

LATE

UBER

TESTIMONY OF BRIAN HUGHES ON BEHALF OF UBER TECHNOLOGIES
IN OPPOSITION TO S.B 2777

February 11, 2016

Chair Baker, Chair Inouye, Chair Nishihara and Members of the Committee, thank you for the opportunity to give testimony on behalf of Uber Technologies. As General Manager for Uber Hawaii, I am testifying in opposition to the proposed draft of SB 2777.

While I am grateful for the efforts of the committee to recognize Transportation Network Companies (TNC's) and outline a proposed approach for insurance guidelines, we oppose the current language of SB 2777 as it is a significant deviation from a recent compromise reached by the National Conference of Insurance Legislators (NCOIL).

We would like to continue working with all parties to reach a compromise that benefits Hawaii residents, particularly the over 4,000 local residents enjoying flexible income opportunities enabled by this model.

Residents in states that have passed similar regulations have already begun to benefit from the clearly-defined insurance requirements for Transportation Network Companies and their drivers. We believe the NCOIL model imposes reasonable and workable requirements for TNCs and their drivers and provides insurers with the ability to make sound underwriting and pricing decisions. We believe it will create an environment where TNC services will thrive and also facilitate development of a robust insurance market for this new business model.

The auto insurance and transportation network industries share a mutual commitment to ensuring safe transportation options and this includes ensuring that Transportation Network Companies and drivers using their software maintain appropriate automobile insurance. The NCOIL language is supported by the major insurance trade associations, insurance carriers, and transportation network companies and reflects a true compromise.

Rather than design a new framework from scratch, we'd suggest updating this draft with NCOIL language and amending a few remaining points. In doing so, the State can enable greater consumer access to reliable, safe, and affordable transportation options.

Thank you for the opportunity to offer these comments.