

STAND. COM. REP. NO. 443

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 382
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 382 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit motor vehicle manufacturers from charging subscription fees for services that employ equipment already installed in the motor vehicle at the time of sale as a new motor vehicle.

Your Committee received testimony in opposition to this measure from Alliance for Automotive Innovation. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Tesla.

Your Committee finds that motor vehicle manufacturers have begun charging subscription fees for consumers to use certain features in their vehicles, including remote locking, remote ignition, and automatic high-beam headlights. The implementation of subscription fees is one of various factors contributing to the increase in transportation costs for residents.

Your Committee further finds that certain automobile manufacturers, such as BMW, charge consumers \$18 per month for features initially included with the vehicle such as heated seats. To ensure consumers have full access to features included with



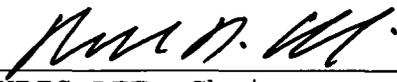
their new vehicle purchases, this measure prohibits motor vehicle manufacturers from charging subscription fees for certain services that employ equipment already installed in the motor vehicle at the time of sale as a new motor vehicle.

Your Committee has amended this measure by:

- (1) Clarifying that the prohibition shall not apply to entertainment streaming subscriptions and vehicle navigation;
- (2) Amending section 1 to reflect its amended purpose; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 382, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 382, 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 and
Culture and the Arts,



CHRIS LEE, Chair



