



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

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

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

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

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  
8           to the public" as the 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 defined in  
19          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 vehicle drivers through a peer-  
6 to-peer car-sharing program. "Shared car owner" is not a  
7 "lessor" as defined in section 437D-3.

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

9 A peer-to-peer car-sharing program shall ensure that during each  
10 car-sharing period, the shared car owner and the shared car  
11 driver shall be insured under a motor vehicle insurance policy  
12 that provides insurance coverage in amounts no less than the  
13 minimum amounts required under section 431:10C-301 and:

14 (1) Insurance to pay on behalf of the shared car owner and  
15 the shared car driver while the shared car insured  
16 under the policy is made available and used through a  
17 peer-to-peer car-sharing program; and

18 (2) Does not exclude use of a shared car by a shared car  
19 driver.

20 (b) A peer-to-peer car-sharing program shall be insured  
21 under a policy that provides primary insurance coverage for each



1 shared car available and used through a peer-to-peer car-sharing  
2 program in amounts no less than the minimum amounts required for  
3 a transportation network driver or a transportation network  
4 company under section 431:10C-703.

5 (c) In addition to the insurance coverage required by this  
6 section, insurers offering insurance through a peer-to-peer car-  
7 sharing program shall be subject to chapter 431.

8 § -3 Notification of implications of lien. When a car  
9 owner registers as a shared car owner on a peer-to-peer car-  
10 sharing program and prior to when the shared car owner makes a  
11 shared car available for car-sharing on the peer-to-peer car-  
12 sharing program, the peer-to-peer car-sharing program shall  
13 notify the shared car owner that, if the shared car has a lien  
14 against it, the use of the shared car through a peer-to-peer  
15 car-sharing program, including use without physical damage  
16 coverage, may violate the terms of the contract with the  
17 lienholder.

18 § -4 Exclusions in motor vehicle insurance policies.

19 (a) An authorized insurer that writes motor vehicle insurance  
20 in the State may exclude any and all coverage and the duty to



1 defend or indemnify any claim afforded under a shared car  
2 owner's motor vehicle insurance policy, including:

3 (1) Liability coverage for bodily injury and property  
4 damage;

5 (2) Personal injury protection coverage as set forth in  
6 section 431:10C-304;

7 (3) Uninsured and underinsured motorist coverage;

8 (4) Medical payments coverage;

9 (5) Comprehensive physical damage coverage; and

10 (6) Collision physical damage coverage.

11 (b) Nothing in this chapter shall invalidate or limit an  
12 exclusion contained in a motor vehicle insurance policy,  
13 including any insurance policy in use or approved for use that  
14 excludes coverage for motor vehicles made available for rent,  
15 sharing, or hire or for any business use.

16 **§ -5 Recordkeeping; use of vehicle in car-sharing.** A  
17 peer-to-peer car-sharing program shall collect and verify  
18 records pertaining to the use of a vehicle, including times  
19 used, fees paid by the shared car driver, and revenues received  
20 by the shared car owner, and provide that information upon  
21 request to the shared car owner, the shared car owner's insurer,



1 or the shared car driver's insurer to facilitate a claim  
2 coverage investigation. The peer-to-peer car-sharing program  
3 shall retain the records for a time period not less than the  
4 six-year statute of limitations period set forth under section  
5 657-1(4).

6       § -6 **Contribution against indemnification.** A motor  
7 vehicle insurer that defends or indemnifies a claim against a  
8 shared car that is excluded under the terms of its policy shall  
9 have the right to seek contribution against the motor vehicle  
10 insurer of the peer-to-peer car-sharing program if the claim is:

11       (1) Made against the shared car owner or the shared car  
12             driver for loss or injury that occurs during the car-  
13             sharing period; and

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

15       § -7 **Insurable interest.** (a) Notwithstanding any other  
16 law, statute, or rule to the contrary, a peer-to-peer car-  
17 sharing program shall have an insurable interest in a shared car  
18 during the car-sharing period.

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



1 (1) Liabilities assumed by the peer-to-peer car-sharing  
2 program under a peer-to-peer car-sharing program  
3 agreement;

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

5 (3) Damage or loss to the shared car or any liability of  
6 the shared car driver.

7 § -8 Required disclosures and notices. For each shared  
8 car participating in a car-sharing agreement on its platform, a  
9 peer-to-peer car-sharing program shall:

10 (1) Provide the shared car owner and shared car driver  
11 with the terms and conditions of the car-sharing  
12 agreement;

13 (2) Disclose to the shared car driver any costs or fees  
14 that are charged to the shared car driver under the  
15 car-sharing agreement;

16 (3) Disclose to the shared car owner any costs or fees  
17 that are charged to the shared car owner under the  
18 peer-to-peer car-sharing agreement;

19 (4) Provide an emergency telephone number for a person  
20 capable of facilitating roadside assistance to the  
21 shared car driver;



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



1 (9) Disclose that the shared car owner's motor vehicle  
2 insurance policy may not provide coverage for a shared  
3 car; and

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

8 **§ -9 Driver's license verification and data retention.**

9 (a) A peer-to-peer car-sharing program shall not enter into a  
10 car-sharing program agreement with a shared car driver unless  
11 the shared car driver:

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

15 (2) Is a nonresident who:

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

20 and



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

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

5 (b) A peer-to-peer car-sharing program shall record:

6 (1) The name and address of the shared car driver; and

7 (2) The place of issuance and number of the driver's  
8 license of the shared car driver and each other  
9 person, if any, who will operate the shared car.

10 § -10 Responsibility for equipment. A peer-to-peer car-  
11 sharing program shall have sole responsibility for any  
12 equipment, such as a global positioning system or other special  
13 equipment that is put in or on the shared car to monitor or  
14 facilitate the car-sharing transaction, and shall agree to  
15 indemnify and hold harmless the shared car owner for any damage  
16 to or theft of the equipment during the sharing period not  
17 caused by the shared car owner. The peer-to-peer car-sharing  
18 program has the right to seek indemnity from the shared car  
19 driver for any loss or damage to the equipment that occurs  
20 during the sharing period.



1           §   -11 **Motor vehicle safety recalls.** (a) At the time  
2 when a vehicle owner registers as a shared car owner on a peer-  
3 to-peer car-sharing program and prior to the time when the  
4 shared car owner makes a shared car available for car-sharing on  
5 the peer-to-peer car-sharing program, the peer-to-peer car-  
6 sharing program shall:

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

10          (2) Notify the shared car owner of the requirements under  
11                subsection (b).

12          (b) A shared car owner shall:

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

17          (2) Remove any vehicle listed for use through a peer-to-  
18                peer car-sharing program upon receipt of notice of a  
19                safety recall as soon as practicably possible but no  
20                longer than seventy-two hours after receipt of notice  
21                of a safety recall; and



1           (3) Notify the peer-to-peer car-sharing program of a  
2           safety recall within seventy-two hours of receipt of a  
3           safety recall when the vehicle is in the possession of  
4           a shared car driver so that the peer-to-peer car-  
5           sharing program may notify the shared car driver and  
6           the shared car may be removed from use until the  
7           shared car owner effects the necessary safety recall  
8           repair.

9           § -12 Relation to other laws. Chapter 437D shall not  
10          apply to peer-to-peer car-sharing."

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

14          "§251- Peer-to-peer car-sharing surcharge tax. (a)  
15          There is levied, assessed, and collected each month a peer-to-  
16          peer car-sharing tax of \$ per day, or any portion of a day,  
17          that a shared vehicle is shared pursuant to a car-sharing  
18          program agreement. Notwithstanding any law to the contrary,  
19          neither the tax levied pursuant to section 251-2(a) for rental  
20          motor vehicles rented or leased by rental motor vehicle lessors,



1 nor the tax provided for pursuant to section 251-2.5 on car-  
2 sharing organizations is applicable to peer-to-peer car sharing.

3 (b) For purposes of this section:

4 "Car-sharing program agreement" has the same meaning as in  
5 section -1.

6 "Peer-to-peer car-sharing program" has the same meaning as  
7 in section -1.

8 "Shared car" has the same meaning as in section -1."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on January 1, 2050.



S.B. NO. 155  
S.D. 1

**Report Title:**

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

**Description:**

Authorizes peer-to-peer car-sharing. Establishes the peer-to-peer car sharing surcharge tax. Effective 1/1/2050. (SD1)

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