

JAN 23 2020

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# A BILL FOR AN ACT

RELATING TO PUBLIC TRANSPORTATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that counties need  
2 revenue to operate and maintain bus systems and other mass  
3 transit systems. The legislature notes the counties have  
4 attempted to meet revenue needs by increasing rider fares.  
5 However, these increases often place a financial burden on  
6 riders. The legislature therefore believes that mass transit  
7 fare increases should be a last resort.

8           Accordingly, the purpose of this Act is to establish that  
9 before any county imposes any new mass transit fare or fare  
10 increase, the county shall first seek revenue from alternative  
11 sources, including advertising.

12           SECTION 2. Chapter 51, Hawaii Revised Statutes, is amended  
13 by adding a new section to be appropriately designated and to  
14 read as follows:

15           "§51-       Fares; revenue; transit-based advertisements.

16           (a) Revenues from fares for mass transit systems and revenues  
17 from transit-based advertisements described in subsection (c)



1 shall be reserved only for a county's mass transit system  
2 purposes, including operation and maintenance.

3 (b) Before a county establishes any new fare or increase  
4 in any existing fare intended to take effect after July 1, 2020,  
5 for a mass transit system authorized by this chapter, the county  
6 shall first determine whether the additional revenue sought from  
7 the proposed fare establishment or increase may be obtained  
8 through other means, including transit-based advertisements.

9 (c) A county subject to subsection (a) shall seek fair  
10 market compensation from governmental and nongovernmental  
11 entities, as applicable, for the display of paid advertisements  
12 displayed:

13 (1) On the interior of the vehicles in the mass transit  
14 system;

15 (2) On the exterior of the vehicles in the mass transit  
16 system; provided that the county shall not be required  
17 to authorize advertisements on the front exterior of  
18 the vehicles; and

19 (3) At stopping points for the vehicles in the mass  
20 transit system.

21 (d) Notwithstanding subsection (b), a county may:



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- 1        (1) Establish reasonable restrictions on the placement,  
2                format, size, and material of transit-based  
3                advertisements to ensure the health and safety of  
4                passengers, operators, and the general public; and
- 5        (2) Prohibit any advertisement that:
- 6                (A) Bears the name, signature, picture or likeness of  
7                any elected federal, state, or city official or  
8                of any candidate for federal, state, or city  
9                elective office;
- 10                (B) By reason of design, format or subject matter,  
11                promotes or appeals to racial, religious, or  
12                ethnic prejudice or violence;
- 13                (C) Contains pictures, words, or symbols of an  
14                obscene, lewd, lascivious, or indecent character;
- 15                (D) Promotes any illegal, indecent, or immoral  
16                purpose; or
- 17                (E) Promotes any product or service that is  
18                prohibited by law to be sold or offered for sale  
19                to minors or an age-based subgroup of minors.
- 20        (e) A county that determines that a fare establishment or  
21        increase as described in subsection (a) is necessary shall



1 submit a justification report to the department of  
2 transportation. The report shall include, at a minimum:

3 (1) The proposed new fare or fare increase; and

4 (2) The attempts the county made to raise revenues through  
5 alternative means.

6 (f) The department of transportation shall have thirty  
7 days from the date of receipt of a county's justification report  
8 to make a decision on the report. If the department of  
9 transportation rejects the proposed new fare or fare increase,  
10 the county shall not establish or increase the fare. If the  
11 department of transportation does not submit a decision to the  
12 county within thirty days, the proposed new fare or fare  
13 increase shall be deemed approved. If the department of  
14 transportation approves the new fare or fare increase, the  
15 county may establish the new fare or fare increase as provided  
16 by county ordinance."

17 SECTION 3. New statutory material is underscored.

18 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: Kurt Zevilla

Ann Mercedes



S.B. NO. 3120

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# S.B. NO. 3120

**Report Title:**

Counties; Mass Transit; Buses; Rail; Fares; Advertisements; DOT

**Description:**

Requires a county to first seek revenue from alternative sources, including advertising, before imposing any new mass transit fare or fare increase. Requires prior approval of a new fare or fare increase from the Department of Transportation.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

