

Roberts Hawaii

FACSIMILE TRANSMITTAL SHEET

TO:	Committee on Transportation	FROM:	Berni Halsey (for Roy Pfund)
COMPANY:	House of Representatives	DATE:	02/13/18
FAX NUMBER:	808-586-6381	TOTAL NO. OF PAGES INCLUDING COVER:	2
PHONE NUMBER:	808-586-6520	SENDER'S TELEPHONE NUMBER:	808-539-9491
RE:	H.B. No. 2435	SENDER'S FAX NUMBER:	808-522-7866

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Following please find the Testimony of Roberts Hawaii on H.B. No. 2435 Relating to Motor Carriers. Please feel free to contact our office if you should need anything additionally at this time. Thanks for your help.

THE WRITTEN MESSAGE TRANSMITTED HEREBY IS FOR THE EXCLUSIVE USE OF THE ADDRESSEE AND CONTAINS CONFIDENTIAL, PRIVILEGED AND NONDISCLOSABLE INFORMATION. IF THE RECIPIENT OF THIS MESSAGE IS NOT THE ADDRESSEE, OR A PERSON RESPONSIBLE FOR DELIVERING THE MESSAGE TO THE ADDRESSEE, SUCH RECIPIENT IS PROHIBITED FROM READING OR USING THIS MESSAGE IN ANY WAY. IF YOU HAVE RECEIVED THIS MESSAGE BY MISTAKE, PLEASE NOTIFY THE SENDER IMMEDIATELY AND DESTROY THE FACSIMILE MESSAGE.

Testimony of Roberts Hawaii

on

H.B. No. 2435

Relating to Motor Carriers

Committee on Transportation

Wednesday, February 14, 2018

10:30 a.m., Room 423

phone 808 523 7750
fax 808 522 7866

Roberts Hawaii, Inc.
680 Iwilei Road
Suite 700
Honolulu, Hawaii 96817

robertshawaii.com

My name is Roy Pfund, Vice President of Robert's Hawaii, Inc., testifying in strong support of H.B. No. 2435, 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 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 Commission based on "gross revenues," should exclude amounts received for the non-transportation items.

We strongly urge you to pass this measure.

Thank you for the opportunity to testify on this measure.

§271-36 Fees and charges. (a) Every common carrier by motor vehicle and every contract carrier by motor vehicle shall pay to the commission, in April of each year, a fee equal to one-fourth of one per cent of the gross revenues from the carrier's business during the preceding calendar year, or the sum of \$20, whichever is greater. Gross revenues include all revenues received from services connected with or incidental to the transportation of persons or the transportation of property, as defined under section 271-4.

LATE



February 14, 2018

COMMITTEE ON TRANSPORTATION

Rep. Henry Aquino, Chair; Rep. Sean Quinlan, Vice Chair; and Committee Members
Public Hearing, February 14, 2018 at 10:30 a.m., Conference Room 423

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

My name is William Anonsen and I am the Managing Partner/Principal of THE MARITIME GROUP, LLC. We support HB 2435 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

Sincerely,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal



Testimony of E Noa Corporation
on
H.B. No. 2435
Relating to Motor Carriers
Committee on Transportation
Wednesday, February 14, 2018
10:30 a.m., Room 423

My name is Maki Kuroda, and I am president and CEO of E Noa Corporation. We have been in business for over 40 years, and set the standard for Hawaii tours. I want to add my unqualified support for H.B. No. 2435.

The Public Utilities Commission (PUC) regulates all chartered, franchised, certificated, and registered public utility companies operating in the State; reviews and approves rates, tariffs, charges and fees; determines the allowable rate of earnings in establishing rates; issues guidelines concerning the general management of franchised or certificated utility businesses; and acts on requests for the acquisition, sale, disposition or other exchange of utility properties, including mergers and consolidations. The Commission's primary duty, however, is to protect the public interest by overseeing and regulating public utilities to ensure that they provide reliable service at just and reasonable rates.

Paying PUC charges for non-transportation items, which is - in our case - all the activities we include in our package tour/tours e.g., (lunch, admission), and paying for non-regulated PUC items do not reflect the true spirit of PUC's purposes and objectives. Therefore, E Noa Corporation highly favors H.B. No. 2435, separating these activities and responsibilities from paying a fee for the transportation portion.

Thank you for allowing us to submit written testimony endorsing H.B. No. 2435.