



1 driver that govern the use of a shared car through a  
2 peer-to-peer car-sharing program. "Car-sharing program  
3 agreement" does not mean a rental agreement as defined in  
4 section 437D-3.

5 "Car-sharing start time" means the time when the shared car  
6 becomes subject to the control of the shared car driver at or  
7 after the time the reservation of a shared car is scheduled to  
8 begin as documented in the records of a peer-to-peer car-sharing  
9 program.

10 "Car-sharing termination time" means the earliest of the  
11 following events:

- 12 (1) The expiration of the agreed upon period of time  
13 established for the use of a shared car according to  
14 the terms of the car-sharing program agreement if the  
15 shared car is delivered to the location agreed upon in  
16 the car-sharing program agreement;
- 17 (2) When the shared car is returned to a location as  
18 alternatively agreed upon by the shared car owner and  
19 shared car driver as communicated through a  
20 peer-to-peer car-sharing program; or



1           (3) When the shared car owner or the shared car owner's  
2                   authorized designee takes possession and control of  
3                   the shared car.

4           "Peer-to-peer car-sharing" means the authorized use of a  
5 vehicle by an individual other than the vehicle's owner through  
6 a peer-to-peer car-sharing program. "Peer-to-peer car-sharing"  
7 does not mean the business of providing rental motor vehicles to  
8 the public as that phrase is used in section 251-3 or the  
9 business of a lessor as defined in section 437D-3.

10           "Peer-to-peer car-sharing program" means a business  
11 platform that connects vehicle owners with drivers to enable the  
12 sharing of vehicles for financial consideration. "Peer-to-peer  
13 car-sharing program" does not mean lessor as defined in  
14 section 437D-3. "Peer-to-peer car-sharing program" is not a  
15 car-sharing organization as defined in section 251-1.

16           "Shared car" means a vehicle that is available for sharing  
17 through a peer-to-peer car-sharing program. "Shared car" does  
18 not mean a rental motor vehicle or vehicle as those terms are  
19 defined in section 437D-3.

20           "Shared car driver" means an individual who has been  
21 authorized to drive the shared car by the shared car owner under



1 a car-sharing program agreement. "Shared car driver" does not  
2 mean lessee as defined in section 437D-3.

3 "Shared car owner" means the registered owner, or a person  
4 or entity designated by the registered owner, of a vehicle made  
5 available for sharing to shared car drivers through a  
6 peer-to-peer car-sharing program. "Shared car owner" does not  
7 mean a lessor as defined in section 437D-3.

8 § -2 Insurance coverage during car-sharing period. (a)

9 A shared car owner, peer-to-peer car-sharing program, and peer-  
10 to-peer car-sharing platform shall ensure that during each car-  
11 sharing period, the shared car shall be insured under a motor  
12 vehicle insurance policy that provides primary insurance  
13 coverage for each shared car available and used through a peer-  
14 to-peer car-sharing program in amounts no less than the minimum  
15 amounts required for a transportation network driver or a  
16 transportation network company under section 431:10C-703(d).

17 (b) In addition to the insurance coverage required by this  
18 section, insurers offering insurance through a peer-to-peer car-  
19 sharing program shall be subject to chapter 431.

20 § -3 Notification of implications of lien. When a car  
21 owner registers as a shared car owner on a peer-to-peer



1 car-sharing program and prior to when the shared car owner makes  
2 a shared car available for car-sharing on the peer-to-peer  
3 car-sharing program, the peer-to-peer car-sharing program shall  
4 notify the shared car owner that, if the shared car has a lien  
5 against it, the use of the shared car through a peer-to-peer  
6 car-sharing program, including use without physical damage  
7 coverage, may violate the terms of the contract with the  
8 lienholder.

9       **§ -4 Exclusions in motor vehicle insurance policies.**

10 (a) An authorized insurer that writes motor vehicle insurance  
11 in the State may exclude any and all coverage and the duty to  
12 defend or indemnify any claim afforded under a shared car  
13 owner's motor vehicle insurance policy, including:

- 14       (1) Liability coverage for bodily injury and property  
15       damage;
- 16       (2) Personal injury protection coverage as set forth in  
17       section 431:10C-304;
- 18       (3) Uninsured and underinsured motorist coverage;
- 19       (4) Medical payments coverage;
- 20       (5) Comprehensive physical damage coverage; and
- 21       (6) Collision physical damage coverage.



1 (b) Nothing in this chapter shall invalidate or limit an  
2 exclusion contained in a motor vehicle insurance policy,  
3 including any insurance policy in use or approved for use that  
4 excludes coverage for motor vehicles made available for rent,  
5 sharing, or hire.

6 § -5 **Recordkeeping; use of vehicle in car-sharing.** A  
7 peer-to-peer car-sharing program shall collect and verify  
8 records pertaining to the use of a shared car, including times  
9 used, fees paid by the shared car driver, and revenues received  
10 by the shared car owner, and provide that information upon  
11 request to the shared car owner, the shared car owner's insurer,  
12 or the shared car driver's insurer to facilitate a claim  
13 coverage investigation. The peer-to-peer car-sharing program  
14 shall retain the records for a time period no less than the  
15 six-year statute of limitations period set forth under  
16 section 657-1(4).

17 § -6 **Exemption; vicarious liability.** Consistent with  
18 title 49 United States Code section 30106, a peer-to-peer  
19 car-sharing program and a shared car owner shall be exempt from  
20 vicarious liability under any state or local law that imposes  
21 liability solely based upon motor vehicle ownership.



1           **§ -7 Contribution against indemnification.** A motor  
2 vehicle insurer that defends or indemnifies a claim against a  
3 shared car that is excluded under the terms of its policy shall  
4 have the right to seek contribution against the motor vehicle  
5 insurer of the peer-to-peer car-sharing program if the claim is:

6           (1) Made against the shared car owner or the shared car  
7           driver for loss or injury that occurs during the  
8           car-sharing period; and

9           (2) Excluded under the terms of its policy.

10          **§ -8 Insurable interest.** (a) Notwithstanding any other  
11 law or rule to the contrary, a peer-to-peer car-sharing program  
12 shall have an insurable interest in a shared car during the  
13 car-sharing period.

14          (b) A peer-to-peer car-sharing program may own and  
15 maintain as the named insured one or more policies of motor  
16 vehicle insurance that provides coverage for:

17          (1) Liabilities assumed by the peer-to-peer car-sharing  
18          program under a peer-to-peer car-sharing program  
19          agreement;

20          (2) Any liability of the shared car owner; or



1 (3) Damage or loss to the shared car or any liability of  
2 the shared car driver.

3 § -9 Required disclosures and notices. For each shared  
4 car participating in a car-sharing program agreement on its  
5 platform, a peer-to-peer car-sharing program shall:

6 (1) Provide the shared car owner and shared car driver  
7 with the terms and conditions of the car-sharing  
8 program agreement;

9 (2) Disclose to the shared car driver any costs or fees  
10 that are charged to the shared car driver under the  
11 car-sharing program agreement;

12 (3) Disclose to the shared car owner any costs or fees  
13 that are charged to the shared car owner under the  
14 car-sharing program agreement;

15 (4) Provide an emergency telephone number for a person  
16 capable of facilitating roadside assistance to the  
17 shared car driver;

18 (5) Disclose any right of the peer-to-peer car-sharing  
19 program to seek indemnification from the shared car  
20 owner or the shared car driver for economic loss  
21 sustained by the peer-to-peer car-sharing program



- 1           caused by a breach of the car-sharing program  
2           agreement;
- 3           (6) Disclose that a motor vehicle insurance policy issued  
4           to the shared car owner for the shared car or to the  
5           shared car driver does not provide a defense or  
6           indemnification for any claim asserted by the  
7           peer-to-peer car-sharing program;
- 8           (7) Disclose that the peer-to-peer car-sharing program's  
9           insurance coverage on the shared car owner and the  
10          shared car driver is in effect only during each  
11          car-sharing period and that the shared car may not  
12          have insurance coverage for use of the shared car by  
13          the shared car driver after the car-sharing  
14          termination time;
- 15          (8) Disclose any insurance or protection package costs  
16          that are charged to the shared car owner or the shared  
17          car driver;
- 18          (9) Disclose that the shared car owner's motor vehicle  
19          insurance policy may not provide coverage for a shared  
20          car; and



1 (10) Disclose to the shared car driver any conditions in  
2 which the shared car driver is required to maintain a  
3 motor vehicle insurance policy as the primary coverage  
4 for the shared car in order to drive a shared car.

5 **§ -10 Driver's license verification and data retention.**

6 (a) A peer-to-peer car-sharing program shall not enter into a  
7 car-sharing program agreement with a shared car driver unless  
8 the shared car driver:

9 (1) Holds a driver's license issued under section 286-102  
10 that authorizes the shared car driver to operate  
11 vehicles of the class of the shared car;

12 (2) Is a nonresident who:

13 (A) Has a driver's license issued by the state or  
14 country of the driver's residence that authorizes  
15 the shared car driver in that state or country to  
16 drive vehicles of the class of the shared car;

17 and

18 (B) Is at least the same age as that required of a  
19 resident to drive; or

20 (3) Otherwise is specifically authorized to drive vehicles  
21 of the class of the shared car.



- 1 (b) A peer-to-peer car-sharing program shall record:
- 2 (1) The name and address of the shared car driver; and
- 3 (2) The place of issuance and number of the driver's
- 4 license of the shared car driver and each other
- 5 person, if any, who will operate the shared car.

6 § -11 **Responsibility for equipment.** A peer-to-peer

7 car-sharing program shall have sole responsibility for any

8 equipment, such as a global positioning system or other special

9 equipment that is put in or on the shared car to monitor or

10 facilitate the car-sharing transaction, and shall agree to

11 indemnify and hold harmless the shared car owner for any damage

12 to or theft of the equipment during the car-sharing period not

13 caused by the shared car owner. The peer-to-peer car-sharing

14 program shall have the right to seek indemnification from the

15 shared car driver for any loss or damage to the equipment that

16 occurs during the car-sharing period.

17 § -12 **Motor vehicle safety recalls.** (a) At the time

18 when a vehicle owner registers as a shared car owner on a

19 peer-to-peer car-sharing program and prior to the time when the

20 shared car owner makes a shared car available for car-sharing on



1 the peer-to-peer car-sharing program, the peer-to-peer  
2 car-sharing program shall:

3 (1) Verify that no safety recalls exist for the make and  
4 model of the shared car for which repairs have not  
5 been made; and

6 (2) Notify the shared car owner of the requirements under  
7 subsection (b).

8 (b) A shared car owner shall:

9 (1) Not make the shared car available for use through a  
10 peer-to-peer car-sharing program if the shared car  
11 owner has received notice of a safety recall on the  
12 shared car, until the safety repair has been made;

13 (2) Remove any shared car listed for use through a  
14 peer-to-peer car-sharing program upon receipt of  
15 notice of a safety recall as soon as practicably  
16 possible but no longer than seventy-two hours after  
17 receipt of notice of a safety recall; and

18 (3) Notify the peer-to-peer car-sharing program of a  
19 safety recall within seventy-two hours of receipt of a  
20 safety recall when the shared car is in the possession  
21 of a shared car driver so that the peer-to-peer



1 car-sharing program may notify the shared car driver  
2 and the shared car may be removed from use until the  
3 shared car owner effects the necessary safety recall  
4 repair.

5 § -13 Relation to other laws. Chapter 437D shall not  
6 apply to peer-to-peer car-sharing."

7 SECTION 2. Chapter 251, Hawaii Revised Statutes, is  
8 amended by adding a new section to be appropriately designated  
9 and to read as follows:

10 "§251- Peer-to-peer car-sharing surcharge tax. (a)  
11 There is levied, assessed, and collected each month a  
12 peer-to-peer car-sharing surcharge tax of \$ \_\_\_\_\_ per day,  
13 or any portion of a day, that a shared car is shared pursuant to  
14 a car-sharing program agreement. The peer-to-peer car-sharing  
15 surcharge tax shall be levied upon the operator of the  
16 peer-to-peer car-sharing program. Notwithstanding any law to  
17 the contrary, neither the tax levied pursuant to  
18 section 251-2(a) for rental motor vehicles rented or leased by  
19 rental motor vehicle lessors, nor the tax provided for pursuant  
20 to section 251-2.5 on car-sharing organizations shall be  
21 applicable to a peer-to-peer car sharing program.



1        (b) For purposes of this section:  
2        "Car-sharing program agreement" has the same meaning as in  
3 section        -1.  
4        "Peer-to-peer car-sharing program" has the same meaning as  
5 in section        -1.  
6        "Shared car" has the same meaning as in section        -1."  
7        SECTION 3. New statutory material is underscored.  
8        SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

Department of Taxation; Peer-to-Peer Car-Sharing; Authorized;  
Surcharge Tax; State Highway Fund

**Description:**

Authorizes peer-to-peer car-sharing and establishes regulations  
thereof. Establishes the peer-to-peer car-sharing surcharge tax  
on the operator of the peer-to-peer program. Effective  
7/1/2050. (SD1)

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not legislation or evidence of legislative intent.*

