

Honolulu, Hawaii

March 27, 2015

RE: S.B. No. 1280
S.D. 2
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and
Judiciary, to which was referred S.B. No. 1280, S.D. 2, H.D. 1,
entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION NETWORK
COMPANIES,"

beg leave to report as follows:

The purpose of this measure is to preserve alternative forms
of transportation services available to consumers while affording
consumers the protection of law by regulating transportation
network companies. Among other things, this measure:

- (1) Requires the Public Utilities Commission (PUC) to
regulate transportation network companies and
transportation network company drivers;
- (2) Establishes motor vehicle insurance requirements for the
transportation network company industry;
- (3) Establishes minimum qualifications for transportation
network company drivers; and
- (4) Appropriates funds for the PUC to carry out the
regulation of transportation network companies and their
drivers.



The Hawaii Transportation Association; Property Casualty Insurers Association of America; State Farm Mutual Automobile Insurance Company; United Services Automobile Association; Signature Cab Holdings, Inc.; Liberty Mutual Insurance; and Charley's Taxi & Limousine provided testimony in support of this measure. B.T. Trans, LLC; Uber Technologies; and a few individuals opposed this measure. The Department of the Attorney General; Department of Commerce and Consumer Affairs; Public Utilities Commission; Hawaii Insurers Council; Roberts Hawaii; and Grassroot Institute of Hawaii submitted comments.

Your Committees have amended this measure by changing its effective date to July 1, 2112, to encourage further discussion.

Your Committees note that the counties may already have the authority to regulate the transportation network company industry. Additionally, your Committees received testimony regarding agreed upon language between UBER Technologies and several insurance companies nationally. Your Committees respectfully request that your Committee on Finance further examine these issues.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1280, S.D. 2, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 1280, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Consumer
Protection & Commerce and
Judiciary,



KARL RHOADS, Chair



ANGUS L.K. MCKELVEY, Chair



