



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

FILED
SEP 03 2022

No. 21-201

PURSUANT TO ROH Sec. 1-2.5
RESOLUTION

URGING THE HAWAII STATE LEGISLATURE TO ENACT LEGISLATION ESTABLISHING A REGULATORY FRAMEWORK FOR PEER-TO-PEER CAR-SHARING OPERATIONS AND ALLOWING COUNTY OVERSIGHT AND MANAGEMENT OF THE REGULATORY IMPACTS OF CAR-SHARING OPERATIONS.

WHEREAS, the COVID-19 pandemic has had severe and adverse impacts upon Hawaii tourism and the businesses that support the visitor industry, including car rental companies; and

WHEREAS, after the shut-down of Hawaii's tourism to transpacific visitors, many of Hawaii's car rental companies sold large numbers of their cars to cushion the financial blow; and

WHEREAS, although tourism has largely rebounded, car rental companies have been unable to buy sufficient replacements due to car manufacturing delays, and the Hawaii Tourism Authority reported in June of this year that Hawaii's car rental fleet inventory was down by at least 40 percent; and

WHEREAS, the shortage of rental car inventory has caused local residents and visitors who need vehicles to utilize alternative vehicle rental services, such as U-Haul and car-sharing platforms such as Turo; and

WHEREAS, Turo provides a "peer-to-peer car sharing" service in which privately-owned vehicles, generally owned by individuals, are made available for rent through an online platform that allows a customer to search, arrange, and pay for the rental of the privately-owned vehicle through the company's platform, with Turo taking about 25 percent of the rental fee; and

WHEREAS, Turo's operations, fueled by the car rental shortage, have been widely successful in Hawaii, with some individuals reporting that hosting their private vehicles on Turo's car-sharing platform earned them up to \$3,000 per month and more than six figures per year; and

WHEREAS, according to local news outlets, the broad success of Turo's operations has encouraged local residents to not only host their personal vehicles on Turo's car-sharing platform, but to purchase additional vehicles to add to their "fleets"; and



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WHEREAS, since Turo hosting is generally a home-based operation utilizing Turo's online platform, additional vehicles in a host's fleet invariably results in some of these vehicles occupying limited on-street parking in residential communities; and

WHEREAS, under current State of Hawaii ("State") law, since Turo's operations currently fall under car rentals, the City and County of Honolulu ("City") is preempted from directly regulating Turo's operations and is unable to comprehensively address the regulatory impacts of Turo's operations, such as increased parking and traffic in the City's residential communities; and

WHEREAS, during the 2021 regular legislative session, the Hawaii State Legislature considered HB 333, which would establish a regulatory framework for peer-to-peer car-sharing programs separate from that for "rental motor vehicles," as defined in Section 437D-3, Hawaii Revised Statutes, and would allow the counties to regulate certain aspects of peer-to-peer car-sharing operations; and

WHEREAS, although HB 333 was debated and amended as it moved through the legislative process, HB 333 (2021), HD3, SD2, remained in conference committee at the close of the 2021 regular session, and will carry over to the 2022 regular session; and

WHEREAS, the City Council strongly supports the enactment of a regulatory framework similar to that proposed by HB 333 (2021), HD3, SD2, for peer-to-peer car-sharing operations, which would allow more comprehensive oversight and local management of the regulatory impacts of such car-sharing operations, such as parking and traffic safety in residential communities; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the Hawaii State Legislature to enact legislation establishing a regulatory framework for peer-to-peer car-sharing operations, similar to HB 333 (2021), HD3, SD2, and allowing county oversight and management of the regulatory impacts of car-sharing operations, such as parking and traffic safety in residential communities; and



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BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Governor, the President of the State Senate, the Speaker of the State House of Representatives, the Mayor, and the Managing Director.

INTRODUCED BY:

Tony Wata

DATE OF INTRODUCTION:

SEP 3 2021

Honolulu, Hawaii

Councilmembers

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