

STAND. COM. REP. NO.

1064

Honolulu, Hawaii

MAR 23 2021

RE: H.B. No. 264  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 264, H.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 make permanent the provisions of Act 236, Session Laws of Hawaii 2016, that created a statewide insurance framework for transportation network companies.

Your Committee received testimony in support of this measure from the American Property Casualty Insurance Association of America, Hawaii Insurers Council, Uber Technologies, and Lyft.

Your Committee finds that Act 236, Session Laws of Hawaii 2016 (Act 236), was enacted to close the insurance gaps associated with transportation network companies and their drivers by establishing motor vehicle insurance requirements. The intent of Act 236 was to serve as a trial period of five years to see if the law functioned as intended and included a sunset provision that terminates the law in September of 2021. Your Committee finds that over the past five years the provisions of Act 236 have worked as intended and it is now the intent of your Committee to make the insurance provisions of Act 236 permanent.



Your Committee further finds that transportation network companies have grown from a nascent industry into a common part of resident's everyday life. As such, your Committee finds that statewide regulation of transportation network companies beyond what is contemplated in this measure is needed to ensure the safety, reliability, and cost-effectiveness of rides provided by transportation network company drivers, as well as to preserve and enhance access to important transportation options for residents and visitors of the State.

Your Committee notes that S.B. No. 251, S.D. 2, which was previously passed by the Senate, establishes a wider regulatory framework for transportation network companies and their drivers, and includes the insurance provisions covered by this measure. The language in S.B. No. 251, S.D.2, is therefore preferable because it accomplishes the intent of this measure and also establishes regulations for the transportation network company industry as a whole.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 251, S.D. 2, which establishes a regulator framework for the transportation network company industry.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 264, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 264, H.D. 1, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,




---

CHRIS LEE, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Transportation**  
**TRS**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 264 HD1	TRS, CPN	3/18/2021		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)				✓
ENGLISH, J. Kalani	✓			
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes