

HB2435 HD1 SD1

Measure Title: RELATING TO MOTOR CARRIERS.

Report Title: Motor Carrier Law; Rates; Definition

Description: Clarifies that "rates" for purposes of Hawaii's Motor Carrier Law means only charges for the provision of transportation by motor carrier when transportation is provided as one part of a package that includes other services. Takes effect on 7/1/2050. (SD1)

Companion:

Package: None

Current Referral: TRE, CPH

Introducer(s): AQUINO



April 6, 2018

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
CONSUMER PROTECTION & HEALTH
ON HB 2435 HD1 SD1 RELATING TO MOTOR CARRIERS**

Aloha Chair Baker, and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 400 transportation related members throughout the state of Hawaii.

HTA supports this measure as written.

This will clarify exactly what is regulated for passenger carriers by the Public Utilities Commission.

Mahalo.



Testimony of Roberts Hawaii

on

H.B. 2435 H.D. 1, S.D.1

Relating to Motor Carriers

Committee on Commerce, Consumer Protection and Health

Friday, April 6, 2018

9:30 a.m., Room 229

phone 808 523 7750

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Roberts Hawaii Inc.

680 Iwilei Road

Suite 700

Honolulu, Hawaii 96817

My name is Roy Pfund, Vice President of Robert's Hawaii, Inc., testifying in strong support of H.B. No. 2435, H.D.1, S.D.1, which proposes to amend the definition of "rate" for the transportation of passengers by motor vehicle to only include the charges for the provision of transportation.

Robert's Hawaii operates under a certificate for the transportation of persons by motor vehicle and the services incidental to the "safety, comfort, or convenience of the persons transported." As one of Hawaii's largest provider of tour and transportation services, Robert's Hawaii often enters into agreements with a tour packager or event organizer, where the agreement includes the provision of things like air fare, meals, cost of attractions, and other services. The PUC is charged with regulating the transportation component of these packaged services.

H.B. No. 2435, H.D. 1, S.D.1, amends the definition of "rate" so, when a motor carrier of passengers enters into an agreement that includes the provision of non-transportation items, such as airfare, meals, attractions, and other non-transportation services, the rate shall only include the revenue related to the provision of transportation.

This amendment will clarify that, 1) the PUC passenger tariffs rates filed are for transportation services only, and 2) the annual fee paid to the Public Utilities based on "gross revenues," should exclude amounts received for the non-transportation items.

We request that the effective date be changed to "upon approval."

We strongly urge you to pass this measure with the recommended amendment.

Thank you for the opportunity to testify on this measure.



April 6, 2018

COMMITTEE ON TRANSPORTATION AND ENERGY

Sen. Rosalyn Baker, Chair ; Sen. Jill Tokuda, Vice Chair; and Committee Members
Public Hearing, April 6, 2018 at 9:30 a.m., Conference Room 229

**TESTIMONY of WILLIAM F. ANONSEN
MANAGING PARTNER/PRINCIPAL of THE MARITIME GROUP, LLC
IN SUPPORT of H.B. 2435 HD1 SD1**

My name is William Anonsen and I am the Managing Partner/Principal of THE MARITIME GROUP, LLC. We support HB 2435 HD1 SD1 which proposes to amend the definition of rates under Hawaii's Motor Carrier Law to clarify that rates are to specifically apply to the provision of transportation related services provided and not non-transportation services.

The role and importance of Hawaii's ground transportation providers cannot be over-emphasized in view of our dependence on a reliable, safe, cost effective and operational efficient ground transportation system for both passengers and freight. Ground transportation is a complex process and is the most common method of transporting people and freight around on throughout our multi-island state, as we do not have other ground transportation alternatives statewide.

Although we support the assessment of equitable fees and charges for a common carrier to pay to the Hawaii PUC, those rates should be limited to fees in aligned against only the revenues associated to transportation related services and not non-transportation revenues which are common for ground transportation carriers who provide tour and/or event packages to its customers.

We believe it is neither prudent nor equitable to apply the definition of "rates" to include the myriad of other supplementary services a PUC regulated ground transportation carrier may include in a passenger package to covering supplementary elements in the form of non-transportation services such as airfare, attraction fees, meals and other non-related transportation services.

Mahalo for the opportunity to comment in support of H.B. 2435 HD1 SD1

Sincerely,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal