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# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

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

1 SECTION 1. The Hawaii Revised Statutes is amended by  
2 adding a new chapter to be appropriately designated and to read  
3 as follows:

4 "CHAPTER

5 PEER-TO-PEER MOTOR VEHICLE SHARING ORGANIZATIONS

6 § -1 Definitions. As used in this chapter:

7 "Lessee" means any person obtaining the use of a rental  
8 motor vehicle from a lessor for a period of six months or less  
9 under the terms of a peer-to-peer motor vehicle sharing  
10 agreement.

11 "Lessor" means any person in the business of providing a  
12 rental motor vehicle to the public through a peer-to-peer motor  
13 vehicle sharing organization.

14 "Manufacturer's recall" means a recall conducted pursuant  
15 to title 49 United States Code Sections 30118 and 30120.



1 "Peer-to-peer motor vehicle sharing" means the authorized  
2 use of a motor vehicle by a person other than the vehicle's  
3 owner through a peer-to-peer motor vehicle sharing organization.

4 "Peer-to-peer motor vehicle sharing agreement" means any  
5 written agreement setting forth the terms and conditions  
6 governing the use of the peer-to-peer vehicle by a lessee.

7 "Peer-to-peer motor vehicle sharing organization" means a  
8 legal entity qualified to do business in the State engaged in  
9 the business of facilitating the use, rental, or sharing of a  
10 privately-owned passenger motor vehicle for noncommercial use by  
11 persons within the State. This term does not include the  
12 registered owner of the vehicle involved in a peer-to-peer motor  
13 vehicle sharing agreement facilitated by a peer-to-peer motor  
14 vehicle sharing organization.

15 "Recall database" means a database from which a person may  
16 obtain vehicle identification number specific manufacturer's  
17 recall information relevant to a specific vehicle, which  
18 includes but is not limited to a vehicle manufacturer's internet  
19 website for a specific vehicle's line-make, a vehicle  
20 manufacturer's internal system that provides information to its  
21 franchisees, or a commercially available vehicle history system.



1           §   -2   **Manufacturer's recall; requirements.**   (a)   No later  
2   than forty-eight hours after receiving notice of a  
3   manufacturer's recall, or sooner if practicable, a lessor with a  
4   rental motor vehicle fleet of one or more vehicles shall not  
5   rent or lease or offer for rent or lease a vehicle subject to  
6   the manufacturer's recall until the lessor has made all repairs  
7   required under the manufacturer's recall.

8           (b)   If a manufacturer's recall notice indicates that the  
9   remedy for the recall is not immediately available and specifies  
10   actions to temporarily repair the vehicle in a manner that  
11   eliminates the safety risk that prompted the manufacturer's  
12   recall, a lessor with a rental motor vehicle fleet of one or  
13   more vehicles shall not rent or lease or offer for rent or lease  
14   a vehicle subject to the manufacturer's recall until the lessor  
15   has made all temporary repairs required under the manufacturer's  
16   recall.  Once a permanent remedy for the vehicle becomes  
17   available to the lessor, the lessor shall not rent or lease the  
18   vehicle until the permanent repairs to the vehicle required  
19   under the manufacturer's recall are complete.

20           (c)   As soon as practicable but not more than forty-eight  
21   hours after a manufacturer's recall notice has been issued by



1 the manufacturer and appears in the recall database provided by  
2 the National Highway Traffic Safety Administration, or not more  
3 than forty-eight hours after a lessor receives notice of a  
4 manufacturer's recall by a third party with which the lessor  
5 contracts to provide notification of active recalls, a lessor  
6 shall not facilitate the rent or lease of a vehicle subject to  
7 the manufacturer's recall until all repairs required under the  
8 manufacturer's recall are complete and the vehicle no longer  
9 appears in the recall database provided by the National Highway  
10 Traffic Safety Administration.

11 § -3 Insurance; requirements. All vehicles rented or  
12 leased or offered for rent or lease by a peer-to-peer motor  
13 vehicle sharing organization shall be covered by a motor vehicle  
14 insurance policy that meets the minimum liability coverage  
15 requirements under section 431:10C-301."

16 SECTION 2. Chapter 437D, Hawaii Revised Statutes, is  
17 amended by adding a new section to be appropriately designated  
18 and to read as follows:

19 "§437D- Manufacturer's recall; requirements. (a) No  
20 later than forty-eight hours after receiving notice of a  
21 manufacturer's recall, or sooner if practicable, a lessor shall



1 not rent or lease or offer for rent or lease a vehicle subject  
2 to the manufacturer's recall until the lessor has made all  
3 repairs required under the manufacturer's recall.

4 (b) If a manufacturer's recall notice indicates that the  
5 remedy for the recall is not immediately available and specifies  
6 actions to temporarily repair the vehicle in a manner that  
7 eliminates the safety risk that prompted the manufacturer's  
8 recall, a lessor shall not rent or lease or offer for rent or  
9 lease a vehicle subject to the manufacturer's recall until the  
10 lessor has made all temporary repairs required under the  
11 manufacturer's recall. Once a permanent remedy for the vehicle  
12 becomes available to the lessor, the lessor shall not rent or  
13 lease the vehicle until the permanent repairs to the vehicle  
14 required under the manufacturer's recall are complete.

15 (c) As soon as practicable but not more than forty-eight  
16 hours after a manufacturer's recall notice has been issued by  
17 the manufacturer and appears in the recall database provided by  
18 the National Highway Traffic Safety Administration, or not more  
19 than forty-eight hours after a lessor receives notice of a  
20 manufacturer's recall by a third party with which the lessor  
21 contracts to provide notification of active recalls, a lessor



1 shall not facilitate the rent or lease of a vehicle subject to  
2 the manufacturer's recall until all repairs required under the  
3 manufacturer's recall are complete and the vehicle no longer  
4 appears in the recall database provided by the National Highway  
5 Traffic Safety Administration.

6 (d) For purposes of this section:

7 "Manufacturer's recall" means a recall conducted pursuant  
8 to title 49 United States Code sections 30118 and 30120.

9 "Recall database" means a database from which a person may  
10 obtain vehicle identification number specific manufacturer's  
11 recall information relevant to a specific vehicle, which  
12 includes but is not limited to a vehicle manufacturer's internet  
13 website for a specific vehicle's line-make, a vehicle  
14 manufacturer's internal system that provides information to its  
15 franchisees, or a commercially available vehicle history  
16 system."

17 SECTION 3. Section 251-1, Hawaii Revised Statutes, is  
18 amended as follows:

19 1. By adding three new definitions to be appropriately  
20 inserted and to read:



1       "Peer-to-peer motor vehicle sharing" means the authorized  
2 use of a motor vehicle by a person other than the vehicle's  
3 owner through a peer-to-peer motor vehicle sharing organization.

4       "Peer-to-peer motor vehicle sharing agreement" means any  
5 written agreement setting forth the terms and conditions  
6 governing the use of the peer-to-peer vehicle by a lessee.

7       "Peer-to-peer motor vehicle sharing organization" means a  
8 legal entity qualified to do business in the State engaged in  
9 the business of facilitating the use, rental, or sharing of a  
10 privately-owned passenger motor vehicle for noncommercial use by  
11 persons within the State. This term does not include the  
12 registered owner of the vehicle involved in a peer-to-peer motor  
13 vehicle sharing agreement facilitated by a peer-to-peer motor  
14 vehicle sharing organization."

15       2. By amending the definition of "lessor" to read:

16       "Lessor" means any person in the business of providing a  
17 rental motor [~~vehicles~~] vehicle to the public[-], and shall  
18 include peer-to-peer motor vehicle sharing organizations.

19       "Lessor" shall not include the registered owner of a vehicle  
20 involved in a peer-to-peer motor vehicle sharing agreement



1 facilitated by a peer-to-peer motor vehicle sharing  
2 organization."

3 SECTION 4. Section 251-3, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) Each person, as a condition precedent to engaging or  
6 continuing in ~~[the]~~ :

7 (1) The business of providing rental motor vehicles to the  
8 public ~~[, engaging or continuing in the]~~ ;

9 (2) The tour vehicle operator business ~~[, or engaging or~~  
10 ~~continuing in a]~~ ;

11 (3) A car-sharing organization business; or

12 (4) A peer-to-peer motor vehicle sharing organization  
13 business pursuant to chapter \_\_\_\_\_,

14 shall register with the director. A person required to so  
15 register shall make a one-time payment of \$20, upon receipt of  
16 which the director shall issue a certificate of registration in  
17 ~~[such]~~ a form as the director determines, attesting that the  
18 registration has been made. The registration shall not be  
19 transferable and shall be valid only for the person in whose  
20 name it is issued and for the transaction of business at the  
21 place designated therein. The registration, or in lieu thereof





1 a notice stating where the registration may be inspected and  
2 examined, shall at all times be conspicuously displayed at the  
3 place for which it is issued."

4 SECTION 5. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 6. This Act shall take effect on July 1, 2050.



**Report Title:**

Motor Vehicles; Manufacturer's Recall; Requirements; Peer-to-Peer Motor Vehicle Sharing; Taxation; Insurance

**Description:**

Prohibits vehicle lessors from renting, leasing, or offering for rent or lease, vehicles subject to a manufacturer's recall, until appropriate repairs are made. Defines peer-to-peer vehicle sharing related terms. Requires persons engaging in peer-to-peer vehicle sharing organization business to register with the director of taxation. Requires all vehicles rented or leased by peer-to-peer vehicle sharing organizations to carry minimum liability insurance coverage. Effective 7/1/2050.  
(SD1)

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

