

STAND. COM. REP. NO.

1538

Honolulu, Hawaii

MAR 24 , 2023

RE: S.B. No. 1502
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 1502, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the Department of Transportation and counties to regulate the parking of shared cars at state parking lots and on highways under the jurisdiction of the counties, respectively; and
- (2) Establish mandatory minimum insurance coverage requirements for hourly peer-to-peer car-sharing programs that are separate from the mandatory minimum insurance coverage required of other peer-to-peer car-sharing programs.

Your Committee received testimony in opposition to this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, Hawaii Association for Justice, and Hawaii Insurers Council. Your Committee received comments on this measure from the Insurance Division of the Department of Commerce and Consumer Affairs and Turo.

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Your Committee finds that peer-to-peer car sharing allows for vehicle owners to share their vehicle with others through online platforms. Your Committee further finds that the increasing popularity of peer-to-peer car-sharing programs and the accompanying concerns over whether drivers and passengers were adequately covered by insurance prompted the Legislature to pass Act 56, Session Laws of Hawaii 2022 (Act 56). Act 56 established minimum insurance coverage requirements for shared cars made available through peer-to-peer car-sharing programs, and is set to sunset June 30, 2025. However, your Committee is concerned with the bifurcation in the treatment of different types of peer-to-peer car-sharing programs as proposed in this measure.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that established mandatory minimum insurance coverage requirements for hourly peer-to-peer car-sharing programs;
- (2) Amending the minimum insurance coverage amount for shared cars available and used through a peer-to-peer car-sharing program from \$750,000 to four times the minimum coverage amounts for other vehicles; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 S.B. No. 1502, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1502, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



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


MARK M. NAKASHIMA, Chair



