

Honolulu, Hawaii

FEB 15 , 2024

RE: H.B. No. 1991  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 1991 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to establish:

- (1) Primary and optional coverage requirements for U-drive motor vehicle insurance policies; and
- (2) Disclosure requirements for U-drive motor vehicle insurance policies.

Your Committee received testimony in support of this measure from Turo and Hawaii Association for Justice. Your Committee received testimony in opposition to this measure from Enterprise Mobility and Avis Budget Group. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under existing law, shared cars used in a peer-to-peer car sharing program are required to carry four times the state minimums for car insurance. However, this is not a requirement for traditional rental car companies, resulting in a divide in the State's insurance coverage requirements even



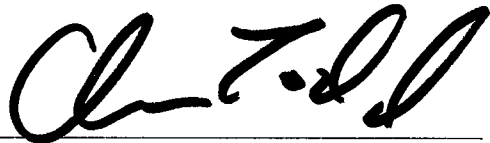
though peer-to-peer car sharing and traditional rental cars carry comparable risk profiles. Your Committee further finds that while there is value in ensuring that there is parity in coverage requirements between peer-to-peer car sharing programs and traditional rental car companies, there is a concern that drastically increasing the minimum coverage requirements for insurance policies for traditional rental cars will increase premiums for these rental car companies. Your Committee believes that additional discussion on this measure may lead to an alternative path toward parity that does not significantly harm the traditional rental car industry.

Accordingly, your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; 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 Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1991, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1991, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



CHRIS TODD, Chair



