STAND. COM. REP. NO.

Honolulu, Hawaii MAR 0 4 , 2022

RE: H.B. No. 1681 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1681, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION NETWORK COMPANIES,"

begs leave to report as follows:

The purpose of this measure is to:

- Regulate the operations of transportation network companies in the State and establish a permitting process for these companies within the Department of Transportation; and
- (2) Make permanent the 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; Uber Technologies, Inc.; Hawaii Insurers Council; GEICO; and Lyft. Your Committee received comments on this measure from the Hawaii Transportation Association.

Your Committee finds that a passenger uses a transportation network company's digital network or software application service



STAND. COM. REP. NO. **Q21** -22 Page 2

to request transportation to a destination. Once the prearranged ride is set by the passenger, the transportation network company connects the passenger with a transportation network company driver to fulfill the prearranged ride using the driver's personal motor vehicle.

Your Committee further finds that statewide regulation of transportation network companies is needed to ensure the safety, reliability, and cost-effectiveness of rides provided by transportation network company drivers. This measure ensures that residents and visitors have enhanced access to important transportation options, while also ensuring uniform consumer protection throughout the State.

Your Committee also finds that Act 236, Session Laws of Hawaii 2016 (Act 236), established insurance requirements for transportation network companies and transportation network company drivers to ensure the protection of passengers and third parties. These insurance requirements are set to expire on September 1, 2023. Your Committee finds that Act 236 is accomplishing its intended goal and the insurance requirements should be made permanent.

Your Committee has amended this measure by:

- Deleting the requirement that an applicant to become a transportation network company driver submit a copy of the applicant's general excise tax license;
- (2) Clarifying the offenses that would disqualify an individual from acting as a transportation network company driver;
- (3) Adding ancestry and gender expression as protected classes within the transportation network company's required non-discrimination policy;
- (4) Providing the Department of Transportation with the authority to adopt rules to regulate transportation network companies; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



STAND. COM. REP. NO. 921 -22 Page 3

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1681, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1681, H.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

JOHANSON, Chair



State of Hawaii House of Representatives The Thirty-first Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 1681, HD1	Committee Referral: TRN, CPC			Date: 2 - 23 - 22		
□ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) 						
CPC Members		Ayes	Ayes (WR)	Nays	Excused	
1. JOHANSON, Aaron Ling (C)		V				
2. KITAGAWA, Lisa (VC)		\checkmark				
3. AQUINO, Henry J.C.						
4. HAR, Sharon E.				n han dan baran		
5 UASUFM Most I						
5. HASHEM, Mark J.		\mathbf{V}				
6. KONG, Sam Satoru	a an an tairte			<u>na kaka kata ka kata k</u> a		
7. MIZUNO, John M.		a de la construction de la constru Nomenta de la construction de la cons			nn i gToblice Arteriter (1980-1911)	
8. MORIKAWA, Dee	t hu european Stranten ander Stadio Kandara direktionen	\sim		n - Many Franke, das ingeneration - Specific Arbits - conserve conserve		
9. ONISHI, Richard H.K.		\checkmark				
			<u>langenatia</u>		an a	
10. TARNAS, David A.		\sim	tadi di tanggi ini adalah sala			
	an a					
11. MATSUMOTO, Lauren						
TOTAL (11)		10	0	0	1	
The recommendation is: Image: Adopted lif joint referral,						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						