STAND. COM. REP. NO. 3656

Honolulu, Hawaii JUN 2 2 2020

RE:

H.B. No. 1833

H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committees on Transportation and Commerce, Consumer Protection, and Health, to which was referred H.B. No. 1833, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PEER-TO-PEER CAR-SHARING,"

beg leave to report as follows:

The purpose and intent of this measure is to regulate peerto-peer car sharing in Hawaii by creating certain insurance, notice, recordkeeping, and disclosure requirements.

Your Committees received testimony in support of this measure from the Department of Transportation and SanHi Government Strategies, LLLP. Your Committees received testimony in opposition to this measure from Avail, Inc./Allstate and Hawaii Association for Justice. Your Committees received comments on this measure from Department of Taxation; Department of Commerce and Consumer Affairs; Tax Foundation of Hawaii; Getaround, Inc.; and Turo, Inc.

Your Committees find that this measure creates a new chapter in the Hawaii Revised Statutes to govern peer-to-peer car sharing in Hawaii. However, your Committees also find that the measure lacks adequate protection for consumers. Furthermore, your Committees find that the measure, as written, subjects peer-topeer car sharing programs to double taxation.

Accordingly, your Committees have amended this measure by:

- Adopting the proposed amendments from the Department of (1) Commerce and Consumer Affairs, which improves consumer protection by requiring peer-to-peer car sharing programs to:
  - (A) Provide primary insurance coverage;
  - (B) Disclose to the consumer all required taxes and fees, costs, insurance costs, and total price to rent the vehicle;
  - Collect complete and accurate data such as (C) insurance policy numbers, coverage amounts, and the names and contact information of car share drivers and car share owners; and
  - Remove vehicles subject to recall from the peer-to-(D) peer car sharing platform;
- Adopting the proposed amendments from the Department of (2) Taxation, which clarify that the Rental Vehicle Surcharge Tax marketplace facilitator is not the lessor of the vehicle; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1833, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1833, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Transportation and Commerce, Consumer Protection, and Health,

ROSALYN H. BAKER, Chair

LORRAINE R. INOUYE, Chair

## The Senate Thirtieth Legislature State of Hawaiʻi

## Record of Votes Committee on Transportation TRS

| Bill / Resolution No.:*  | Committee Referral: |                      |                        | Date:   |                         |  |  |  |
|--|---------------------|----------------------|------------------------|---------|-------------------------|--|--|--|
| HB1833 HDZ   | TRS/CPH, WAM        |                      |                        | 3/16/20 |                         |  |  |  |
| The Committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to: |                     |                      |                        |         |                         |  |  |  |
| The Recommendation is:   |                     |                      |                        |         |                         |  |  |  |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313  |                     |                      |                        |         |                         |  |  |  |
| Members  |                     | Aye                  | Aye (WR                | ) Nay   | Excused                 |  |  |  |
| INOUYE, Lorraine R. (C)  |                     |                      |                        |         |                         |  |  |  |
| HARIMOTO, Breene (VC)  | ··                  |                      |                        |         |                         |  |  |  |
| ENGLISH, J. Kalani   |                     |                      |                        |         | V                       |  |  |  |
| SHIMABUKURO, Maile S.L.  |                     |                      |                        |         |                         |  |  |  |
| FEVELLA, Kurt  |                     | /                    |                        |         |                         |  |  |  |
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| TOTAL  | /                   | 3                    |                        |         | 2                       |  |  |  |
| Recommendation:  Adopted  Not Adopted  |                     |                      |                        |         |                         |  |  |  |
| Chair's or Designee's Signature:   |                     |                      |                        |         |                         |  |  |  |
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<sup>\*</sup>Only one measure per Record of Votes

## The Senate Thirtieth Legislature State of Hawai'i

## Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

| Bill / Resolution No.:*  | Committee Referral: |                                       |         | Date:   |         |  |  |  |  |
|--|---------------------|---------------------------------------|---------|---------|---------|--|--|--|--|
| HB1833 HD2   | TRS/CPH, WAM        |                                       |         | 3/16/20 |         |  |  |  |  |
| The Committee is reconsidering its previous decision on this measure.  |                     |                                       |         |         |         |  |  |  |  |
| If so, then the previous decision was to:  |                     |                                       |         |         |         |  |  |  |  |
| The Recommendation is:   |                     |                                       |         |         |         |  |  |  |  |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313  |                     |                                       |         |         |         |  |  |  |  |
| Members  |                     | Aye                                   | Aye (WF | R) Nay  | Excused |  |  |  |  |
| BAKER, Rosalyn H. (C)  |                     | 1                                     |         |         |         |  |  |  |  |
| CHANG, Stanley (VC)  |                     | 1                                     |         |         |         |  |  |  |  |
| NISHIHARA, Clarence K.   |                     |                                       |         |         | 7       |  |  |  |  |
| RUDERMAN, Russell E.   |                     | .=                                    |         |         | ~       |  |  |  |  |
| THIELEN, Laura H.  |                     |                                       |         |         | /       |  |  |  |  |
| WAKAI, Glenn   |                     | \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ |         |         |         |  |  |  |  |
| FEVELLA, Kurt  |                     | V                                     |         |         |         |  |  |  |  |
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| TOTAL  |                     | 4                                     |         |         | 3       |  |  |  |  |
| Recommendation:  Adopted Not Adopted   |                     |                                       |         |         |         |  |  |  |  |
| Chair's or Designee's Signature:   |                     |                                       |         |         |         |  |  |  |  |
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<sup>\*</sup>Only one measure per Record of Votes