

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



TESTIMONY BY:
EDWIN H. SNIFFEN
DIRECTOR
KA LUNA HO'OKELE

Deputy Directors
Nā Hope Luna Ho'okele
DREANALEE K. KALILI
TAMMY L. LEE
ROBIN K. SHISHIDO

STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

Wednesday, February 22, 2024
10:05 a.m.
State Capitol, Room 211 & Videoconference

S.B. 3022, S.D.1
RELATING TO TRANSPORTATION

Senate Committee on Ways and Means

The Hawaii Department of Transportation **supports** this bill.

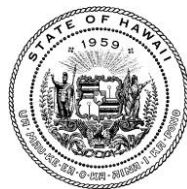
The bill proposes to establish a transportation network companies fee on each ride and deposits the fees into the Safe Routes to School Program Special fund.

The additional revenues collected can be used for the safe routes to school program that shall, among other things, enhance traffic safety around Hawaii's schools, enable and encourage children to walk and bicycle to school, and make bicycling and walking to school a safer and more appealing transportation alternative.

Thank you for the opportunity to provide testimony.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:
S.B. No. 3022, S.D. 1, Relating to Transportation.

BEFORE THE:
Senate Committee on Ways and Means

DATE: Thursday, February 22, 2024
TIME: 10:05 a.m.
LOCATION: State Capitol, Room 211

Chair Dela Cruz, Vice-Chair Moriwaki, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding S.B. 3022, S.D. 1, for your consideration.

S.B. 3022, S.D. 1, adds a new section to chapter 279G, Hawaii Revised Statutes (HRS), levying and assessing an undetermined fee on each ride originated through a transportation network company application. The transportation network company platform would be charged with collecting the fee and remitting it to the Department; the collected funds would be deposited into the safe routes to schools program special fund established under section 291C-4, HRS. The measure has a defective effective date of January 1, 2050.

The Department appreciates the amendment made by the Committees on Transportation and Culture and Commerce and Consumer Protection, as suggested by the Department, amending the measure to replace the term "rideshare" with the more appropriate term "transportation network companies." The Department, however, suggests additional amendments, as described below.

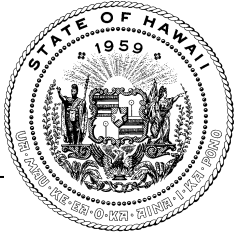
First, the Department notes that, pursuant to section 231-3, HRS, the Department is responsible for the collection and administration of taxes imposed under title 14, HRS; chapter 279G, HRS, which is part of title 15, HRS, falls outside of the

Department's scope, powers, and duties. The Department further notes that all of its enforcement tools, such as its authority to conduct audits, issue subpoenas, and impose penalties, apply to taxes imposed under title 14, HRS.

Accordingly, if the intent is for the Department to administer and collect a new tax, as opposed to a fee, from transportation network company platforms, the Department suggests creating new provisions within title 14, HRS, imposing the new tax. The Department also notes that administrative provisions will be needed, such as provisions that require registration with the Department, require the filing of returns and remittance of taxes, authorize the Department to issue assessments, provide appeal rights, require recordkeeping, and prohibit the disclosure of return information.

Second, the Department requests that, should this measure move forward, the effective date of this measure be amended to January 1, 2026, as the Department will need time to plan for and create a new tax type with new registration requirements and forms. The Department will also need time to make the necessary system changes.

Thank you for the opportunity to provide comments on this measure.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

(808) 451-6648
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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Thursday, February 22, 2024
10:05 AM
State Capitol, Conference Room 211 and Videoconference

In Support of
SB 3022, SD1

RELATING TO TRANSPORTATION.

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 3022, SD1, that establishes a transportation network company fee and deposits fees collected into the Safe Routes to School Program Special Fund.

HSEO's testimony is guided by its mission pursuant to HRS §196-71 to promote energy efficiency, renewable energy, and clean transportation, and HRS §196-72 (7) to "evaluate, recommend, and participate in the development of incentives and programs that encourage the development of... clean transportation resources."

Transportation network companies (TNCs) are companies that offer prearranged rides or car rentals for a fee, utilizing an online application (app) via a mobile phone. The availability of TNCs provide transportation options for our residents as well as visitors. TNCs have the potential to increase vehicle efficiency by reducing the number of empty or underutilized seats in cars through ride-sharing, which could lead to a more efficient use of existing vehicles and a decrease in overall vehicle miles travelled (VMT) and energy used for transportation. This is not always the case according to recent studies suggesting that TNCs tend to increase VMT by inducing additional travel as well

as “deadheading,”¹

Furthermore, a comprehensive 2021 study concluded that TNC resulted in reduced public transit ridership (by 8.9%) in the 174 studied metropolitan statistical areas². Thus, the data shows TNC is moving people away from more efficient modes of transportation. TNCs also contribute to heightening congestion in urban areas if they prompt a shift away from public transportation or non-motorized modes, increasing emissions and energy consumption.

HSEO's commitment to transitioning towards clean transportation and reducing vehicle miles traveled (VMT) and energy consumption through walking, biking, and transit is crucial for meeting the State's 2045 net-negative carbon goal. However, safety stands out as a common obstacle hindering individuals from choosing walking, biking, or public transit over driving. Therefore, HSEO supports SB 3022, SD1, since depositing the collected fees from TNCs into the Safe Routes to School program will help enhance safety measures, encouraging the adoption of more energy-efficient modes of transportation, which aligns with HSEO's statutory objectives.

Thank you for the opportunity to testify.

¹ Martin, E., Shaheen, S., & Stocker, A. (2021). Impacts of Transportation Network Companies on Vehicle Miles Traveled, Greenhouse Gas Emissions, and Travel Behavior Analysis from the Washington DC, Los Angeles, and San Francisco Markets. <https://escholarship.org/content/qt90b6d7r3/qt90b6d7r3.pdf>

² Diao, M., Kong, H., & Zhao, J. (2021). Impacts of transportation network companies on urban mobility. *Nature Sustainability*, 4(6), 494-500. <https://www.nature.com/articles/s41893-020-00678-z#citeas>



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Co-Chairs:
Chair, DLNR
Director, OPSD

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WAL
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawaii DP
Director, Kauai DP
The Adjutant General
Manager, CZM

Testimony of
Leah Laramee
Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

Before the Senate Committee on
WAYS AND MEANS

Thursday, February 22, 2024
10:05 AM

State Capitol, Via Videoconference, Conference Room 211

In consideration of
SENATE BILL 3022 SENATE DRAFT 1
RELATING TO TRANSPORTATION

Senate Bill 3022 SD1 establishes a transportation network company fee. Deposits fees collected into the Safe Routes to School Program Special Fund. **The Climate Change Mitigation and Adaptation Commission (Commission) supports this bill.**

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multi-jurisdictional effort between 20 different departments, committees, and counties. This bill addresses climate change while also supporting initiatives to reduce Hawai'i's cost of living crisis. Transportation is our largest carbon emission sector and it is vital that the State prioritize funding to improve the safety of people walking, rolling, biking, and using transit, as well as make those choices more desirable by improving infrastructure and the frequency of transit services. Creating a strategy to increase funding for these activities supports the State's ability to mitigate climate change and makes transportation more affordable and safer for all.

Mahalo for the opportunity to testify in support of this measure.

DEPARTMENT OF TRANSPORTATION SERVICES
KA 'OIHANA LAWELAWE 'ŌHUA
CITY AND COUNTY OF HONOLULU

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Phone: (808) 768-8305 • Fax: (808) 768-4730 • Website: honolulu.gov/transportation

RICK BLANGIARDI
MAYOR
MEIA



J. ROGER MORTON
DIRECTOR
PO'O

JON Y. NOUCHI
DEPUTY DIRECTOR
HOPE PO'O

TESTIMONY OF J. ROGER MORTON
DIRECTOR OF TRANSPORTATION SERVICES

BEFORE THE SENATE COMMITTEE ON
WAYS AND MEANS AFFAIRS
Notice of Decision Making

Thursday, February 22, 2024, 10:05 AM, Via Videoconference

TO: Sen. Donovan M. Dela Cruz, Chair, Sen. Sharon Y. Moriwaki, Vice Chair, and
Members of the Committee on Ways and Means

RE: WRITTEN TESTIMONY IN SUPPORT OF SENATE BILL 3022, SENATE DRAFT 1,
RELATING TO TRANSPORTATION

The Department of Transportation Services (DTS) of the City and County of Honolulu (City) **supports** Senate Bill 3022, Senate Draft 1, relating to transportation, and provides the following comments.

DTS supports efforts to more accurately price the full cost of single-occupant vehicle trips on Oahu's infrastructure and environment. DTS also encourages more efficient means of urban transportation, such as transit, walking, and biking.

As part of its Oahu Pedestrian Plan, the City identified a 900-mile sidewalk deficiency on its roadway system alone. Traditional transportation revenue sources are declining, yet our transportation funding needs for basic infrastructure are as high as ever.

The City is committed to its Safe Routes to Schools Program and related efforts that advance traffic safety for all roadway users in school zones, but funding is needed for both projects and programmatic support. DTS supports depositing the tax collections into the Safe Routes to School Program Special fund, and the State funding would also be valuable if it was eligible as local match (typically 20%) for federal transportation funds.

Thank you for the opportunity to submit this written testimony in support.



February 20, 2024

Testimony of Pamela Eaton
Maui MPO Executive Director

Before the Senate Committee on Ways and Means

February 22, 2024 at 10:05 a.m.
Conference Room 211

TESTIMONY IN SUPPORT OF SB 3022 SD1, RELATING TO TRANSPORTATION

Honorable Chair Dela Cruz
Honorable Vice Chair Sharon Y. Moriwaki
Honorable Members of the Senate Committee on Ways and Means

Thank you for the opportunity to testify on SB 3022, SD1. The Maui MPO **supports** SB 3022, SD1 and respectfully offers recommendations to improve the bill, which would establish a transportation network company fee and deposit the fees collected into the Safe Routes to School Program Special Fund. The Maui MPO would like to offer the same recommendation to the bill to help increase safety, active and public transportation, and equity:

1. Specify that half of the established rideshare fees go to the Counties to support transit operations on Page 3, Line 4

Suggested language: "(c) **All Half the** fees collected under this section shall be deposited into the safe routes to schools program special fund established under section 291C-4 **and the other half of the fees will be distributed to the Counties to pay for transit operations based on where the TNC trip was taken.**"

Funding transit operations continues to be difficult for the Counties, particularly since the start of the COVID-19 pandemic. Additionally, transit operations are not an eligible expense for the majority of federal funding Hawaii receives. The State legislature does not currently provide funding to the Counties to support transit operations, but there is precedent from other states that have identified transit operations as a priority.

The Maui MPO appreciates the recent amendments made to SB 3022. As written, this bill is in a closer alignment and support of the Maui Long Range Transportation Plan (LRTP) goals and values: provide safe and healthy transportation options, improve how people move around Maui today and in the years to come. Providing more connections between jobs, housing, services, and amenities and high-quality roads, walkways, and transit will keep people safe no matter how they're travelling and will increase opportunities for people in Maui to be more physically active.

Safer places to walk and bike, and more opportunities to use public transit means healthier residents and a stronger community.

With the State's pressing cost of living challenges, including transportation costs, both public and private, as well as our climate and energy crises, it is vital that the State prioritize funding to improve the safety of people walking, rolling, biking, and using transit, as well as make those choices more desirable by improving infrastructure and the frequency of transit services.

The Maui MPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Maui responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) transportation plan, referred to as the Maui Long Range Transportation Plan (LRTP) that encourages and promotes a safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution ([23 CFR 450.300](#)).

Thank you for the opportunity to provide testimony in **SUPPORT** of SB 3022, SD1.

Sincerely,

Pam Eaton

Pamela Eaton

Executive Director, Maui MPO



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Thursday, February 22, 2024 — 10:05 a.m.

Ulupono Initiative supports SB 3022 SD1, Relating to Transportation.

Dear Chair Dela Cruz and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono supports SB 3022 SD1, which establishes a transportation network company fee and deposits taxes collected into the Safe Routes to School Program Special Fund.

Ridesharing services provide an important option for residents in our communities. However, there is a common misconception that ridesharing just replaces one vehicle trip for another. It turns out that ridesharing services also log many miles of driving in which a driver has no passenger—commonly called “deadheading.” A comprehensive 2021 study of more than 44 cities concluded that ridesharing in urban areas resulted in a 0.9% increase in traffic and that congestion duration increased by 4.5%.¹ More trips and extraneous driving leads to more traffic, congestion, and crashes, making our neighborhoods less safe.

There is a significant unmet need for identifying, planning, designing, and implementing our walking and biking networks to establish more safe routes to schools. The Hawai'i Climate Change Mitigation and Adaptation Commission inventoried active transportation plans across the state to identify those high-priority pedestrian, bicycle, and multimodal projects that were generally unfunded (including both state and county projects). The Commission identified a total of almost \$1 billion in potential unfunded high-priority projects², the likely majority of which are within 1 mile of a school. The sheer magnitude of the needs outstrips the Hawai'i Department of Transportation's current capacity. For example, the current 2022-2025 O'ahu Transportation Improvement Program (TIP) notes that only 0.4% of the State's money is for bike and pedestrian projects³, although there is an estimated \$168 million needed for the its share of the O'ahu Bike Plan.⁴

¹ <https://www.nature.com/articles/s41893-020-00678-z>

² <https://climate.hawaii.gov/grants-to-projects-bridge/transportation-projects/>

³ https://oahumpo.org/?wpfb_dl=3062

⁴ https://www.honolulu.gov/rep/site/dts/bike_docs/OBP_Final_2019_Oahu_Bike_Plan_Update.pdf

Investing in a Sustainable Hawai'i



We strongly support this measure in which the fee will help fund the many important community infrastructure projects to provide for safe access to our schools for our keiki.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, New Fee on Transportation Network Companies

BILL NUMBER: SB 3022 SD 1

INTRODUCED BY: Senate Committees on Transportation and Culture and the Arts and Commerce and Consumer Protection

EXECUTIVE SUMMARY: Establishes a transportation network company fee. Deposits fees collected into the Safe Routes to School Program Special Fund.

SYNOPSIS: Adds a new section to Chapter 279G, HRS, to impose a Transportation network company fee of [unspecified] ___ cents on each ride originated through a transportation network company application. The fee will be levied upon the rider.

Transportation network company has the same meaning as in section 431:10C-701.

Adds new section to §291C-4, to allow transportation network company fees collected under section 279G-[---] to be deposited into the safe routes to school program special fund.

The transportation network company platform shall collect and remit fees to the department of taxation for deposit in the safe routes to schools program special fund.

EFFECTIVE DATE: January 1, 2050.

STAFF COMMENTS: Section 243-6, HRS, provides generally that fuel taxes, both at the state and county levels, are deposited into the highway fund. The highway fund generally funds construction and improvements to our highways and byways.

The proposal asserts transportation network companies continue to grow and are often used by visitors. As such, visitors and transportation network company platforms should contribute more to address the resulting infrastructure and road safety issues that are exacerbated from the increased usage. . One would think that if there is an increase in ridesharing services, unless electric vehicles are being used, there would be a related increase in fuel usage and fuel taxes available to fund infrastructure. If electric vehicles are being used, they are subject to an enhanced \$50 registration fee or a road usage charge, which would make up for the lack of fuel taxes contributed to the highway fund.

Fees are to be deposited into the safe routes to schools program special fund. If the impact that these transportation network companies have is on infrastructure, then unless specifically earmarked for infrastructure, how is the use by the safe routes to schools program alleviating the infrastructure concern.

Consequently, the fee as drafted appears to be an attempt to milk tourists even more.

Re: SB 3150 SD 1

Page 2

We are also concerned about reporting and compliance. While the bill indicates the transportation network company shall remit the fee to the DOT, there is no indication who will be responsible for compliance and enforcement. If this bill is to move forward, more serious thought should be given to reporting and compliance issues, as well as delineating responsibilities for its enforcement.

Digested: 2/20/2024

**TESTIMONY OF ROBERT TOYOFUKU ON BEHALF UBER TECHNOLOGIES
REGARDING S.B. NO. 3022 SD 1 RELATING TO TRANSPORTATION**

February 22, 2024

To: Chairman Donovan Dela Cruz and Members of the Senate Committee on Ways and Means:

My name is Bob Toyofuku and I am presenting this testimony on behalf of Uber Technologies (hereinafter “Uber”) regarding S.B. No. 3022 SD 1.

Uber has been operating as a Transportation Network Company (TNC) in Hawaii for several years, and this legislature passed a statewide TNC regulation bill in 2022 allowing a TNC such as Uber to operate in the State of Hawaii. The Department of Transportation (“DOT”) has the authority to oversee the regulation of TNCs.

Although the purpose of the fee being imposed may be for a positive purpose, Uber has concerns with this bill and opposes the manner in which it is drafted. Uber and other TNCs make an effort to keep the cost of a ride as reasonable as possible and this bill will definitely increase the fare to the rider. Secondly, if a fee is being charged to the rider, Uber is of the opinion that the fee should be assessed to all transportation companies which transport people; that is, taxi companies, limousine companies, tour related companies, shuttle services, etc. It appears to be discriminatory to assess only the TNC companies.

Thank you for giving me the opportunity to provide testimony on behalf of Uber.



**Testimony for Hawai'i Appleseed Center for Law and Economic Justice
Support for SB3022 SD1 - Relating to Transportation
Senate Committee on Ways and Means (WAM)
February 22nd, 2024 at 10:05AM**

Dear Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee,
Mahalo for the opportunity to express **SUPPORT for SB 3022 SD1, which would establish a ridesharing fee and deposit taxes collected into the Safe Routes to Schools (SRTS) Program Special Fund.**

This testimony is being submitted on behalf of the Hawai'i Appleseed Center for Law and Economic Justice. Our organization works to build a Hawai'i where everyone has genuine opportunities to achieve economic security and fulfill their potential. Affordable, accessible, and safe transportation is crucial for fostering economic equality as it enables individuals of all backgrounds to access employment opportunities, education, and essential services.

With the State's growing cost of living, including transportation costs, as well as our climate and energy crises, it is vital that we prioritize funding to improve the safety, accessibility, and affordability of non-vehicular modes of transportation. Unfortunately, despite the urgent need to decrease automobile dependency, pedestrian injuries and fatalities are on the rise. For example, according to the 2022 O'ahu Pedestrian Plan, the average annual number of pedestrian fatalities rose from 15.2 per year during the 2009–2013 time period, to 21 per year during the 2014–2018 time period (a 38 percent increase).¹ During those same time periods, the average annual number of pedestrian fatalities across the state rose by 26 percent.² The SRTS Program Special Fund addresses these challenges by providing much needed resources to State and County agencies to carry out roadway safety improvements near schools.

SB3022 takes a vital step forward by requiring that those who benefit financially from Hawai'i's roadways (i.e., ridesharing companies) contribute more to address the road safety issues they are exacerbating.

Mahalo for the opportunity to testify on this important measure.

Abbey Seitz

Abbey Seitz

Hawai'i Appleseed Center for Law and Economic Justice
Director of Transportation Equity

¹ City and County of Honolulu, Department of Transportation Services. (2022). *O'ahu Pedestrian Plan*.

² State of Hawai'i Department of Transportation. (2022). *State of Hawai'i Traffic Fatalities*.



Testimony of the Oahu Metropolitan Planning Organization

Committee on Ways and Means

February 22, 2024 at 10:05AM

Conference Room 211

SB 3022 SD 1

Relating to Transportation

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports SB 3022 SD 1**, which would establish a transportation network company fee and deposit the fees collected into the Safe Routes to School Program Special Fund.

OahuMPO strongly supports the amendments made to SB 3022. As amended, this bill is more supportive of more of the goals in the Oahu Regional Transportation Plan (ORTP).¹ This includes goals that enhance safety, active and public transportation, and equity.

With the State's pressing cost of living challenges, including transportation costs, both public and private, as well as our climate and energy crises, it is vital that the State prioritize funding to improve the safety of people walking, rolling, biking, and using transit, as well as make those choices more desirable by improving infrastructure, especially around our schools and other areas frequented by keiki and kupuna.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP) that encourages and promotes a safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution ([23 CFR 450.300](#)).

Thank you for the opportunity to provide testimony on this measure.

¹ https://oahumpo.org/?wpfb_dl=2215



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SENATE COMMITTEE ON WAYS AND MEANS
Thursday, February 22, 2024 – 10:05AM

LATE

Hawai'i Bicycling League Supports SB 3022 SD1, Relating to Transportation

Aloha Chair Dela Cruz, Vice Chair Moriwaki and Committee Members,

My name is Travis Counsell, and I am the Executive Director of the Hawai'i Bicycling League (HBL). We are a non-profit organization founded in 1975 with the mission of enabling more people to ride bicycles for health, recreation, and transportation. We strive to create communities across our islands that have safe, accessible, and inclusive environments for people to bike, walk, and roll.

Hawai'i Bicycling League supports SB 3022 SD1, which establishes a transportation network company fee and deposits that fee into the Safe Routes to School Program Special Fund.

Charging a small fee for the services that transportation network companies provide can have a huge benefit towards our State's Safe Routes to School (SRTS) efforts and ultimately create safer streets throughout our communities. Many of these projects are outlined in the State's Bike Plan as well as county level bicycle and pedestrian plans, and have significant costs associated with improving and retrofitting our roadways to be more accommodating, accessible, and safe for vulnerable users. This fee could offer one source of funding to support these important safety focused projects.

With the passing of Act 244 in 2023, establishing a Safe Routes to School Advisory Committee, these projects will be prioritized and currently have \$20M of funding. Additional sources of funding will be needed to continue implementing these projects, and this bill would help with that.

Mahalo for the opportunity to provide testimony. Please support SB 3022 SD1 and help create safer streets for keiki to kupuna.

Ride Aloha,

Travis L. Counsell
Executive Director
Hawai'i Bicycling League

Testimony of Kiana Otsuka in Support

Committee on Ways and Means

February 22, 2024 at 10:05AM

Conference Room 211

SB 3022 SD1

Relating to Transportation

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Committee Members,

My name is Kiana Otsuka, and I am a Transportation Planner whose expertise is in walk, roll, bike, and transit. I am writing in **strong support of SB 3022 SD 1 and offer recommendations to improve the bill**, which would establish a transportation network company fee and deposit the fees collected into the Safe Routes to School Program Special Fund.

I am excited to see the WAM Committee consider this bill, as this will provide an important revenue source to fund transportation projects that will improve safety for all people near schools. I would like to offer one recommendation to the bill that would also allow revenue from the TNC fee to pay for transit operations for the Counties. I would recommend the following revisions to the bill:

1. **Specify that the rideshare fees may go to the Counties to support transit operations (Page 3, Line 4).**

I recently sat in on the Honolulu Rate Commission, which provides recommendations to the City Department Transportation Services, City Council, and Mayor on fares for TheBus and Handi-Van. During the meeting, the Commission was discussing how to address revenue shortfalls, and the two primary solutions being discussed were (1) Service and route cuts and (2) Increasing transit fares. If the State could establish a funding source to help the Counties pay for transit operations, we could avoid routes and service cuts and/or fare increases. This is particularly important, as bus riders are often low-income and about 20% have no other option to get to where they need to go.¹

I had the privilege of attending the National Association of City Transportation Officials conference last year, and one of the panels I sat in on was related to state legislature and DOT coordination, funding, and implementation of transportation projects to address our climate crisis. During that panel, a state legislator from Colorado shared that they

¹ [Draft_TV1_Program_Report_Jan_2022.pdf \(honolulu.gov\)](#)

appropriate funding for the Counties transit operations' budgets and their State DOT funds and constructs transit projects, such as bus-only lanes and bus rapid transit.

Allowing funding from this fee to fund transit, would mirror the rideshare fee established in San Francisco, California.²

In order for the State to meet its climate and energy goals, ground transportation emissions must be reduced. Providing safer and more convenient access to walk, roll, bike, and transit options is key, and thus funding for projects to make these improvements. Particularly, we know that reducing travel time by public transit is key to shifting behavior change, therefore increasing the frequency of public transit and transit operations budgets are vital. When people have safer and more convenient access to active and shared transportation options we also see improvements in other key areas such as equity, public health, quality of life, and reduced transportation costs.

Thank you for the opportunity to provide testimony and offer a suggestion to improve the bill.

Mahalo,

Kiana Otsuka

² [TNC Tax | SECTA](#)

LATE

SB-3022-SD-1

Submitted on: 2/21/2024 3:40:34 PM

Testimony for WAM on 2/22/2024 10:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Chad K Taniguchi	Individual	Support	Written Testimony Only

Comments:

Safe Routes to School is an excellent way to encourage students to walk or bike to school for health and to fight climate catastrophe. Sb3022 provides another way to fund safe routes.