STAND. COM. REP. NO. 402 -24

Honolulu, Hawaii FEB 1-5 , 2024

RE: H.B. No. 1991 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

begs leave to report as follows:

Sir:

Your Committee on Transportation, to which was referred H.B. No. 1991 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,"

The purpose of this measure is to establish:

- (1) Primary and optional coverage requirements for U-drive motor vehicle insurance policies; and
- (2) Disclosure requirements for U-drive motor vehicle insurance policies.

Your Committee received testimony in support of this measure from Turo and Hawaii Association for Justice. Your Committee received testimony in opposition to this measure from Enterprise Mobility and Avis Budget Group. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under existing law, shared cars used in a peer-to-peer car sharing program are required to carry four times the state minimums for car insurance. However, this is not a requirement for traditional rental car companies, resulting in a divide in the State's insurance coverage requirements even

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though peer-to-peer car sharing and traditional rental cars carry comparable risk profiles. Your Committee further finds that while there is value in ensuring that there is parity in coverage requirements between peer-to-peer car sharing programs and traditional rental car companies, there is a concern that drastically increasing the minimum coverage requirements for insurance policies for traditional rental cars will increase premiums for these rental car companies. Your Committee believes that additional discussion on this measure may lead to an alternative path toward parity that does not significantly harm the traditional rental car industry.

Accordingly, your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) 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 Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1991, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1991, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

CHRIS TODD, Chair

State of Hawaii House of Representatives The Thirty-second Legislature HGCR 462-74

Record of Votes of the Committee on Transportation

Bill/Resolution No.: Committee	Referral PC	Date	2/13/	24
☐ 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)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. TODD, Chris (C)	V			
	Parties of			
2. KILA, Darius K. (VC)	. * 11.25 0 12.7500			
3. AIU, Micah P.K.		Philipping Committee of the Committee of		
			ie Wie Ein	
4. EVSLIN, Luke A.	V			eroelle ar all el
。"李璐说:"你们,我们就是一个				
5. KITAGAWA, Lisa				Allineria
6. MIYAKE, Tyson K.	I			
U. MITAKE, TYSON K.				482749
7. ONISHI, Richard H.K.		V		
	- 2024 (j. 1911) - 2025 (j. 1914)			
8. MATSUMOTO, Lauren	V			
			* .	
TOTAL (8)	6	l		l
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				