

Honolulu, Hawaii

FEB 14 2019

RE: S.B. No. 1161  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 1161 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish rules, regulations, and permitting procedures for transportation network companies operating in the State; and
- (2) Make permanent insurance requirements for transportation network companies and transportation network drivers.

Your Committee received testimony in support of this measure from the Department of Transportation; Uber Technologies, Inc.; and Lyft. Your Committee received comments on this measure from the Office of Information Practices, City and County of Honolulu Department of Customer Services, and Hawaii Insurers Council.

Your Committee finds that transportation network companies are entities that use a digital network or software application service to connect passengers with transportation network company drivers. Transportation network companies have gained an immense amount of popularity due to their convenience for the residents of



the State. This service is being utilized by numerous individuals, both as customers and as drivers. Your Committee further finds that statewide regulation of transportation network companies is needed to ensure the safety, reliability, and cost-effectiveness of rides provided by transportation network company drivers, as well as to preserve and enhance access to important transportation options for residents and visitors of the State.

Your Committee has amended this measure by:

- (1) Inserting a blank annual permit fee that the Director of Transportation is required to collect from an eligible transportation network company prior to the issuance of a permit;
- (2) Deleting language requiring transportation network companies to maintain certain records for three years and rather allow the current requirement of retention for five years to apply;
- (3) Clarifying language requiring the Department of Transportation to inspect and keep confidential certain records solely for the purpose of verifying that a transportation network company is in full compliance; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1161, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1161, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.



Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,

  
LORRAINE R. INOUE, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Transportation**  
**TRS**

Bill / Resolution No.:* <i>SB 1161</i>	Committee Referral: <i>TRS, CPH</i>	Date: <i>2/11/19</i>		
<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				
Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	✓			
HARIMOTO, Breene (VC)		✓		
ENGLISH, J. Kalani				✓
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<i>3</i>	<i>1</i>		<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Breene Harimoto</i>				
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes