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# A BILL FOR AN ACT

RELATING TO INSURANCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 PART I

2 SECTION 1. Section 431:10C-802, Hawaii Revised Statutes,  
3 is amended by amending subsection (a) to read as follows:

4 "(a) A peer-to-peer car-sharing program shall ensure  
5 that during each car-sharing period, the shared car shall be  
6 insured under a motor vehicle insurance policy that shall  
7 provide:

8 (1) Primary insurance coverage for each shared car  
9 available and used through a peer-to-peer car-  
10 sharing program in amounts not less than [~~\$750,000~~  
11 ~~for death, bodily injury, and property damage per~~  
12 ~~accident, and costs of defense outside the limits;~~]  
13 the minimum amounts set forth in section 431:10C-  
14 301; provided that the primary insurance coverage  
15 under this paragraph shall provide coverage for  
16 death, bodily injury, and property damage per  
17 accident, and costs of defense outside the limits;



- 1           (2) Primary insurance coverage for each shared car  
2           available and used through a peer-to-peer car-  
3           sharing program for personal injury protection  
4           coverage that meets the minimum coverage amounts  
5           required by section 431:10C-103.5; and
- 6           (3) The following optional coverages, which any named  
7           insured may elect to reject or purchase, that  
8           provides primary coverage for each shared car  
9           available and used through a peer-to-peer car-  
10          sharing program:
- 11          (A) Uninsured and underinsured motorist coverages  
12          as provided in section 431:10C-301, which shall  
13          be equal to the primary liability limits  
14          specified in this section; provided that  
15          uninsured and underinsured motorist coverage  
16          offers shall provide for written rejection of  
17          the coverages as provided in section 431:10C-  
18          301;
- 19          (B) Uninsured and underinsured motorist coverage  
20          stacking options as provided in section  
21          431:10C-301; provided that the offer of the



- 1 stacking options shall provide for written  
2 rejection as provided in section 431:10C-301;
- 3 (C) An offer of required optional additional  
4 insurance coverages as provided in section  
5 431:10C-302; and
- 6 (D) In the event the only named insured under the  
7 motor vehicle insurance policy issued pursuant  
8 to this section is the peer-to-peer car-sharing  
9 program, the insurer or the peer-to-peer car-  
10 sharing program shall:
- 11 (i) Disclose the coverages in writing to the  
12 peer-to-peer car-sharing driver;
- 13 (ii) Disclose to the peer-to-peer car-sharing  
14 driver in writing that all optional  
15 coverages available may not have been  
16 purchased under sections 431:10C-301 and  
17 431:10C-302; and
- 18 (iii) Obtain a written acknowledgement from the  
19 peer-to-peer car-sharing driver of receipt  
20 of the written disclosures required in  
21 paragraphs (1) and (2). The standard



1 disclosure forms used in paragraphs (1)  
2 and (2), and every modification of such  
3 forms intended to be used, shall be filed  
4 with the commissioner within fifteen days  
5 of providing such disclosure to the peer-  
6 to-peer car-sharing driver. The insurer  
7 or the peer-to-peer car-sharing program  
8 shall also send to the peer-to-peer car-  
9 sharing driver every modified disclosure  
10 form within fifteen days of the filing of  
11 such modified disclosure form and comply  
12 with paragraph (3). Such disclosures and  
13 acknowledgement may be sent and received  
14 by electronic means."

15 SECTION 2. Act 56, Session Laws of Hawaii 2022, is amended  
16 by amending section 5 to read as follows:

17 "SECTION 5. This Act shall take effect on January 1,  
18 2023[~~, and~~]; provided that sections 431:10C-C, 431:10C-D,  
19 431:10C-E, 431:10C-F, 431:10C-G, as added by section 2 of  
20 this Act, shall be repealed on June 30, 2025."

21 PART II



1 SECTION 3. Section 431:10C-802, Hawaii Revised Statutes,  
2 is amended to read as follows:

3 "[+]§431:10C-802[+] **Insurance coverage during car-**  
4 **sharing period.** [(a)] A peer-to-peer car-sharing program  
5 shall ensure that during each car-sharing period, the shared  
6 car shall be insured under a motor vehicle insurance policy  
7 that shall provide[+]

8 (1) ~~Primary~~ insurance coverage for each shared car  
9 available and used through a peer-to-peer car-sharing program  
10 in amounts not less than the minimum amounts set forth in  
11 section 431:10C-301; provided that the primary insurance  
12 coverage under this [~~paragraph~~] section shall provide  
13 coverage for death, bodily injury, and property damage per  
14 accident, and costs of defense outside the limits[+]

15 ~~(2) Primary insurance coverage for each shared car~~  
16 ~~available and used through a peer-to-peer car-~~  
17 ~~sharing program for personal injury protection~~  
18 ~~coverage that meets the minimum coverage amounts~~  
19 ~~required by section 431:10C-103.5; and~~

20 ~~(3) The following optional coverages, which any named~~  
21 ~~insured may elect to reject or purchase, that~~



1 ~~provides primary coverage for each shared car~~  
2 ~~available and used through a peer-to-peer car-~~  
3 ~~sharing program:~~

4 ~~(A) Uninsured and underinsured motorist coverages~~  
5 ~~as provided in section 431:10C-301, which shall~~  
6 ~~be equal to the primary liability limits~~  
7 ~~specified in this section; provided that~~  
8 ~~uninsured and underinsured motorist coverage~~  
9 ~~offers shall provide for written rejection of~~  
10 ~~the coverages as provided in section 431:10C-~~  
11 ~~301;~~

12 ~~(B) Uninsured and underinsured motorist coverage~~  
13 ~~stacking options as provided in section~~  
14 ~~431:10C-301; provided that the offer of the~~  
15 ~~stacking options shall provide for written~~  
16 ~~rejection as provided in section 431:10C-301;~~

17 ~~(C) An offer of required optional additional~~  
18 ~~insurance coverages as provided in section~~  
19 ~~431:10C-302; and~~

20 ~~(D) In the event the only named insured under the~~  
21 ~~motor vehicle insurance policy issued pursuant~~



1           ~~to this section is the peer-to-peer car-sharing~~  
2           ~~program, the insurer or the peer-to-peer car-~~  
3           ~~sharing program shall:~~

4           ~~(i) Disclose the coverages in writing to the~~  
5           ~~peer-to-peer car-sharing driver;~~

6           ~~(ii) Disclose to the peer-to-peer car-sharing~~  
7           ~~driver in writing that all optional~~  
8           ~~coverages available may not have been~~  
9           ~~purchased under sections 431:10C-301 and~~  
10           ~~431:10C-302; and~~

11           ~~(iii) Obtain a written acknowledgement from the~~  
12           ~~peer-to-peer car-sharing driver of receipt~~  
13           ~~of the written disclosures required in~~  
14           ~~paragraphs (1) and (2). The standard~~  
15           ~~disclosure forms used in paragraphs (1)~~  
16           ~~and (2), and every modification of such~~  
17           ~~forms intended to be used, shall be filed~~  
18           ~~with the commissioner within fifteen days~~  
19           ~~of providing such disclosure to the peer-~~  
20           ~~to-peer car-sharing driver. The insurer~~  
21           ~~or the peer-to-peer car-sharing program~~



1 ~~shall also send to the peer-to-peer car-~~  
2 ~~sharing driver every modified disclosure~~  
3 ~~form within fifteen days of the filing of~~  
4 ~~such modified disclosure form and comply~~  
5 ~~with paragraph (3). Such disclosures and~~  
6 ~~acknowledgement may be sent and received~~  
7 ~~by electronic means.~~

8 ~~(b) If insurance maintained by a shared car owner or~~  
9 ~~shared car driver in accordance with subsection (a) has~~  
10 ~~lapsed, contains an exclusion for peer-to-peer car sharing,~~  
11 ~~or does not provide the required coverage, insurance~~  
12 ~~maintained by a peer-to-peer car sharing program shall~~  
13 ~~provide the coverage required by subsection (a) beginning~~  
14 ~~with the first dollar of a claim and shall have the duty to~~  
15 ~~defend the claim.~~

16 ~~(c) Coverage under a motor vehicle insurance policy~~  
17 ~~maintained by the peer-to-peer car sharing program shall not~~  
18 ~~be dependent on another motor vehicle insurer first denying a~~  
19 ~~claim]."~~

20 PART III





1           SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 5. This Act shall take effect upon its approval;  
4 provided that part II of this Act shall take effect on June 30,  
5 2025.

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INTRODUCED BY:



JAN 20 2023



# H.B. NO. 640

**Report Title:**

Insurance; Peer-to-Peer Car-Sharing; Liability

**Description:**

Amends the required coverage for shared cars that are made available through a peer-to-peer car-sharing program. On 6/30/2025, repeals the allowable exclusions, recordkeeping requirements, right of recovery, insurable interest, and required disclosures and notices under the peer-to-peer car-sharing insurance law.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

