
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Section 431:10C-801, Hawaii Revised Statutes,
2 is amended as follows:

3 1. By amending the definitions of "car-sharing termination
4 time" and "peer-to-peer car-sharing" to read:

5 "Car-sharing termination time" means the [~~latest~~]
6 earliest of the following events:

- 7 (1) The expiration of the agreed upon period of time
8 established for the use of a shared car according to
9 the terms of the car-sharing program agreement if
10 the shared car is delivered to the location agreed
11 upon in the car-sharing program agreement;
- 12 (2) When the shared car is returned to a location as
13 alternatively agreed upon by the shared car owner
14 and shared car driver as communicated through a
15 peer-to-peer car-sharing program[+], which
16 alternatively agreed upon location shall be



1 incorporated into the car-sharing program agreement;

2 or

3 [~~(3) When a shared car is returned to the location agreed~~
4 ~~upon in the car-sharing program agreement or~~
5 ~~alternatively agreed upon by the shared car owner~~
6 ~~and the shared car driver, as communicated through a~~
7 ~~peer-to-peer car-sharing program, before the~~
8 ~~expiration of the period of time established for the~~
9 ~~use of a shared car according to the terms of the~~
10 ~~car-sharing program agreement, and the shared car~~
11 ~~driver notifies the peer-to-peer car-sharing program~~
12 ~~of the location of the shared car;~~

13 ~~(4) When a shared car, during the car-sharing period,~~
14 ~~cannot safely or legally be operated and the shared~~
15 ~~car driver notifies the peer-to-peer car-sharing~~
16 ~~program that the shared car is inoperable and~~
17 ~~identifies the location of the shared car;~~

18 ~~(5) When the shared car owner receives notice of a~~
19 ~~safety recall affecting the shared car and the~~
20 ~~shared car driver returns the shared car to the~~
21 ~~location agreed upon in the car-sharing program~~



1 ~~agreement, or alternatively agreed upon by the~~
2 ~~shared car owner and the shared car driver, and the~~
3 ~~shared car driver notifies the peer-to-peer car-~~
4 ~~sharing program of the location of the shared car;~~
5 ~~or~~

6 (6)] (3) When the shared car owner or the shared car
7 owner's authorized designee takes possession and
8 control of the shared car.

9 "Peer-to-peer car-sharing" means the authorized
10 operation, use, or control of a motor vehicle by an
11 individual other than the motor vehicle's owner through a
12 peer-to-peer car-sharing program. "Peer-to-peer car-
13 sharing", for the purposes of assessing a vehicle surcharge
14 tax, does not mean the business of providing rental motor
15 vehicles to the public as that phrase is used in section 251-
16 3."

17 2. By amending the definitions of "peer-to-peer car-
18 sharing program" and "shared car" to read:

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



1 (1) Any person who enables a shared car driver to
2 identify, reserve, or use a shared car owned by a
3 shared car owner; or

4 (2) Any person who enables a shared car owner to
5 describe, list, or make available a shared car for
6 identification, reservation, or use by a shared car
7 driver.

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

9 (1) A transportation network company as defined in
10 section 431:10C-701;

11 (2) A car-sharing organization as defined in section
12 251-1;

13 (3) Any person registered and acting as a travel agency
14 pursuant to chapter 468L; [~~or~~]

15 (4) Any person registered and acting as an activity desk
16 pursuant to chapter 468M[~~or~~]; or

17 (5) A lessor as defined in section 251-1 or 437D-3.

18 "Shared car" means a motor vehicle that is registered
19 pursuant to chapter 286 and is not owned; controlled;
20 operated; maintained; or managed by or registered, directly
21 or indirectly through an affiliate, to the peer-to-peer car-



1 sharing program; and is available for sharing through a peer-
2 to-peer car-sharing program.

3 "Shared car" does not include [a]:

4 (1) A rental motor vehicle or vehicle as those terms are
5 defined in section 437D-3[-]; or

6 (2) A rental or U-drive motor vehicle as defined in
7 section 286-2."

8 3. By amending the definition of "shared car owner" to
9 read:

10 ""Shared car owner" means the registered owner of a
11 shared car. "Shared car owner" does not include a lessor as
12 defined in section 251-1 or 437D-3."

13 SECTION 2. Section 431:10C-802, Hawaii Revised Statutes,
14 is amended to read as follows:

15 "[+]§431:10C-802[+] **Insurance coverage during car-**
16 **sharing period.** (a) A peer-to-peer car-sharing program
17 shall ensure that during each car-sharing period, the shared
18 car shall be insured under a motor vehicle insurance policy
19 that shall provide:

20 (1) Primary insurance coverage for each shared car
21 available and used through a peer-to-peer car-



1 sharing program for death, bodily injury, and
2 property damage in amounts not less than [~~\$750,000~~
3 ~~for death, bodily injury, and property damage per~~
4 ~~accident, and costs of defense outside the limits;~~]
5 the minimum amounts set forth in section 431:10C-
6 301; and

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

12 ~~[(3) The following optional coverages,]~~

13 (b) The insurance described under subsection (a) may be
14 satisfied by a motor vehicle insurance policy maintained by:

15 (1) A shared car owner;

16 (2) A shared car driver;

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

18 (4) Any combination of a shared car owner, shared car
19 driver, and peer-to-peer car-sharing program.

20 (c) Insurers providing the motor vehicle insurance
21 policies pursuant to this section shall offer the following



1 optional coverages, which any named insured may elect to
2 reject or purchase[, ~~that provides primary coverage for each~~
3 ~~shared car available and used through a peer-to-peer car-~~
4 ~~sharing program~~]:

5 ~~[-(A)]~~ (1) Uninsured and underinsured motorist coverages
6 as provided in section 431:10C-301, which shall be
7 equal to the primary liability limits specified in
8 this section; provided that uninsured and
9 underinsured motorist coverage offers shall provide
10 for written rejection of the coverages as provided
11 in section 431:10C-301;

12 ~~[-(B)]~~ (2) Uninsured and underinsured motorist coverage
13 stacking options as provided in section 431:10C-301;
14 provided that the offer of the stacking options
15 shall provide for written rejection as provided in
16 section 431:10C-301;

17 ~~[-(C)]~~ (3) An offer of required optional additional
18 insurance coverages as provided in section 431:10C-
19 302; and

20 ~~[-(D)]~~ (4) In the event the only named insured under the
21 motor vehicle insurance policy issued pursuant to



1 this section is the peer-to-peer car-sharing
2 program, the insurer or the peer-to-peer car-sharing
3 program shall:

4 ~~[(i)]~~ (A) Disclose the coverages in writing to the
5 peer-to-peer car-sharing driver; and

6 ~~[(ii)]~~ (B) Disclose to the peer-to-peer car-sharing
7 driver in writing that all optional coverages
8 available may not have been purchased under
9 sections 431:10C-301 and 431:10C-302~~;~~ ~~and~~

10 ~~(iii)~~ ~~Obtain a written acknowledgement from the~~
11 ~~peer-to-peer car-sharing driver of receipt~~
12 ~~of the written disclosures required in~~
13 ~~paragraphs (1) and (2). The standard~~
14 ~~disclosure forms used in paragraphs (1)~~
15 ~~and (2), and every modification of such~~
16 ~~forms intended to be used, shall be filed~~
17 ~~with the commissioner within fifteen days~~
18 ~~of providing such disclosure to the peer-~~
19 ~~to-peer car-sharing driver. The insurer~~
20 ~~or the peer-to-peer car-sharing program~~
21 ~~shall also send to the peer-to-peer car-~~

1 ~~sharing driver every modified disclosure~~
2 ~~form within fifteen days of the filing of~~
3 ~~such modified disclosure form and comply~~
4 ~~with paragraph (3). Such disclosures and~~
5 ~~acknowledgement may be sent and received~~
6 ~~by electronic means].~~

7 ~~(b)~~ (d) If insurance maintained by a shared car owner
8 or shared car driver in accordance with subsection (a) has
9 lapsed, contains an exclusion for peer-to-peer car-sharing,
10 or does not provide the required coverage, insurance
11 maintained by a peer-to-peer car-sharing program shall
12 provide the coverage required by subsection (a) beginning
13 with the first dollar of a claim and shall have the duty to
14 defend the claim.

15 ~~(e)~~ (e) Coverage under a motor vehicle insurance
16 policy maintained by the peer-to-peer car-sharing program
17 shall not be dependent on another motor vehicle insurer first
18 denying a claim."

19 SECTION 3. Act 56, Session Laws of Hawaii 2022, is amended
20 by amending section 5 to read as follows:



H.B. NO. 639

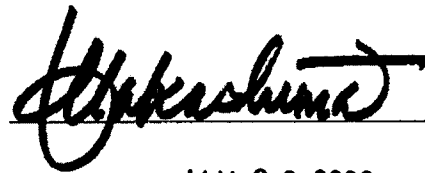
1 "SECTION 5. This Act shall take effect on January 1,
2 2023 [~~and shall be repealed on June 30, 2025~~]."

3 SECTION 4. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 5. This Act shall take effect upon its approval.

6

INTRODUCED BY:



JAN 20 2023



H.B. NO. 639

Report Title:

Insurance; Peer-to-Peer Car-Sharing; Programs; Minimum Coverage; Shared Cars

Description:

Clarifies when the termination of peer-to-peer car-sharing occurs for purposes of motor vehicle insurance. Clarifies the application of the peer-to-peer car-sharing insurance laws as to other entities that make available rental vehicles under state law. Amends the minimum motor vehicle insurance coverage for shared cars to be consistent with the existing minimum coverage for personal vehicles. Clarifies when the requirements for motor vehicle insurance coverage are satisfied. Repeals the sunset of the peer-to-peer car-sharing insurance requirements.

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

