
Addendum: for use with Hawaii Property and Casualty and Personal Lines online ExamFX courses and study guide version 27746en/27747en (Property and Casualty), and 26207en (Personal Lines), per exam content outline updates effective 12/15/2023.

The following are **content additions** to supplement your existing text unless otherwise indicated.

Hawaii Laws, Rules, and Regulations Pertinent to Casualty Only

B. Hawaii Motor Vehicle Insurance Law

Transportation Network Company (TNC)

A **Transportation Network Company (TNC)**, such as Uber and Lyft, is a corporation, partnership, sole proprietorship or another entity operating in this state that uses a digital network to connect riders to company drivers who provide prearranged rides. A *prearranged ride* is the transportation of a rider by a driver, which begins when a driver accepts a ride requested by a rider through a digital network controlled by a TNC, continues during the ride, and ends when the last requesting rider exits the personal vehicle. A prearranged ride does not include:

- Shared expense carpool or vanpool arrangements provided by businesses that rent motor vehicles; or
- Taxi, limousine, or other for-hire vehicles.

The National Association of Insurance Commissioners divides TNC services into three exposure periods:

1. Waiting for a match (or pre-match);
2. Match accepted (driver is on the way to pick up the passenger); and
3. Passenger in the vehicle and until the passenger exits the vehicle.

Because drivers who contract with TNCs are using their personal vehicles, many of them do not have a livery driver's license, nor are their vehicles registered or insured as commercial vehicles. This is opposed to limousine or taxi drivers who drive commercial vehicles and have commercial insurance



coverage. Personal auto policies do not generally provide coverage for ride sharing.

The driver or the TNC on the driver's behalf must maintain **primary automobile insurance** that recognizes that the driver is a TNC driver with minimum limits of **50/100/25** while the driver is logged into the TNC's digital network but not engaged in a prearranged ride:

- \$50,000 for death and bodily injury per person;
- \$100,000 for death and bodily injury per incident; and
- \$25,000 for property damage.

If a driver is engaged in a prearranged ride, the automobile liability insurance must provide at least \$1,000,000 of coverage for death, bodily injury, and property damage.

Insurers who provide TNC coverage must also offer additional optional coverage, including uninsured and underinsured motorist coverage.

If the only named insured under a motor vehicle insurance policy is the TNC, certain actions must be taken by either the insurer or the TNC. These actions include providing written disclosure of the coverages to the TNC driver, informing the driver in writing that not all optional coverages may have been purchased, and obtaining a written acknowledgment from the driver confirming receipt of the disclosures. The standard disclosure forms and any modifications must be submitted to the Commissioner within **15 days** of providing the disclosures to the driver. It is also important to note that coverage under the insurance policy maintained by the TNC does not depend on a personal motor vehicle insurer denying a claim and it is not necessary for a personal motor vehicle insurance policy to deny a claim first.

Global positioning system (GPS) records and electronic records for each period when a TNC driver is using the TNC's digital network or software application service, or providing a prearranged ride, must be maintained for at least **5 years**. Records must be readily available for accident investigations or resolving disputes related to TNC drivers within **10 days** of receiving a written request.



Peer-to-Peer Car Sharing

Peer-to-peer car sharing means the operation, use, or control of a motor vehicle by an individual other than the motor vehicle's owner through a peer-to-peer car-sharing program.

A **peer-to-peer car-sharing program** includes:

- Any person who enables a shared car driver to identify, reserve, or use a shared car owned by a shared car owner; or
- Any person who enables a shared car owner to describe, list, or make their shared vehicles available for identification, reservation, or use by a shared car driver.

Peer-to-peer car sharing program does not include transportation network companies (TNCs), car-sharing organizations, registered travel agencies, or registered activity desks.

During a car-sharing period, motor vehicles used under a peer-to-peer car-sharing program must maintain coverage in an aggregate amount of at least **\$750,000** for death, bodily injury, and property damage per accident, along with costs of defense outside those limits. Additionally, the policy should provide primary insurance coverage for personal injury protection that meets the required minimum coverage amounts.

When a peer-to-peer car-sharing program is the sole named insured in a motor vehicle insurance policy, the program must provide a written disclosure of the coverage details to the driver, notifying the driver in writing that not all optional coverages may have been obtained. The program must obtain a written acknowledgment from the driver, confirming receipt of the disclosures. Disclosure forms must be submitted to the Commissioner within **15 days** of providing them to a driver.

Authorized insurers in this state may exclude coverage under a shared motor vehicle policy for the following:

- Liability coverage for bodily injury and property damage;
- Personal injury protection coverage;
- Uninsured and underinsured motorist coverage;
- Medical payments coverage;



- Comprehensive physical damage coverage; and
- Collision physical damage coverage.

A peer-to-peer car-sharing program is responsible for collecting and verifying records for each car-sharing agreement. These records include the start and end times of the car-sharing period, detailed descriptions and amounts of fees and costs charged to the driver and paid by the driver and owner, contact information of the owner and driver, and insurance policy details. The program must maintain records for at least **6 years** and provide them upon request to the owner, driver, insurers, injured parties, and authorities for accident or claim investigations.

For each vehicle involved in a car-sharing program, the program must provide

- The owner and driver of the vehicle with a copy of the program agreement;
- A phone number for emergency roadside assistance that is available 24 hours a day;
- An explanation to the driver that they must have their own auto insurance as the primary coverage for the vehicle;
- An explanation to the owner that they can purchase insurance that covers them for the loss of use of their vehicle; and
- An explanation to the owner and driver that
 - They may be required to pay the program for any loss the program suffers because of a breach of the agreement;
 - Their vehicle insurance may not cover claims made by the program;
 - The program's insurance only covers them during the car-sharing period; and
 - They may be responsible for paying costs for insurance or protection packages.