



1 driver, and a peer-to-peer car-sharing platform, if applicable,  
2 that govern the use of a shared car through a peer-to-peer car-  
3 sharing program. "Car-sharing program agreement" does not  
4 include a rental agreement as defined in section 437D-3.

5 "Car-sharing start time" means the time the shared car  
6 driver obtains operation, use, or control of a shared car  
7 through a peer-to-peer car-sharing program.

8 "Car-sharing termination time" means the earliest of the  
9 following events:

- 10 (1) The expiration of the agreed upon period of time  
11 established for the use of a shared car according to  
12 the terms of the car-sharing program agreement if the  
13 shared car is delivered to the location agreed upon in  
14 the car-sharing program agreement;
- 15 (2) When the shared car is returned to a location as  
16 alternatively agreed upon by the shared car owner and  
17 shared car driver as communicated through a  
18 peer-to-peer car-sharing program;
- 19 (3) When a shared car is returned to the location agreed  
20 upon in the car-sharing agreement or alternatively  
21 agreed upon by the shared car owner and the shared car



1 driver, as communicated through a peer-to-peer car-  
2 sharing program, before the expiration of the period  
3 of time established for the use of a shared car  
4 according to the terms of the car-sharing program  
5 agreement, and the shared car driver notifies the  
6 peer-to-peer car-sharing program of the location of  
7 the shared car;

8 (4) When a shared car, during the car-sharing period,  
9 cannot safely or legally be operated and the shared  
10 car driver notifies the peer-to-peer car-sharing  
11 program that the shared car is inoperable and  
12 identifies the location of the shared car;

13 (5) When the shared car driver receives notice of a safety  
14 recall affecting the shared car and the shared car  
15 driver returns the shared car to the location agreed  
16 upon in the car-sharing agreement, or alternatively  
17 agreed upon by the shared car owner and the shared car  
18 driver, and the shared car driver notifies the peer-  
19 to-peer car-sharing program of the location of the  
20 shared car; or



1 (6) When the shared car owner or the shared car owner's  
2 authorized designee takes possession and control of  
3 the shared car.

4 "Peer-to-peer car-sharing" means the authorized operation,  
5 use, or control of a vehicle by an individual other than the  
6 vehicle's owner through a peer-to-peer car-sharing program. For  
7 the purposes of assessing a vehicle surcharge tax, "peer-to-peer  
8 car-sharing" shall not mean the business of providing rental  
9 motor vehicles to the public as that phrase is used in section  
10 251-3.

11 "Peer-to-peer car-sharing program" means:

12 (1) Any person who enables a shared car driver to  
13 identify, reserve, or use a shared car owned by a  
14 shared car owner; or

15 (2) Any person who enables a shared car owner to describe,  
16 list, or make available a shared car for  
17 identification, reservation, or use by a shared car  
18 driver.

19 "Peer-to-peer car-sharing program" does not include:

20 (1) A "transportation network company" as defined in  
21 section 431:1C-701;



1 (2) A "car-sharing organization" as defined in section  
2 251-1;

3 (3) Any person registered and acting as a travel agency  
4 pursuant to chapter 468L; or

5 (4) Any person registered and acting as an activity desk  
6 pursuant to chapter 468M.

7 "Peer-to-peer car sharing platform" means any person or  
8 business that owns or operates a car-sharing program.

9 "Shared car" means a motor vehicle that is registered  
10 pursuant to chapter 286 and is not owned, controlled, operated,  
11 maintained, or managed by or registered, directly or indirectly  
12 through an affiliate, to the peer-to-peer car-sharing program  
13 and is available for sharing through a peer-to-peer car-sharing  
14 program. "Shared car" does not include a rental motor vehicle  
15 or vehicle as those terms are defined in section 437D-3.

16 "Shared car driver" means an individual who has been  
17 authorized to drive the shared car by the shared car owner under  
18 a car-sharing program agreement. "Shared car driver" does not  
19 include lessee as defined in section 437D-3.

20 "Shared car owner" means the registered owner of a shared  
21 car.



1           **§ -2 Insurance coverage during car-sharing period.** (a)

2 A shared car owner, peer-to-peer car-sharing program, and peer-  
3 to-peer car-sharing platform shall ensure that during each car-  
4 sharing period, the shared car shall be insured under a motor  
5 vehicle insurance policy that provides primary insurance  
6 coverage for each shared car available and used through a peer-  
7 to-peer car-sharing program in amounts no less than the minimum  
8 amounts required for a transportation network driver or a  
9 transportation network company under section 431:10C-703(d).

10           (b) A motor vehicle group insurance policy purchased by a  
11 peer-to-peer car-sharing program for coverages in this chapter  
12 shall be from an insurer holding a valid certificate of  
13 authority under section 431:3-203 to transact insurance in the  
14 State.

15           **§ -3 Notification of implications of lien.** When a car  
16 owner registers as a shared car owner on a peer-to-peer  
17 car-sharing program and prior to when the shared car owner makes  
18 a shared car available for car-sharing on the peer-to-peer  
19 car-sharing program, the peer-to-peer car-sharing program shall  
20 notify the shared car owner that, if the shared car has a lien  
21 against it, the use of the shared car through a peer-to-peer



1 car-sharing program, including use without physical damage  
2 coverage, may violate the terms of the contract with the  
3 lienholder.

4 § -4 Exclusions in motor vehicle insurance policies.

5 (a) An authorized insurer that writes motor vehicle insurance  
6 in the State may exclude any and all coverage and the duty to  
7 defend or indemnify any claim afforded under a shared car  
8 owner's motor vehicle insurance policy during the car-sharing  
9 period, including:

- 10 (1) Liability coverage for bodily injury and property  
11 damage;
- 12 (2) Personal injury protection coverage as set forth in  
13 section 431:10C-304;
- 14 (3) Uninsured and underinsured motorist coverage;
- 15 (4) Medical payments coverage;
- 16 (5) Comprehensive physical damage coverage; and
- 17 (6) Collision physical damage coverage;

18 provided that the exclusions allowed in this subsection shall  
19 not apply to any insurance coverage required during the car-  
20 sharing period under section -2(a).



1 (b) Except as required under section -2(a), nothing in  
2 this chapter shall invalidate or limit an exclusion contained in  
3 a motor vehicle insurance policy, including any insurance policy  
4 in use or approved for use that excludes coverage for motor  
5 vehicles made available for rent, sharing, or hire.

6 (c) No peer-to-peer car-sharing program shall make  
7 available through its business platform any shared car to a  
8 shared car driver when the shared car owner's motor vehicle  
9 insurance policy excludes any coverage required under this  
10 chapter.

11 § -5 Recordkeeping; use of vehicle in car-sharing. A  
12 peer-to-peer car-sharing program shall collect and verify  
13 records pertaining to the use of a shared car for each car-  
14 sharing program agreement, including:

15 (1) Dates and times of the car-sharing start time and the  
16 car-sharing termination time in the car-sharing  
17 program agreement;

18 (2) Dates and times of the car-sharing start time and car-  
19 sharing termination time;

20 (3) Itemized descriptions and amounts of all fees and  
21 costs charged to the shared car driver;





- 1           (4)    Itemized descriptions and amounts of all fees and
- 2                   costs paid by the shared car driver;
- 3           (5)    Itemized descriptions and amounts of all fees and
- 4                   costs paid to the shared car owner;
- 5           (6)    The name and contact information of the shared car
- 6                   owner and the shared car driver; and
- 7           (7)    The insurance policy number, effective date, coverage,
- 8                   and coverage amounts of each insurance policy that
- 9                   identifies the peer-to-peer car-sharing program,
- 10                  shared car owner, and shared car driver as the
- 11                  insured.

12 The peer-to-peer car-sharing program shall retain the records  
13 for a time period of no less than six-years. Upon request, the  
14 peer-to-peer car-sharing program shall provide the information  
15 required by this section, and any information relating to the  
16 peer-to-peer car-sharing agreement in its possession and  
17 control, to the shared car owner, the shared car owner's  
18 insurer, the shared car driver, the shared car driver's insurer,  
19 persons who have sustained injury or property damage involving a  
20 shared car, and police and other governmental entities to  
21 facilitate accident or claim coverage investigation.



1           §   -6   **Contribution against indemnification.**   A motor  
2 vehicle insurer that defends or indemnifies a claim against a  
3 shared car that is excluded under the terms of its policy shall  
4 have the right to seek contribution against the motor vehicle  
5 insurer of the peer-to-peer car-sharing program if the claim is:

6           (1)   Made against the shared car owner or the shared car  
7                driver for loss or injury that occurs during the  
8                car-sharing period; and

9           (2)   Excluded under the terms of the shared car owner's or  
10               shared car driver's insurance policy.

11          §   -7   **Insurable interest.**   (a)   Notwithstanding any other  
12 law or rule to the contrary, a peer-to-peer car-sharing program  
13 shall have an insurable interest in a shared car during the  
14 car-sharing period.

15          (b)   In addition to the insurance coverage mandated by  
16 section       -2, a peer-to-peer car-sharing program may own and  
17 maintain as the named insured one or more policies of motor  
18 vehicle insurance that provides coverage for:

19          (1)   Liabilities assumed by the peer-to-peer car-sharing  
20                program under a peer-to-peer car-sharing program  
21                agreement;



- 1 (2) Any liability of the shared car owner; or
- 2 (3) Damage or loss to the shared car or any liability of
- 3 the shared car driver.

4 § -8 Required disclosures and notices. For each shared  
5 car participating in a car-sharing program agreement on its  
6 platform, a peer-to-peer car-sharing program shall:

- 7 (1) Provide, prior to the execution of a car-sharing
- 8 program agreement, the shared car owner and shared car
- 9 driver with the terms and conditions of the car-
- 10 sharing program agreement;
- 11 (2) Disclose to the shared car driver, prior to the
- 12 execution of a car-sharing program agreement, all
- 13 costs or fees that are charged to the shared car
- 14 driver under the car-sharing program agreement,
- 15 including all costs or fees for mandatory insurance
- 16 coverage charged by the peer-to-peer car sharing
- 17 program;
- 18 (3) Disclose to the shared car owner, prior to the
- 19 execution of a car-sharing program agreement, all
- 20 costs or fees that are charged to the shared car owner
- 21 under the car-sharing program agreement, including



1 fees or costs for mandatory insurance coverage charged  
2 by the peer-to-peer car-sharing program;

3 (4) Provide a twenty-four hour emergency telephone number  
4 for a person capable of facilitating roadside  
5 assistance for the shared car driver;

6 (5) Disclose any right of the peer-to-peer car-sharing  
7 program to seek indemnification from the shared car  
8 owner or the shared car driver for economic loss  
9 sustained by the peer-to-peer car-sharing program  
10 caused by a breach of the car-sharing program  
11 agreement; provided that the peer-to-peer car-sharing  
12 program shall require the shared car owner and the  
13 shared car driver to specifically and separately  
14 acknowledge notice of the disclosure prior to  
15 execution of a car-sharing program agreement;

16 (6) Disclose that a motor vehicle insurance policy issued  
17 to the shared car owner for the shared car or to the  
18 shared car driver may not provide a defense or  
19 indemnification for any claim asserted by the  
20 peer-to-peer car-sharing program; provided that the  
21 peer-to-peer car-sharing program shall require the



1 shared car owner and the shared car driver to  
2 specifically and separately acknowledge notice of the  
3 disclosure prior to execution of a car-sharing program  
4 agreement;

5 (7) Disclose that the peer-to-peer car-sharing program's  
6 insurance coverage on the shared car owner and the  
7 shared car driver is in effect only during each  
8 car-sharing period and that the shared car may not  
9 have insurance coverage for use of the shared car by  
10 the shared car driver after the car-sharing  
11 termination time; provided that the peer-to-peer car  
12 sharing program shall require the shared car owner and  
13 the shared car driver to specifically and separately  
14 acknowledge notice of the disclosure prior to the  
15 execution of a car-sharing program agreement;

16 (8) Disclose any insurance or protection package costs  
17 that are charged to the shared car owner or the shared  
18 car driver; provided that the peer-to-peer car sharing  
19 program shall require the shared car owner and the  
20 shared car driver to specifically and separately



- 1           acknowledge notice of the disclosure prior to the  
2           execution of a car-sharing program agreement;
- 3           (9) Disclose that if the shared car owner's or shared car  
4           driver's motor vehicle insurance policy does not  
5           provide or excludes coverage for a shared car, the  
6           shared car owner and the shared car driver are  
7           prohibited from participating in the peer-to-peer car-  
8           sharing program;
- 9           (10) Disclose to the shared car driver any conditions in  
10           which the shared car driver is required to maintain a  
11           motor vehicle insurance policy as the primary coverage  
12           for the shared car in order to drive a shared car; and
- 13           (11) Disclose that a shared car owner shall be permitted to  
14           obtain insurance that provides coverage for loss of  
15           use of a shared car.

16           **§ -9 Driver's license verification and data retention.**

- 17           (a) A peer-to-peer car-sharing program shall not enter into a  
18           car-sharing program agreement with a shared car driver unless  
19           the shared car driver:



- 1           (1) Holds a driver's license issued under section 286-102
- 2                   that authorizes the shared car driver to operate
- 3                   vehicles of the class of the shared car;
- 4           (2) Is a nonresident who:
  - 5                   (A) Has a driver's license issued by the state or
  - 6                           country of the driver's residence that authorizes
  - 7                           the shared car driver in that state or country to
  - 8                           drive vehicles of the class of the shared car;
  - 9                           and
  - 10                   (B) Is at least the same age as that required of a
  - 11                           resident to drive; or
- 12           (3) Otherwise is specifically authorized to drive vehicles
- 13                   of the class of the shared car.
- 14           (b) A peer-to-peer car-sharing program shall record:
  - 15                   (1) The name and address of the shared car driver; and
  - 16                   (2) The place of issuance and number of the driver's
  - 17                           license of the shared car driver and each other
  - 18                           person, if any, who will operate the shared car.
- 19           § -10 **Responsibility for equipment.** (a) A peer-to-peer
- 20 car-sharing program shall have sole responsibility for any
- 21 equipment, such as a global positioning system or other special



1 equipment that is put in or on the shared car to monitor or  
2 facilitate the car-sharing transaction, and shall agree to  
3 indemnify and hold harmless the shared car owner or shared car  
4 driver for any damage to or theft of the equipment during the  
5 car-sharing period.

6 (b) A shared car owner has the right to seek indemnity  
7 from the peer-to-peer car-sharing program for any loss or damage  
8 to a shared car that occurs as a result of any equipment, such  
9 as a global positioning system or other special equipment, that  
10 is put in or on a vehicle to monitor or facilitate the car  
11 sharing.

12 (c) A shared car driver has the right to seek indemnity  
13 from the peer-to-peer car-sharing program for any loss or damage  
14 that occurs as a result of any equipment, such as a global  
15 positioning system or other special equipment, that is put in or  
16 on a vehicle to monitor or facilitate the car sharing.

17 (d) No peer-to-peer car-sharing program or shared car  
18 owner shall require a shared car driver to make an advance  
19 deposit in any form, including an advance charge against a  
20 credit card of a shared car driver, for damages to a shared car  
21 occurring during the car-sharing period. No peer-to-peer car-





1 sharing program or shared car owner shall require any payment  
2 for damages to a shared car that occur during the car-sharing  
3 period until after the cost to repair the shared car damages and  
4 liability thereof is agree to by the shared car driver or is  
5 determined pursuant to law.

6 (e) No peer-to-peer car-sharing program or shared car  
7 owner shall charge a shared car driver more than the cost of the  
8 parts and labor necessary to repair damages to a shared car that  
9 occur during the car-sharing period if the vehicle is repaired.  
10 The costs to repair the damages to the shared car shall be in  
11 accordance with standard practice in the motor vehicle industry  
12 in the community.

13 (f) No peer-to-peer car-sharing program or shared car  
14 owner shall charge a shared car driver more than the actual cash  
15 value of a vehicle determined in accordance with standard  
16 practice in the motor vehicle insurance industry if the shared  
17 car damaged during the car-sharing period is declared a total  
18 loss.

19 § -11 Motor vehicle safety recalls. (a) A peer-to-peer  
20 car-sharing program shall:



- 1           (1) Verify that no safety recalls exist for each shared  
2           car available for peer-to-peer car-sharing through the  
3           peer-to-peer car-sharing program;
- 4           (2) Verify that all repairs of the safety recall have been  
5           completed for each shared car before each car-sharing  
6           start time;
- 7           (3) Immediately notify the shared car driver of any safety  
8           recall affecting the shared car, so that the shared  
9           car may be removed from use until the shared car owner  
10          completes the necessary safety recall repair; provided  
11          that continued use of the shared car by the shared car  
12          driver, pursuant to the car-sharing program agreement,  
13          shall not indemnify the peer-to-peer sharing car-  
14          program or shared car owner from loss arising out of  
15          use of the shared car by the shared car driver;
- 16          (4) Make no vehicle available for car-sharing that is  
17          subject to a safety recall if the safety recall repair  
18          has not been completed; and
- 19          (5) Prior to each car-sharing period, notify the shared  
20          car owner of the requirements under subsection (b).
- 21          (b) A shared car owner shall:



- 1 (1) Not make the shared car available for use through a  
2 peer-to-peer car-sharing program if the shared car  
3 owner has received notice of a safety recall on the  
4 shared car, until the safety repair has been  
5 completed;
- 6 (2) Remove any shared car listed for use through a  
7 peer-to-peer car-sharing program upon receipt of  
8 notice of a safety recall as soon as practicably  
9 possible but no longer than seventy-two hours after  
10 receipt of notice of a safety recall; and
- 11 (3) Notify the peer-to-peer car-sharing program of a  
12 safety recall within forty-eight hours of receipt of a  
13 safety recall when the shared car is in the possession  
14 of a shared car driver.

15 **§ -12 Department of transportation; airports division;**  
16 **contract or agreement; rules.** A peer-to-peer car-sharing  
17 program shall enter into a contract or other agreement with the  
18 airports division of the department of transportation pursuant  
19 to section 261-7(a) prior to operating at any airport in the  
20 State. A peer-to-peer car-sharing program shall comply with all  
21 rules of the airport division.



1           §   -13   Additional mandatory charges prohibited.   (a)

2   Prior to the execution of a car-sharing agreement, the peer-to-  
3   peer car-sharing program shall disclose to the shared car driver  
4   the total cost to be charged to the shared car driver that shall  
5   include the total cost, as well as itemized descriptions of the  
6   amount of each charge, that is required as a condition of the  
7   peer-to-peer car-sharing program agreement. As part of any  
8   quotation of price, the peer-to-peer car-sharing program shall  
9   disclose, including all quotations contained in advertising or  
10  through online quotations, all costs that a shared car driver is  
11  required to pay as part of the car-sharing program agreement.

12           (b) A peer-to-peer car-sharing program shall separately  
13  disclose the cost of any insurance offered to a shared car owner  
14  or shared car driver by or through the peer-to-peer car-sharing  
15  program. The cost of insurance shall be included in the total  
16  cost to be disclosed to a shared car driver as required by  
17  subsection (a).

18           (c) A peer-to-peer car-sharing program and shared car  
19  owner shall not pass on any costs or expenses, except the costs  
20  of insurance identified in subsection (b), incurred by the peer-  
21  to-peer car-sharing program relating to ownership, maintenance,



1 or operation of the shared car or participation in or operation  
2 of the peer-to-peer car-sharing program.

3 § -14 Civil penalties. Any person who violates or  
4 attempts to violate any provision of this chapter shall be  
5 deemed to have engaged in an unfair or deceptive act or practice  
6 in the conduct of trade or commerce within the meaning of  
7 section 480-2."

8 SECTION 2. Chapter 251, Hawaii Revised Statutes, is  
9 amended by adding a new section to be appropriately designated  
10 and to read as follows:

11 "§251- Peer-to-peer car-sharing surcharge tax. (a)  
12 There is levied, assessed, and collected each month a  
13 peer-to-peer car-sharing surcharge tax of \$ per day,  
14 or any portion of a day, that a shared car is shared pursuant to  
15 a car-sharing program agreement. The peer-to-peer car-sharing  
16 surcharge tax shall be levied upon the operator of the  
17 peer-to-peer car-sharing program.

18 (b) The peer-to-peer car-sharing program shall be  
19 responsible for remitting the surcharge tax to the department,  
20 which shall deposit all of the moneys from the surcharge tax  
21 into the state highway fund established by section 248-8.



1        (c) For purposes of this section:

2        "Car-sharing program agreement" has the same meaning as in  
3 section        -1.

4        "Peer-to-peer car-sharing program" has the same meaning as  
5 in section        -1.

6        "Shared car" has the same meaning as in section        -1."

7        SECTION 3. New statutory material is underscored.

8        SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

Department of Taxation; Peer-to-Peer Car-sharing; Authorized;  
Surcharge Tax; State Highway Fund

**Description:**

Authorizes peer-to-peer car-sharing and establishes regulations  
thereof. Establishes the peer-to-peer car-sharing surcharge tax  
on the operator of the peer-to-peer program. Effective  
7/1/2050. (SD2)

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not legislation or evidence of legislative intent.*

