STAND. COM. REP. NO. 2422

Honolulu, Hawaii

FEB 2 7 2020

RE: S.B. No. 2808

S.D. 1

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

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2808 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; Hawaii Passenger and Property Carriers Association; and Uber Technologies, Inc. Your Committee received testimony in opposition to this measure from Roberts Hawaii, Inc. Your Committee received comments on this measure from the Consumer Data Industry Association.

Your Committee finds that driver screening and other operating requirements for transportation network companies are currently only mandated for the City and County of Honolulu. This measure incorporates consensus language between the Department of

Transportation and other stakeholders to uniformly regulate transportation network companies across all islands and will help promote public safety for those that utilize transportation network companies as a transportation option.

Your Committee notes the concerns raised in the testimony of the Consumer Data Industry Association that this measure's requirement to have background checks performed only by those companies accredited by the Professional Background Screening Association (PBSA) is problematic and restrictive. As PBSA is a trade association and not a regulatory body, an accreditation from PBSA does not necessarily make background screenings compliant with federal law. Accordingly, an amendment to this measure is necessary to address this concern and remove this limitation.

Your Committee has amended this measure by requiring transportation network companies to conduct a national and local criminal background check for each applicant and driver on an annual basis, and deleting the use of a third-party commercial background check company accredited by the PBSA to perform the required check.

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. 2808, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2808, S.D. 1.

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:			Date:	
SB 2808	TRS, CPH			2/20/20	
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
BAKER, Rosalyn H. (C)		~			
CHANG, Stanley (VC)					-
NISHIHARA, Clarence K.		_			7
RUDERMAN, Russell E.	<del>" ,</del>				7
THIELEN, Laura H.		-			7
WAKAI, Glenn		7			
FEVELLA, Kurt	_	7			
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TOTAL		Ч			3
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
<b>Distribution:</b> Original File with Committee Rep		llow s Office [	Pink Goldenrod Prafting Agency Committee File Copy		
					7

\*Only one measure per Record of Votes