

STAND. COM. REP. NO. 1416

Honolulu, Hawaii

MAR 24 2023

RE: H.B. No. 640  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred H.B. No. 640, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the required coverage for shared cars that are made available through a peer-to-peer car-sharing program;
- (2) Clarify when the requirements for motor vehicle insurance coverage are satisfied; and
- (3) Repeal the sunset of the peer-to-peer car-sharing insurance requirements.

Your Committee received testimony in support of this measure from Turo. Your Committee received testimony in opposition to this measure from Hawaii Association for Justice and Hawaii Insurers Council. Your Committee received comments on this measure from the Insurance Division of the Department of Commerce and Consumer Affairs and Office of Consumer Protection of the Department of Commerce and Consumer Affairs.



Your Committee finds that the proliferation of peer-to-peer car sharing has provided residents and tourists with multiple transportation options to navigate the State. To address the growing popularity of peer-to-peer car sharing platforms, the Legislature enacted Act 56, Session Laws of Hawaii 2022, to establish mandatory insurance terms for peer-to-peer car sharing platforms regarding mandatory insurance coverage. However, as peer-to-peer car sharing platforms are relatively new, additional protections are needed to address liability and safety concerns. This measure increases consumer protection safeguards on peer-to-peer car sharing platforms to ensure the safety of both vehicle owners and users.

Your Committee has amended this measure by providing that for peer-to-peer car-sharing companies whose insurance coverage falls below an unspecified amount, the counties may adopt ordinances to regulate peer-to-peer vehicles, to repeal on July 1, 2025.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 640, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 640, H.D. 1, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation and  
Culture and the Arts,



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CHRIS LEE, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Transportation and Culture and the Arts**  
**TCA**

Bill / Resolution No.:* <b>HB640 HD1</b>	Committee Referral: <b>TCA, CPN</b>	Date: <b>3/21/23</b>		
<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				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
KEOHOKALOOLE, Jarrett	✓			
AWA, Brenton	✓			
<b>TOTAL</b>	<b>5</b>			
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