

Honolulu, Hawaii

MAR 0 1 2019

RE: S.B. No. 1161 S.D. 2

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

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 1161, S.D. 1, 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 company drivers.

Your Committee received testimony in support of this measure from the Department of Transportation; Lyft; and Uber Technologies, Inc. Your Committee received testimony in opposition to this measure from Charley's Taxi and Hawaii Passenger and Property Carriers Association. Your Committee received comments on this measure from the City and County of Honolulu Department of Transportation Services.

Your Committee finds that transportation network companies enhance access to transportation options for residents and

visitors of the State by providing a convenient means of transportation. Your Committee further finds that given the rise in popularity of transportation network companies in recent years, statewide regulation is needed to ensure the safety, reliability, and cost-effectiveness of rides provided by transportation network companies. This measure will establish necessary procedures to regulate a widely used service, thereby ensuring the safety of consumers.

Your Committee has amended this measure by:

- (1) Adopting amendments suggested by Lyft that:
 - (A) Remove the prohibition against owning a transportation network company vehicle in the definition of a "transportation network company";
 - (B) Clarify that the definition of "transportation network company vehicle" includes a vehicle that is not operating as a taxicab, limousine, or other for-hire vehicle;
 - (C) Clarify that a picture of the transportation network company driver and the vehicle's license plate number shall be displayed to a rider during a prearranged ride;
 - (D) Clarify that existing insurance requirements apply to transportation network companies and transportation network company drivers, rather than entities and individuals;
 - (E) Specify that certain requirements for transportation network company drivers must be met prior to accepting trip requests;
 - (F) Update references from the national sex offender registry to the United States Department of Justice national sex offender public website or publicly accessible State sex offender registry;
 - (G) Clarify that failure to possess valid registration and automobile liability insurance disqualifies an

individual from acting as a transportation network company driver; and

- (2) Specifying that transportation network company drivers must comply with all applicable laws to accommodate assistance animals, rather than just service animals, and inserting a definition of "assistance animal"; and
- (3) 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1161, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1161, S.D. 2.

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

ROSALYN H. BAKER, Chair

The Senate Thirtieth Legislature State of Hawai'i

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

Bill / Resolution No.:*	Committee Referral:		D	Date:	
SB1161, SD1 TRS, CPH			7/26/19		
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended V Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		✓			
CHANG, Stanley (VC)		V			
KEOHOKALOLE, Jarrett		V			
NISHIHARA, Clarence K.					
RUDERMAN, Russell E.					V
THIELEN, Laura H.		V			
FEVELLA, Kurt					
		No. 1			
			- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1		
		.	The second of the		
		÷-			
TOTAL		6			1
Recommendation:		<u> </u>			<u> </u>
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes