

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1286
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 1286 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit the collection, sale, or disclosure of any driver data that is obtained by a motor vehicle or other connected car service, feature, or application to any third-party without the explicit consent of the owner or lessee of the vehicle.

Your Committee received testimony in opposition to this measure from the Alliance for Automotive Innovation.

Your Committee received comments on this measure from the Department of the Attorney General, Office of Consumer Protection of the Department of Commerce and Consumer Affairs, and RELX Inc.

Your Committee finds that with the increasing use of technology in new motor vehicles, automakers have been documented collecting personal data from drivers' vehicles and are now selling collected information to affiliate companies, insurance partners, data brokers, and other third parties without owner knowledge or consent. This type of data sale has led to increasing insurance rates due to tracked driving habits and location data. By prohibiting this type of data collection, sale,



or disclosure of any driver data, this measure will protect drivers from privacy invasion and unfair data usage practices.

Your Committee notes the comments of the Alliance for Automotive Innovation regarding automakers regulation under Federal Trade Commission rules on auto data privacy. Your Committee also acknowledges the Office of Consumer Protection's comments about liability, penalties, and retroactivity.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that disclosure for data collection must be given to any individual who is an owner or lessee of a motor vehicle in a clear and conspicuous manner;
- (2) Inserting a definition for "clear and conspicuous";
- (3) Requiring consent to be given for specific services with a prohibition on denying services for which additional data collection or sharing are reasonably unnecessary;
- (4) Applying the provisions of this measure only to new vehicles sold or software updates added to existing vehicles;
- (5) Adding a savings clause;
- (6) Exempting any existing contracts involving data collection from the provisions of this measure;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

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 S.B. No. 1286, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1286, 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,



CHRIS LEE, Chair



