

# OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII  
NO. 1 CAPITOL DISTRICT BUILDING  
250 SOUTH HOTEL STREET, SUITE 107  
HONOLULU, HAWAII 96813  
TELEPHONE: 808-586-1400 FAX: 808-586-1412  
EMAIL: oip@hawaii.gov

To: Senate Committee on Transportation

From: Cheryl Kakazu Park, Director

Date: February 6, 2019, 10:00 a.m.  
State Capitol, Conference Room 423

Re: Testimony on H.B. No. 1093  
Relating to Transportation Network Companies

---

---

Thank you for the opportunity to submit testimony on this bill, which would establish regulations and permitting procedures for transportation network companies. The Office of Information Practices (OIP) takes no position on the substance of this bill, but **recommends a technical amendment to a confidentiality clause.**

Proposed section \_\_\_-12, at bill pages 10-11, authorizes the Department of Transportation to inspect the records that a transportation network company would be required to maintain under this bill, either as an audit or in response to a specific complaint. Proposed subsection \_\_\_-12(c), at page 11 lines 6-11, provides that “[a]ny records inspected by the department of transportation **under this chapter** shall be confidential, are not subject to disclosure to a third party by the department of transportation without prior written consent of the transportation network company, and shall be exempt from disclosure under chapter 92F.” (Emphasis added.) This confidentiality clause presumably is intended specifically to protect transportation network company records inspected under proposed section \_\_\_-12, since it implies that the records at issue originated

from a transportation network company, and no other section of the proposed chapter discusses inspection of records. However, because the confidentiality clause refers to records inspected **“under this chapter,”** it could arguably be applied to records from any source and of any type reviewed by the department in the course of administering the proposed chapter. **To avoid unintended overreach of the confidentiality provision, OIP recommends amending the reference to “this chapter” to instead say “this section,” as follows:**

**“Any records inspected by the department of transportation under this section shall be confidential . . . .”**

Thank you for the opportunity to testify.

## TESTIMONY OF ALISON UEOKA

---

COMMITTEE ON TRANSPORTATION  
Representative Henry J. C. Aquino, Chair  
Representative Troy N. Hashimoto, Vice Chair

Wednesday, February 6, 2019  
10:00 a.m.

### **HB 1093**

Chair Aquino, Vice Chair Hashimoto, and members of the Committee on Transportation, 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.

The Hawaii Insurers Council takes no position on HB 1093, except that it **opposes** proposed § -11 of the bill (starting on page 9, line 14) because it is inconsistent with, and shortens, existing recordkeeping requirements set forth in section 431:10C-704. Section 431:10C-704(a)(1) requires a transportation network company to maintain records for prearranged rides for at least ~~five years~~ from the date of each prearranged ride, and section 431:10C-704(a)(2) requires a transportation network company to maintain driver records at least until the ~~five-year~~ anniversary of the date on which the driver's activation on the service has ended. Proposed § -11 of the bill would shorten those recordkeeping timeframes from five years to one year, to the detriment of consumers and insurers.

Therefore, the Hawaii Insurers Council requests that this Committee delete proposed § -11 in its entirety.

Thank you for the opportunity to testify.



February 6, 2019

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION  
ON HB1093 RELATING TO TRANSPORTATION NETWORK COMPANIES**

Aloha Chair Aquino and committee members. I am Gareth Sakakida Managing Director of the Hawaii Transportation Association (HTA) with over 375 members involved with the commercial ground transportation industry.

HTA supports this bill.

Companies who transport passengers are all stringently regulated as they hold the lives of their clients in their hands.

It all begins with the driver so personal and vehicular background checks, and medical qualification is a necessary starting point.

Once driver qualification is established, the riding public must then know what companies and vehicles have done their due diligence thus identifying vehicles are necessary.

Assurances of rates are important to riders' peace of mind that they are being treated fairly.

Finally, adequate levels of insurance is a critical part of regulating these service companies and the taxi and PUC regulated industries has had decades of insurance experience to determine reasonable amounts of coverage.

All passenger service providers need to be scrutinized to ensure proper levels of protection for the people they serve.

Mahalo.



Testimony of Tabatha Chow, on behalf of Uber Technologies, Inc., **in support** of HB1093

February 6, 2019

To: Chair Aquino, Vice Chair Hashimoto, and members of the House Transportation Committee:

My name is Tabatha Chow and I am the Senior Operations Manager for Uber Technologies, Inc. ("Uber") in Hawaii. I am submitting this testimony on behalf of Uber **in support** of HB1093 relating to Transportation Network Companies.

The Uber app facilitates Transportation Network Company (TNC) services. This provides flexible work opportunities for thousands of small business owners across Oahu, Maui, Big Island, and Kauai. Our technology platform connects local, independent drivers, with Hawaii residents and visitors. These independent drivers complete millions of trips every year throughout Hawaii, via the Uber platform.

HB1093 would provide uniform regulations for TNC operations throughout all of Hawaii. **TNC driver screening and other operating requirements are currently only mandated for Honolulu county**, under ROH Chapter 12. TNC insurance regulations are mandated by HRS 431:10C-703 and TNC airport operations are subject to HAR Title 19, Chapter 20.1. HB1093 would ensure TNC driver screening and other operating requirements are mandated for all islands throughout Hawaii, not just Honolulu County.

The provisions of HB1093 are very similar to the current requirements of Honolulu ROH Chapter 12 and mandate background screenings for all drivers. These screenings include

criminal background checks on all potential drivers. These checks must search federal, state, and local databases as well as the Sex Offender Public Registry Website. Driver Motor Vehicle Record (MVR) checks are also included. Various other TNC operating requirements are also addressed, including: operating permits, fare transparency, driver and vehicle identification, receipt requirements, non-discrimination and accessibility policies, record retention, and audit provisions.

We thank the Committee for the opportunity to provide this testimony and look forward to working together.

Respectfully,

A handwritten signature in black ink, appearing to read 'Tabatha Chow', with a stylized, cursive flourish at the end.

Tabatha Chow  
Senior Operations Manager  
Uber Hawaii

**HB 1093: WRITTEN TESTIMONY OF TRACI LEE OF LYFT  
SENATE TRANSPORTATION COMMITTEE  
FEBRUARY 6, 2019**

---

Chair Aquino and Committee Members,

My name is Traci Lee, and I am a Senior Public Policy Manager for Lyft, responsible for Lyft's policy and government relations in Hawai'i. This testimony is to express Lyft's support for House Bill 1093, which creates a statewide regulatory structure for ridesharing that will allow Lyft to expand throughout Hawai'i.

Lyft was founded in 2012 to improve people's lives with the world's best transportation and make our cities more livable. Lyft is an online ride-sharing application that connects people with efficient, friendly and safe drivers in their community. At a basic level, Lyft was created as an alternative to personal car ownership, and we make it easier for people to offer their neighbors a ride and help people carpool more efficiently.

In Hawai'i, Lyft has been a transportation option on Oahu since June 2014, and available on Big Island, Maui, and Kauai since March 2017. Lyft service enhances transportation options for locals and tourists alike while also acting as a complement to existing transportation infrastructure investments. In addition to providing safe rides home for those who want to responsibly enjoy a night on the town, we have partnered with different transportation agencies and municipalities throughout the U.S. to make it easier for people to use public transit by serving as first-mile and last-mile connectors, or by being a guaranteed ride home from work thereby incentivizing carpooling and use of public transit in at least one direction.

More than anything, Lyft is about giving people choices. As of this year, 45 states across the country have passed statewide legislation, like HB 1093, that regulates Lyft in a safe and comprehensive manner. We hope that Hawai'i can join that effort and allow consumers to have the ability of choosing Lyft in cities across this great state.

We think it is valuable that students at UH Manoa or Kapiolani Community College, or any of the many universities on the islands can get safe rides home, that seniors can continue to have the freedom that they once had when they were able to drive themselves around, with the same level of service and regulatory requirements from Honolulu to Kapolei, from Hilo to Kona, or any of the more than 350 major cities across the nation where they can open the app and request a ride. Lyft provides a transportation option for communities that are traditionally underserved by other forms of transit, as demonstrated by the fact that 56% of rides in Hawai'i start in low-income areas. People like the service because they know are going to get seamless, affordable, and reliable transportation. They use it millions of times a day across the nation because it is consistent and it safe.

In fact, at Lyft, safety is our top priority. Our goal is to make every ride safe, comfortable, and reliable. Our riders use Lyft because they feel safe with our drivers, which is a product of this commitment.

Before drivers can accept rides on the Lyft platform they must undergo a mandatory local, state, and national background check conducted by Checkr, which is the leading provider of background checks across the country. Checkr is also accredited by the National Association of Professional Background Screeners, which requires a rigorous audit of its procedures and policies by an independent auditor appointed by the Background Screen Credentialing Council (BSCC).

Lyft also contributes to safer streets by significantly reducing the instances of impaired driving. In Hawai'i, 76% of Lyft passengers are less likely to drive substance impaired to the availability of Lyft.

But what really distinguishes Lyft is how we utilize technology to provide consumers with accountability features in addition to our robust background checks.

Every Lyft ride is tracked via GPS, and all rides are cashless. Passengers receive their driver's picture and license plate before they enter the vehicle, and riders can also send their real time GPS and ETA to family and friends. In short, no ride is ever anonymous. After the ride, both the driver and passenger rate each other. The rating system is an important tool for safety. Rides with low ratings and concerning feedback are automatically



flagged for our Trust & Safety team to investigate and take action, which may include instant removal from the platform if appropriate. And if a safety-related complaint is lodged following the ride, we deactivate the driver so that he or she is not able to give any further rides until after we've investigated the complaint. This process, which provides a new level of responsiveness, accountability and transparency that has never previously existed in the transportation industry, has been reviewed and approved by the City of Honolulu, and in 45 states.

We are proud that Lyft is more than just a ridesharing application-- it is also a unique and flexible economic opportunity that turns anyone with a car into an entrepreneur who can set a schedule according to their terms. In fact, 95% percent of Lyft drivers in Hawai'i drive less than 20 hours per week. The Lyft driver community is made up of retirees, single parents, students, folks trying to get around, and families simply trying to make ends meet. In Hawai'i, Lyft drivers span a diverse cross-section of the community-- 25% of drivers are veterans, 26% are over the age of 50, and 30% are female.

Along with these community and economic benefits, we believe that Lyft is contributing to a more sustainable Hawai'i. Indeed, over 80% of cars on the road have only one occupant. 27% of Lyft users do not own or lease a personal vehicle, and 66% of non-car owners say that Lyft has impacted their decision not to own or lease a personal vehicle. By getting a Lyft instead of driving their cars, Hawaiians are not just saving time, they are reducing congestion, freeing up parking, making more efficient use of existing roads, and with this bill, supporting sustainable transportation infrastructure.

Since last spring, all Lyft rides have been carbon neutral, and Lyft is now a fully carbon neutral company. Last year, we made a multi-million dollar investment to create a program to offset over 1 million metric tons of carbon. We've purchased enough renewable energy to cover the electricity consumption of every Lyft office space, driver hub, and electric vehicle mile on our platform. We are now one of the top 10 voluntary purchasers of carbon offsets on the planet, and every ride now contributes to fighting climate change.

Statewide legislation is a path towards providing consumers, drivers and visitors a consistent experience with Lyft. We urge this committee to

support establishing a clear, workable regulatory framework that can be applied to all ridesharing companies regardless of size and cities of operation to ensure that safe, reliable and affordable rides are available for all in Hawai'i.

Thank you for your consideration of Lyft's testimony in support of HB 1093.



