431:10C-103.5; and~~

13 (3) ~~The following optional coverages, that any shared~~
14 ~~car driver may elect to reject or purchase that~~
15 ~~provides primary coverage for each shared car~~
16 ~~available and used through a peer-to-peer car-~~
17 ~~sharing program:~~

18 (A) ~~Uninsured and underinsured motorist coverages~~
19 ~~as provided in section 431:10C-301, which shall~~
20 ~~be equal to the primary liability limits~~
21 ~~specified in this section; provided that~~



1 ~~uninsured and underinsured motorist coverage~~
2 ~~offers shall provide for written rejection of~~
3 ~~the coverages as provided in section 431:10C-~~
4 ~~301;~~

5 (B) ~~Uninsured and underinsured motorist coverage~~
6 ~~stacking options as provided in section~~
7 ~~431:10C-301; provided that the offer of the~~
8 ~~stacking options shall provide for written~~
9 ~~rejection as provided in section 431:10C-301;~~
10 and

11 (C) ~~An offer of required optional additional~~
12 ~~insurance coverages as provided in section~~
13 ~~431:10C-302.~~

14 (b) ~~If insurance maintained by a shared car owner or~~
15 ~~shared car driver in accordance with subsection (a) has~~
16 ~~lapsed, contains an exclusion for peer-to-peer car-sharing,~~
17 ~~or does not provide the required coverage, insurance~~
18 ~~maintained by a peer-to-peer car-sharing program shall~~
19 ~~provide the coverage required by subsection (a) beginning~~
20 ~~with the first dollar of a claim and shall have the duty to~~
21 ~~defend such claim.~~



1 (c) ~~Coverage under a motor vehicle insurance policy~~
2 ~~maintained by the peer-to-peer car-sharing program shall not~~
3 ~~be dependent on another motor vehicle insurer first denying a~~
4 ~~claim.~~

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Replace existing §431:10C-B with the following:

§431:10C-B Insurance coverage during car-sharing period.

a) A peer-to-peer car sharing program shall assume liability, except as provided in subsection (b), of a shared vehicle owner for bodily injury or property damage to third parties or uninsured and underinsured motorist or personal injury protection losses during the car sharing period in an amount stated in the peer-to-peer car sharing program agreement which amount may not be less than \$750,000.

b) Notwithstanding the definition of “car sharing termination time” as set forth in §431:10C-A, the assumption of liability under subsection (a) of this section does not apply to any shared vehicle owner when:

1) A shared vehicle owner makes an intentional or fraudulent material misrepresentation or omission to the peer-to-peer car sharing program before the car sharing period in which the loss occurred, or

2) Acting in concert with a shared vehicle driver who fails to return the shared vehicle pursuant to the terms of car sharing program agreement.

c) Notwithstanding the definition of “car sharing termination time” as set forth in §431:10C-A, the assumption of liability under subsection (a) of this section would apply to bodily injury, property damage, uninsured and underinsured motorist or personal injury protection losses by damaged third parties required by section 431:10C-301.

d) A peer-to-peer car sharing program shall ensure that, during each car sharing period, the shared vehicle owner and the shared vehicle driver are insured under a motor vehicle liability insurance policy or policies that, with regard to the shared vehicle driver, provides insurance coverage in amounts no less than the minimum amounts set forth in section 431:10C-301, and that such policy or policies:

1) Recognize that the shared vehicle insured under the policy is made available and used through a peer-to-peer car sharing program; or

2) Do not exclude use of a shared vehicle by a shared vehicle driver.

e) The insurance described under subsection (d) may be satisfied by motor vehicle liability insurance maintained by:

1) A shared vehicle owner;

2) A shared vehicle driver;

3) A peer-to-peer car sharing program; or

4) Any combination of policies maintained by a shared vehicle owner, a shared vehicle driver, or a peer- to-peer car sharing program.

f) The insurance described in subsection (e) that is satisfying the insurance requirement of subsection (d) shall be primary during each car sharing period.

g) The insurer, insurers, or peer-to-peer car sharing program providing coverage under (d) or (e) shall assume primary liability for a claim when:

1) a dispute exists as to who was in control of the shared motor vehicle at the time of the loss and the peer-to-peer car sharing program does not have available, did not retain, or fails to provide the information required by §431:10C-D; or

2) a dispute exists as to whether the shared vehicle was returned to the alternatively agreed upon location as required under subparagraph 2 of the definition of “car-sharing termination time” as set forth in §431:10C-A.

The shared car’s insurer shall indemnify the peer-to-peer car-sharing program to the extent of its obligation under, if any, the applicable insurance policy, if it is determined that the shared car’s owner was in control of the shared car at the time of the loss.

h) If insurance maintained by a shared vehicle owner or shared vehicle driver in accordance with subsection (e) has lapsed or does not provide the required coverage, insurance maintained by a peer-to-peer car sharing program shall provide the coverage required by subsection (d) beginning with the first dollar of a claim and have the duty to defend such claim except under circumstances as set forth in §431:10C-B(b).

i) Coverage under an automobile insurance policy maintained by the peer-to-peer car sharing program shall not be dependent on another automobile insurer first denying a claim nor shall another automobile insurance policy be required to first deny a claim.

j) Insurers providing a motor vehicle insurance policy pursuant to this section shall offer the following optional coverages, which any named insured may elect to reject or purchase:

1) Uninsured and underinsured motorist coverages for the shared vehicle driver, as provided in section 431:10C-301, which shall be up to the primary liability limits specified in subsection (d); provided that uninsured and underinsured motorist coverage offers shall also provide for written rejection of the coverages as provided in section 431:10C-301;

2) Uninsured and underinsured motorist coverage stacking options as provided in section 431:10C-301; provided that the offer of the stacking options shall also provide for written rejection as provided in section 431:10C-301; and

3) An offer of required optional additional insurance coverages as provided in section 431:10C-302.

k) In the event the only named insured under the motor vehicle insurance policy issued pursuant to this section is the peer-to-peer car-sharing program, the insurer or the peer-to-peer car-sharing program shall:

1) Disclose the coverages in writing to the shared vehicle driver;

2) Disclose to the shared vehicle driver in writing that all optional coverages available may not have been purchased under sections 431:10C-301 and 431:10C-302; and

3) Obtain acknowledgment from the shared driver of receipt of the written disclosures required in paragraphs (1) and (2).

l) Nothing in this Chapter:

1) Limits the liability of the peer-to-peer car sharing program for any act or omission of the peer-to-peer car sharing program itself that results in injury to any person as a result of the use of a shared vehicle through a peer-to-peer car sharing program; or

2) Limits the ability of the peer-to-peer car sharing program to, by contract, seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer- to-peer car sharing program resulting from a breach of the terms and conditions of the car sharing program agreement.

m) In addition to the insurance coverage required by this section, insurers offering insurance through a peer-to-peer car-sharing program shall be subject to chapter 431.

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§431:10C-C Exclusions in motor vehicle insurance
policies. (a) Notwithstanding section 431:10C-B, an authorized insurer that writes motor vehicle insurance in the State may exclude any and all coverage and the duty to defend or indemnify any claim afforded under a shared car owner's motor vehicle insurance policy during the car-sharing period, including:

- (1) Liability coverage for bodily injury and property damage;
- (2) Personal injury protection coverage as set forth in section 431:10C-304;
- (3) Uninsured and underinsured motorist coverage;
- (4) Medical payments coverage;
- (5) Comprehensive physical damage coverage; and
- (6) Collision physical damage coverage.

(b) Except as required under section 431:10C-B, nothing in this part shall invalidate or limit an exclusion contained

1 in a motor vehicle insurance policy, including any insurance
2 policy in use or approved for use that excludes coverage for
3 motor vehicles made available for rent, sharing, or hire.

4 **§431:10C-D Recordkeeping; use of vehicle in peer-to-peer**
5 **car-sharing.** A peer-to-peer car-sharing program shall
6 collect and verify records pertaining to the use of a shared
7 car for each car-sharing program agreement, including:

- 8 (1) Dates and times of the car-sharing start time and
9 the car-sharing termination time in the car-sharing
10 program agreement;
- 11 (2) Dates and times of the car-sharing start time and
12 car-sharing termination time;
- 13 (3) Itemized descriptions and amounts of all fees and
14 costs charged to the shared car driver;
- 15 (4) Itemized descriptions and amounts of all fees and
16 costs paid by the shared car driver;
- 17 (5) Itemized descriptions and amounts of all fees and
18 costs paid to the shared car owner;
- 19 (6) The name and contact information of the shared car
20 owner and the shared car driver; and



1 (7) The insurance policy number, effective date,
2 coverage, and coverage amounts of each insurance
3 policy that identifies the peer-to-peer car-sharing
4 program, shared car owner, or shared car driver as
5 the insured.

6 The peer-to-peer car-sharing program shall retain the
7 records for a time period of no less than six years. Upon
8 request, the peer-to-peer car-sharing program shall provide
9 the information required by this section and any information
10 relating to the peer-to-peer car-sharing agreement in its
11 possession and control to the shared car owner, shared car
12 owner's insurer, shared car driver, shared car driver's
13 insurer, persons who have sustained injury or property damage
14 involving a shared car, and police and other governmental
15 entities to facilitate accident or claim coverage
16 investigation.

17 **§431:10C-E Right of recovery from peer-to-peer car-**
18 **sharing program or its motor vehicle insurer.** (a) A motor
19 vehicle insurer that defends or indemnifies a liability claim
20 against a shared car owner or shared car driver that is
21 excluded under the terms of the shared car owner's or shared



1 car driver's policy shall have a right to seek to recover
2 from the peer-to-peer car-sharing program or its motor
3 vehicle insurer if the liability claim is made against the
4 shared car owner or shared car driver for injury or damage
5 that occurs during the car-sharing period.

6 (b) A motor vehicle insurer that pays personal injury
7 protection benefits for injury sustained by an occupant of,
8 or by a pedestrian when struck by, a shared car when the
9 obligation to pay personal injury protection benefits is
10 excluded under the shared car owner's or shared car driver's
11 policy shall have the right to seek to recover from the peer-
12 to-peer car-sharing program or its motor vehicle insurer if
13 the injury occurs during the car-sharing period.

14 (c) A motor vehicle insurer that pays uninsured motorist
15 benefits or underinsured motorist benefits for injury
16 sustained by an occupant of a shared car when the obligation
17 to pay uninsured motorist benefits or underinsured motorist
18 benefits is excluded under the shared car owner's or shared
19 car driver's policy shall have the right to seek to recover
20 from the peer-to-peer car-sharing program or its motor



1 vehicle insurer if the injury occurs during the car-sharing
2 period.

3 ~~(d) A motor vehicle insurer that pays a shared car owner~~
4 ~~for loss or damage to a shared car that is excluded under~~
5 ~~the comprehensive physical damage coverage or collision~~
6 ~~physical damage coverage of the shared car owner's or shared~~
7 ~~car driver's policy shall have the right to seek to recover~~
8 ~~from the peer to peer car sharing program or its motor~~
9 ~~vehicle insurer if the loss or damage to the shared car~~
10 ~~occurs during the car sharing period.~~

11 (d) A motor vehicle insurer that pays a shared-car owner for loss or
12 damage to a shared car that is excluded under the comprehensive
13 physical damage coverage or collision physical damage coverage of
14 the shared car owner's or shared car driver's policy shall have the
15 right to seek to recover from the peer-to-peer car-sharing
16 program or its motor vehicle insurer if:

17 (1) The loss or damage to the shared car occurs during the car-
18 sharing period; and

19 (2) The shared car owner or the shared car driver purchased
20 comprehensive physical damage coverage or collision physical
21 damage coverage, as applicable, from the peer-to-peer car-sharing
program or its motor vehicle insurer.



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§431:10C-F Insurable interest. (a) Notwithstanding any law to the contrary, a peer-to-peer car-sharing program shall have an insurable interest in a shared car during the car-sharing period.

(b) In addition to the insurance coverage mandated by section 431:10C-B, a peer-to-peer car-sharing program may own and maintain as the named insured one or more policies of motor vehicle insurance that provides coverage for:

- (1) Liabilities assumed by the peer-to-peer car-sharing program under a car-sharing program agreement;
- (2) Any liability of the shared car owner; or



1 (3) Damage or loss to the shared car or any liability of
2 the shared car driver.

3 **§431:10C-G Required disclosures and notices.** For each
4 shared car participating in a car-sharing program agreement,
5 a peer-to-peer car-sharing program shall:

6 (1) Provide, prior to the execution of a car-sharing
7 program agreement, the shared car owner and shared
8 car driver with the terms and conditions of the car-
9 sharing program agreement;

10 (2) Disclose to the shared car driver, prior to the
11 execution of a car-sharing program agreement, all
12 costs or fees that are charged to the shared car
13 driver under the car-sharing program agreement,
14 including all costs or fees for mandatory insurance
15 coverage charged by the peer-to-peer car-sharing
16 program;

17 (3) Disclose to the shared car owner, prior to the
18 execution of a car-sharing program agreement, all
19 costs or fees that are charged to the shared car
20 owner under the car-sharing program agreement,
21 including fees or costs for mandatory insurance



1 coverage charged by the peer-to-peer car-sharing
2 program;

3 (4) Provide a twenty-four hour emergency telephone
4 number for a person capable of facilitating roadside
5 assistance for the shared car driver;

6 (5) Disclose any right of the peer-to-peer car-sharing
7 program to seek indemnification from the shared car
8 owner or shared car driver for economic loss
9 sustained by the peer-to-peer car-sharing program
10 caused by a breach of the car-sharing program
11 agreement; provided that the peer-to-peer car-
12 sharing program shall require the shared car owner
13 and shared car driver to specifically and separately
14 acknowledge notice of the disclosure prior to
15 execution of a car-sharing program agreement;

16 (6) Disclose that a motor vehicle insurance policy
17 issued to the shared car owner for the shared car or
18 to the shared car driver may not provide a defense
19 or indemnification for any claim asserted by the
20 peer-to-peer car-sharing program; provided that the
21 peer-to-peer car-sharing program shall require the



1 shared car owner and shared car driver to
2 specifically and separately acknowledge notice of
3 the disclosure prior to execution of a car-sharing
4 program agreement;

5 (7) Disclose that the peer-to-peer car-sharing program's
6 insurance coverage on the shared car owner and
7 shared car driver is in effect only during each car-
8 sharing period and that the shared car may not have
9 insurance coverage for use of the shared car by the
10 shared car driver after the car-sharing termination
11 time; provided that the peer-to-peer car-sharing
12 program shall require the shared car owner and
13 shared car driver to specifically and separately
14 acknowledge notice of the disclosure prior to the
15 execution of a car-sharing program agreement;

16 (8) Disclose any insurance or protection package costs
17 that are charged to the shared car owner or shared
18 car driver; provided that the peer-to-peer car-
19 sharing program shall require the shared car owner
20 and shared car driver to specifically and separately



1 acknowledge notice of the disclosure prior to the
2 execution of a car-sharing program agreement;

3 (9) Disclose to the shared car driver any conditions in
4 which the shared car driver is required to maintain
5 a motor vehicle insurance policy as the primary
6 coverage for the shared car; and

7 (10) Disclose that a shared car owner shall be permitted
8 to obtain insurance that provides coverage for loss
9 of use of a shared car."

10 **§431:10C-H Exemption, Vicarious Liability**

11 Consistent with title 49 of the United States Code section 30106, a peer
12 to-peer car-sharing program and a shared car owner shall be exempt from
13 vicarious liability under any state or local law that imposes liability
14 solely based on motor vehicle ownership.

SECTION 3. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Peer-to-Peer Car-Sharing; Peer-to-Peer Car-Sharing Programs;
Motor Vehicle Insurance; Insurance Requirements

Description:

Establishes peer-to-peer car-sharing insurance requirements.
Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



**TESTIMONY OF EVAN OUE ON BEHALF OF THE HAWAII
ASSOCIATION FOR JUSTICE (HAJ) IN SUPPORT OF HB 1619 HD2 SD1**

Date: Friday April 1, 2022

Time: 10:00 a.m.

My name is Evan Oue and I am presenting this testimony on behalf of the Hawaii Association for Justice (HAJ) in **SUPPORT** of HB 1619 HD2 SD1 - Relating to Peer-to-Peer Car Sharing Insurance Requirements. HAJ supports this measure as it mandates the required minimum amount of insurance coverage for car sharing on Peer-to-Peer car-sharing platforms to be no less than \$1,000,000.

Peer-to-Peer Car Sharing is one of the fastest growing industries across the United States resulting in a wave of legislative efforts and lobbying. This trend has an impact on the insurance industry, the rent-a-car industry, state tax collectors, and of course the companies' deriving revenue from Peer-to-Peer transactions. Most importantly, the rise of Peer-to-Peer impacts drivers, passengers and pedestrians injured in motor vehicle accidents on Hawaii's roadways. HB 1619 HD2 SD1 should be passed to ensure their interests are taken into account.

HAJ's appreciates the amendment made by the previous committee to require a sufficient amount of minimum insurance coverage of no less than \$1,000,000. There is currently a potential gap in insurance coverage for vehicles rented on a Peer-to-Peer basis because many personal automobile insurance companies are denying coverage for accidents and injuries related to the use of a privately owned vehicle as a private Peer-to-Peer rental car. An unintended consequence of this coverage denial is that a vehicle may be treated by an insurance company as uninsured, if there is no insurance provided by the Peer-to-Peer company. A minimum of \$1,000,000 in insurance coverage is crucial to ensuring there is no gap in coverage between the personal auto policy, which will be allowed to exclude coverage during Peer-to-Peer rentals, and the coverage for protecting drivers, passengers and pedestrians under the car sharing program. The amended language to require \$1,000,000 protects both the users of the Peer-to-Peer car sharing program, and the innocent victims of negligent drivers.

Although some Peer-to-Peer Car Share companies have opposed the \$1,000,000 minimum coverage and have instead propose the minimum requirement in HRS 431:10C-703, there are important reasons to keep the current language of the bill.

First, the minimum insurance amounts in HRS 431:10C-703 take into account not only the anticipated loss in a covered situation, but also the ability of Hawaii residents to pay the insurance premiums for the minimum amount of coverage. Financial ability should not be a factor considered to the same extent for commercial enterprises. The \$1,000,000 minimum is not likely a financial burden on Peer-to-Peer Car Share companies.

Second, some of the companies have testified that they currently maintain up to \$750,000 in minimum coverage for the car owners. It is unclear why the car owners are deserving of \$730,000 of additional coverage when drivers, passengers and pedestrians or other third parties would only receive the minimum. It seems at the very least, pedestrians and other third parties injured by the owner's vehicle in Hawaii are in greater need of protection than the owner who is receiving a commercial benefit and may not even be located in the state. Hawaii residents will be disadvantaged if Peer-to-Peer Car Share companies are allowed to provide \$750,000 on the mainland and only \$20,000 in Hawaii. Our residents and Hawaii consumers should not be treated like second class citizens.

Third, an increase in required insurance coverage will not result in a substantial cost increase for Peer-to-Peer Car Share companies who desire to operate in Hawaii. Increasing the insurance coverage amounts from \$750,000 and \$1,000,000 in coverage would likely result in only a marginal increase in insurance premiums, anticipated to be less than \$50 per year. Even if coverage amounts were increased from the state minimums in HRS § 431:10C-703 to \$1,000,000 the premiums would not likely increase more than \$300 to \$400 per year which is approximately \$1 per day. Such inconsequential cost increases resulting from increased insurance minimums will not deter Peer-to-Peer Car Share companies from conducting business in Hawaii.

Finally, other internet platform companies like UBER/LYFT have already agreed to the \$1,000,000 minimum coverage in HRS § 431. Peer-to-Peer Car Share Companies are more akin to other internet platform companies because they have no vehicles of their own, they pass on all financial and legal expenses of vehicle ownership and operation to private individuals, including vehicle purchase or lease price, maintenance costs, registration and vehicle taxes, garage/parking space, inspections, cleaning between rentals, and arranging for pick-up and drop-off of vehicles. Thus, Peer-to-Peer Car Share companies are able to make profits without bearing the risks or expenses of vehicle ownership.

Accordingly, HAJ recommends the current language in Section 2(a) be maintained in order to protect Hawaii residents. Thank you for allowing us to testify regarding this measure. Please feel free to contact us should you have any questions or desire additional information.

HB-1619-SD-1

Submitted on: 3/31/2022 9:55:39 AM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeff Li	Testifying for Passenger Car Rental	Oppose	Written Testimony Only

Comments:

I am an owner of a passenger car rental business. Peer-to-peer car share is a platform not only for residences to share their cars and get some income, but also for car rental businesses to list their cars for rental. There are a lot people to look for cars on Peer-to-peer car share platforms, such as TURO, because those kind of platforms are convenient and easy.

Hawaii needs those platforms to provide transportation service all over the islands for visitors. This is important for the tourism and residents of Hawaii.

It is not good to make peer-to-peer share more expensive.

April 1, 2022

The Honorable Roz Baker
Chair, the Senate Committee on Commerce and Consumer Protection

The Honorable Donovan Dela Cruz
Chair, The Senate Committee on Ways and Means

Regarding: Testimony by Soledad Roybal, Public Policy Manager,
Getaround; offering **Comments on HB1619.**

Aloha Chairs Baker and Dela Cruz, Vice Chairs Chang and Keith-Agaran, and Members of the Committees. Mahalo for the opportunity to submit written testimony on House Bill 1619 HD 2 SD 1.

Getaround offers everyday cars for the daily needs of kamaaina. Using patented technology, we are the only company that connects safe, convenient, and affordable cars with people who need them by the hour or day. Our platform allows guests to book a wide variety of vehicles directly from our app without ever having to meet in person, carry an access card, wait in line, or coordinate picking up keys, something even more essential during the pandemic.

Getaround supports an insurance framework for peer-to-peer car sharing and a fair regulatory framework designed to ensure that everyone is safe and protected in ANY motor vehicle accident. We applaud the committee's work, support these efforts, and hope to work with the committee to help everyone understand the unique business model of peer-to-peer car sharing and its benefits to your constituents.

Through the legislative process, we have been providing feedback on important amendments to HB1619 and HB1971. However, we still have concerns that could make our continued operations in Hawaii difficult if not addressed. Some of these issues include an inequitable \$1Million insurance coverage requirement, the question of an admitted insurer, and addressing vicarious liability. If not resolved, residents could miss out on this option to earn an extra income, and our communities may lose the use of this innovative transportation tool.

Inequity in requirements forcing \$1Million in policy coverage per trip:

There has been little to no explanation from those advancing this requirement of our industry as to what makes our drivers a greater risk than any other driver in Hawaii. The arbitrary requirement to insure peer-to-peer guests at a level 10X the state minimum coverage has not been supported with data. If the intent is to keep residents safe and protected, higher insurance minimums should be applied to all drivers, not solely to an industry that makes up less than 1% of the cars on the roads.

To our knowledge, there are over 100x more rental cars in Hawaii than shared cars and over 800,000 vehicles registered on Oahu alone, all of which may be insured at state minimum coverage levels. There is no pro-consumer or pro-competition reason to ask peer-to-peer carsharing and our local hosts to bear this burden.

Vicarious Liability

Since the passing of the Graves Amendment as part of a federal highway bill signed into law in 2005, car rental companies have been protected from claims for injuries caused by customers who were grossly negligent actions. As peer-to-peer car sharing is most closely associated with traditional car renting, our exemption from vicarious liability is essential for our hosts and company.

We request that language consistent with the NCOIL model be considered in this bill:

Sec. 5. A peer-to-peer car sharing program and a shared vehicle owner shall be exempt from vicarious liability in accordance with 49 U.S.C. § 30106 and under any state or local law that imposes liability solely based on vehicle ownership.

Admitted Insurer

The current language of this bill would prohibit peer-to-peer car sharing in Hawaii. Getaround is insured through Assurant/Apollo, with a non-admitted auto liability policy, we would not be able to operate in the state of Hawaii if non-admitted carriers were banned. The policy we hold is a national policy and a unique product that few carriers offer since we are a new industry that is not yet considered “standard.” Getaround utilizes this product in almost all states where we currently operate. The language as proposed also places an unfair burden on car sharing compared to rental cars and



other mobility companies utilizing surplus lines insurers. The language as proposed creates an unfair advantage for some insurers and reduces the healthy competition and competitive pricing that allows new ideas and businesses to grow.

Thank you again for this opportunity to provide our perspective and concerns on these issues. We are confident that equitable solutions can be found to protect everyone who calls Hawaii home while allowing for the safe growth of carsharing in the Islands.

Mahalo, for your consideration of our written testimony.



To: Senator Rosalyn Baker, Chair
 Senator Stanley Chang, Vice Chair
 Committee on Commerce and Consumer Protection

 Senator Donovan Dela Cruz, Chair
 Senator Gilbert Keith-Agaran, Vice Chair
 Committee on Ways and Means

From: Mark Sektnan, Vice President

Re: **HB 1619 HD2 SD1 – Relating to Peer-to-Peer Car-Sharing Insurance
Requirements**
 APCIA Position: SUPPORT

Date: Friday, April 1, 2022
 10:00 a.m., Via Videoconference

Aloha Chairs Baker and Dela Cruz, Vice Chairs Chang and Keith-Agaran and Members of the Committees:

The American Property Casualty Insurance Association of America (APCIA) is pleased to **support HB 1619 HD2 SD1** which would establish peer-to-peer car-sharing insurance requirements. Representing nearly 60 percent of the U.S. property casualty insurance market, the American Property Casualty Insurance Association (APCIA) promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe.

Peer-to-peer car sharing provides convenient, affordable, and environmentally friendly on-demand access to vehicles for those who do not own cars or for whom car ownership is cost prohibitive. It allows individuals to access a new solution to long standing mobility needs, while allowing car owners to earn passive income through sharing their vehicle, which otherwise may sit idle. The peer-to-peer car sharing transaction requires an appropriate insurance framework as is laid out in HB 1619 HD2 SD1.

For these reasons, APCIA asks for an “Aye” vote on HB 1619 HD2 SD1.

HB-1619-SD-1

Submitted on: 3/30/2022 10:52:22 AM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dolan Eversole	Individual	Oppose	Written Testimony Only

Comments:

My name is Dolan Eversole. I'm a Hawai'i resident and peer-to-peer car sharing user. I'm reaching out to you today to voice my concern about HB 1619 and its high and unfair insurance provisions for peer-to-peer car sharing trips.

HB 1619 would force peer-to-peer car sharing companies to provide astronomically high insurance limits for peer-to-peer car sharing trips with no policy basis to do so. These limits are much higher than any other similar business, including rental car companies. With a requirement such as this, peer-to-peer car sharing companies will be forced to raise their prices, and it may no longer make sense for me to share my car.

A car used for peer-to-peer car sharing is the same car a local might take down the street to run an errand. The cars we share are often the same cars we drive our families in, pick up our groceries in, live our lives in — and just as we would keep them safe for our families, Turo expects us to do the same

Bills like HB 1619 pose a threat to Hawai'i residents which we cannot afford to endure. By aiming to unduly increase burdens for peer-to-peer car sharing in Hawai'i, HB 1619 and similar bills will take away a vital resource desperately needed by your constituents.

Turo is an excellent tool for earning some much-needed income for many families in Hawaii. It also has proven to be a popular and effective way to support the transportation needs of visitors. Please keep this important option viable for local families who rely on this income. Don't let the influence of the rental car companies sway your decision-making to crush their competitors.

Hawai'i residents, who have struggled since the beginning of the pandemic, share their cars to help make ends meet and put food on their tables. Some residents rely on peer-to-peer car sharing as a mobility resource to get from point A to point B, especially when rental car companies had astronomically high prices.

Peer-to-peer car sharing allows us to better utilize our assets for the greater good of all Hawai'i residents. Why would you make sharing our cars harder now, without a good reason? You ultimately hurt Hawai'i residents who rely on this income.

HB-1619-SD-1

Submitted on: 3/30/2022 11:25:16 AM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Fern Anuenue Holland	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senators,

I am in **strong opposition to HB1619 HD2 SD1** and am incredibly disappointed that the lobbying efforts of large rental car companies are threatening the financial stability of families around the islands. It is absolutely incomprehensible that these efforts against Turo rideshare in Hawai'i are moving through the legislature.

After the incredibly hard couple of years where families have struggled to make ends meet with the global pandemic hitting us so hard measures should be being passed to SUPPORT and encourage small families to substitute their income to survive here, where costs are arguably the highest in the nation. Instead, measures like this further squeeze already financially stressed families and do nothing for the betterment of your constituents.

Renting my car is one of the only ways I was able to make ends meet in 2021 and I continue to depend on this income to not need to get a third job. My partner passed away in 2021 and renting his truck on occasion is the only way I have managed to afford to pay the payments and keep this sentimental part of him. Please dont make me have to sell it because of ridiculous laws that are supporting rental companies instead of residents like me.

If my car is rented, it is triple insured, both with my personal insurance and the insurance I get through Turo and then the guests insurance which also has to be approved.

HB1619 HD2 SD1 is unjustified in that it places higher insurance requirements on peer-to-peer car sharing companies than rental car companies, potentially driving price hikes. Who benefits from this other than rental and insurance corporations?

There is absolutely NO evidence that this measure is justified, no evidence that ride shares are responsible for any more claims than regular rental vehicles. What justifies any higher rates?

It is arguable that Turo and ride share actually benefit our islands and the tourism experience while keeping money in Hawai'i, providing safety advice and information for guests about roads and dangers and providing a one on one experience where a tourist gives back to the community directly by supporting a resident rather than a large corporation which mostly results in profits leaving Hawai'i. Why wouldn't you support this?

Why are big rental companies doing everything they can to squeeze out rideshare platforms?
Please do not be manipulated by large corporate interests and vote to pass measures at the detriment of your constituents and our family and those of us struggling to make ends meet and are utilizing this opportunity to get by during these incredibly difficult times.

Please defer HB1619 HD2 SD1 and support rideshare rather than try to crush it. Please support families like mine rather than big corporate interest.

Thank you for your consideration,

Fern Anuenue Holland

HB-1619-SD-1

Submitted on: 3/30/2022 8:27:56 PM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jocelyn Mugot	Individual	Comments	Written Testimony Only

Comments:

Aloha,

Chairs and Members of the Senate Committees on Consumer Protection and Ways & Means,

I'm writing to you today to voice my support for Turo, the peer-to-peer car sharing industry, and highlight some issues with HB 1619.

HB 1619 threatens peer-to-peer car sharing as a resource for me by requiring peer-to-peer car sharing companies to carry extremely high insurance premiums with no policy basis for doing so. The car I shared on Turo was my personal vehicle and I take maintenance and safety very seriously. If Turo was forced to carry unnecessarily high insurance premiums, that ultimately eats into my bottom line and I'll make less money, even if it still makes economic sense to continue sharing my car.

I have been a Turo host since 2017, sharing my car with visitors and locals to help cover the cost of my car and insurance payment. The experience has been life changing.

I found Turo through a recommendation and fell in love with hosting during a dark time in my life. Right after my mother passed away, my friend totaled my car. I found Turo as a way to get to and from car shopping and it was through that experience of booking a local's car, I learned all about the ways Turo can benefit our local community.

In 2015, I suffered a serious spinal injury which left me in need of 2 major surgeries, on disability, and unable to drive per doctor's orders. I listed my own car on Turo to help supplement my disability income and make ends meet.

Turo not only helped me cover the cost of owning my car, it also helped bring me out of a depression. I'm an extremely social person, making friends everywhere I go. Being stuck at home was a challenge that weighed heavily on me. Through Turo and peer-to-peer car sharing, I

was able to meet new people from all over the world - in addition to many locals looking for short-term mobility options.

Please rethink the high insurance requirements in HB 1619 and create a policy that helps enable Hawai'i residents to share cars, not hinder.

Mahalo for your time,
Jocelyn Mugot

HB-1619-SD-1

Submitted on: 3/31/2022 9:59:13 AM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Elaine Nishime	Individual	Oppose	Written Testimony Only

Comments:

Once again the city and state want to limit the mom and pop from working harder to earn a legitimate living. Why? Well to protect the car rental agencies that feed the war chest I am sure. It's not about safety, well-being nor do these tiny businesses impact the economy in any significant way, it's simply to prevent honest people from earning extra money in order to feed the monolith car rental agency. TURO offers an alternative that is MUCH easier for people to rent cars. It also provides a sustainable vehicle for the island. We do NOT need more cars imported to Hawaii by the car rental agencies to feed their enormous fleets. What they bring they do not take back to the mainland when the life of the rental car is over. And LOOK AT OUR ISLAND STREETS Littered with abandoned vehicles. The abandoned vehicles Dept can do NOTHING for the neighborhoods these wrecks litter. These cars are all along the drives to the country skeletons of rusted metal along the sides of the roadways. And the military is NOT educating their troops on how to deal with their troops cars when they are deployed. It's severe overpopulation of vehicles causing irreparable damage to our island. TURO offers a small opportunity to provide a little money for our Ohana and help keep our island less populated by the cars brought constantly by the rental agencies that NEVER go back as well as provides a bit of tax revenue to help us all pay for public services. Stop supporting Monolithic Companies and pay attention to our Island family and their needs,

HB-1619-SD-1

Submitted on: 3/31/2022 9:59:21 AM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shane Olyai	Individual	Comments	Written Testimony Only

Comments:

I offer vehicles that are "UNIQUE" in the market to hawaii that rental car companies do not offer. We use Turo as a platform of adventures. "Turo" offers a safer means of transaction, compared to private rental. such as; Identification verification, insurance and accountability of the customers. I have allowed individuals to take vehicles in the past, privately, and they were destroyed by the renter, without any compensation.

I believe this is the future of easy access and convience to our customers.

This supports the local community and keeps the money in hawaii

- supports local banks for loans/financing

- Car dealerships, such as teslas and other unique vehicles can be provided.

This provides funding and a means of income for the rising costs of living in our local community. more income more taxes paid, not sent to mainland coperations to fund other projects besides Hawaii.

Majority of the income is used in hawaii - tires, mechanics, auto parts stores purchases

FREE ENTERPRISE, is our right. Turo is a rental car company, that offers an easy way to provide services to tourism and local cusumers, needing a vehicle.

HB-1619-SD-1

Submitted on: 3/31/2022 10:33:09 AM

Testimony for CPN on 4/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ric Stark	Individual	Oppose	Written Testimony Only

Comments:

Please defeat this unfair legislation!

1) high taxaton Turo hosts will out us at uncompetitive disadvantage against car rental companies.

2) We Turo hosts are local residents operating legitimate small businesses in Hawaii. Our income supports local people and local economy. Car rental income zips off to mainland and who knows where.

3) Legislators live to run on a campaign of supporting "buy local" and supporting local folks. Now you need to prepuce it by opposing lobby of big business car rental companies.

4) Turo, Uber, Lyft support local businesses. AND local people USE it.

5) SUPPORT LOCAL! Oppose big off-island businesses.

Mahalo

Ric d Stark