
A BILL FOR AN ACT

RELATING TO MOTOR CARRIERS.

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

1 SECTION 1. The legislature finds that the State's beach
2 parks, scenic viewpoints, hiking trailheads, cultural sites,
3 wildlife habitats, and other natural resources are popular
4 destinations for visitors to the State. However, these sites
5 are often located alongside congested state highways or county
6 roads with limited parking.

7 The legislature further finds that there are
8 community-based organizations that collaborate with the State,
9 counties, visitor industry, and impacted neighborhoods to
10 address traffic congestion in these areas, such as the shuttle
11 system currently in use in Haena, Kauai, which reduces the
12 number of vehicles on the narrow Kuhio highway. This shuttle
13 system generates revenues to fund shuttle operations, as well as
14 improvements at the Haena state park, parking attendant
15 salaries, and the costs of maintaining and expanding loi and
16 cultural sites within Haena state park.



1 The purpose of this Act is to exempt community-based
2 organizations that provide transportation services from the
3 State's motor carrier law, under certain circumstances.

4 SECTION 2. Section 271-5, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§271-5 Exemptions, generally.** Notwithstanding any other
7 provisions of this chapter, its contents shall not apply to:

8 (1) Persons transporting their own property where the
9 transportation is in furtherance of a primary business
10 purpose or enterprise of that person, except where the
11 transportation is undertaken by a motor carrier to
12 evade the regulatory purposes of this chapter;

13 (2) Persons operating motor vehicles when engaged in the
14 transportation of school children and teachers to and
15 from school, and to and from school functions;
16 provided that these persons may engage in providing
17 transportation at special rates for groups of persons
18 belonging to an eleemosynary or benevolent
19 organization or association domiciled in ~~[this]~~ the
20 State where the organization or association sponsors
21 or is conducting a nonregular excursion; provided



1 further that whenever the persons engage in the
2 transportation of persons other than those exempted in
3 this paragraph, that portion of their operation shall
4 not be exempt from this chapter. Nothing in this
5 paragraph shall be construed to authorize any person
6 to engage in the transportation of persons, other than
7 the transportation of persons exempted by the terms of
8 this paragraph, without a permit or certificate issued
9 by the commission authorizing such transportation;

10 (3) Persons operating taxicabs or other motor vehicles
11 utilized in performing a bona fide taxicab service.

12 "Taxicab" includes:

13 (A) Any motor vehicle used in the movement of
14 passengers on the public highways under the
15 following circumstances, namely the passenger
16 hires the vehicle on call or at a fixed stand,
17 with or without baggage for transportation, and
18 controls the vehicle to the passenger's
19 destination;

20 (B) Any motor vehicle for hire having seating
21 accommodations for eight or fewer passengers used



1 in the movement of passengers on the public
2 highways that may, as part of a continuous trip,
3 pick up or discharge passengers from various
4 unrelated locations; provided that they shall be
5 regulated by the counties in accordance with
6 section 46-16.5(c); ~~and~~ provided further that
7 this subparagraph shall not apply to any
8 exclusive rights granted by the department of
9 transportation for taxicab services at facilities
10 under the department's control; and

11 (C) Any motor vehicle having seating accommodations
12 for eight or fewer passengers used in the
13 movement of passengers on the public highways
14 between a terminal, i.e., a fixed stand, in the
15 Honolulu district, as defined in section 4-1 and
16 a terminal in a geographical district outside the
17 limits of the Honolulu district, and vice versa,
18 without picking up passengers other than at the
19 terminals or fixed stands; provided that the
20 passengers may be picked up by telephone call
21 from their homes in the rural area or may be



1 unloaded at any point between the fixed stands or
2 may be delivered to their homes in the rural
3 area;

4 (4) Persons operating motor vehicles in the transportation
5 of persons pursuant to a franchise from the
6 legislature and whose operations are presently
7 regulated under chapter 269;

8 (5) Nonprofit agricultural cooperative associations to the
9 extent that they engage in the transportation of their
10 own property or the property of their members;

11 (6) Persons operating motor vehicles specially constructed
12 for the towing of disabled or wrecked vehicles but not
13 otherwise used in the transportation of property for
14 compensation or hire;

15 (7) Persons operating motor vehicles in the transportation
16 of mail, newspapers, periodicals, magazines, messages,
17 documents, letters, or blueprints;

18 (8) Persons operating funeral cars or ambulances;

19 (9) Persons operating motor vehicles in the transportation
20 of garbage or refuse;



- 1 (10) Persons operating the type of passenger carrying motor
2 vehicles known as "sampan buses" within the radius of
3 twenty miles from the city of Hilo, Hawaii;
- 4 (11) Persons transporting unprocessed pineapple to a
5 cannery, seed corn to a processing facility, or
6 returning any containers used in [~~such~~] the
7 transportation to the fields;
- 8 (12) Sugar plantations transporting sugarcane, raw sugar,
9 molasses, sugar by-products, and farming supplies for
10 neighboring farmers pursuant to contracts administered
11 by the United States Department of Agriculture;
- 12 (13) Persons engaged in the ranching or meat or feed
13 business who transport cattle to slaughterhouses for
14 hire where [~~such~~] the transportation is their sole
15 transportation for hire and where their earnings from
16 the transportation constitute less than fifty per cent
17 of their gross income from their business and the
18 transportation for hire;
- 19 (14) Persons transporting unprocessed raw milk to
20 processing plants and returning any containers used in



1 ~~[such]~~ the transportation to dairy farms for
2 reloading;

3 (15) Persons transporting animal feeds to animal husbandry
4 farmers and farming supplies directly to animal
5 husbandry farmers and returning any containers used in
6 ~~[such]~~ the transportation to these sources of ~~[such]~~
7 the feeds and supplies for reloading;

8 (16) Persons engaged in transporting not more than fifteen
9 passengers between their places of abode, or termini
10 near such places, and their places of employment in a
11 single daily round trip where the driver is also on
12 the driver's way to or from the driver's place of
13 employment;

14 (17) Persons transporting passengers without charge in
15 motor vehicles owned or operated by ~~[such]~~ the person,
16 where ~~[such]~~ the transportation is provided in
17 conjunction with and in furtherance of a related
18 primary business purpose or enterprise of that person,
19 and ~~[such]~~ the transportation is provided only
20 directly to and from the place of business of ~~[such]~~
21 the person, except that this exemption shall not apply



1 to persons making any contract, agreement, or
2 arrangement to provide, procure, furnish, or arrange
3 for transportation as a travel agent or broker or a
4 person engaged in tour or sightseeing activities, nor
5 shall this exemption apply where the transportation is
6 undertaken by a person to evade the regulatory
7 purposes of this chapter; [and]

8 (18) Persons conducting the type of county-regulated
9 passenger carrying operation known as "jitney
10 services". For the purposes of this paragraph,
11 "jitney services" means public transportation services
12 utilizing motor vehicles that have seating
13 accommodations for six to twenty-five passengers,
14 operate along specific routes during defined service
15 hours, and levy a flat fare schedule[-]; and

16 (19) Community-based organizations engaged in
17 community-based economic development providing
18 transportation services; provided that:

19 (A) The transportation services are operated within
20 the parameters of a state- or county-approved
21 plan that is contracted or regulated under the



1 authority of that state or county government
2 agency. The state or county government agency
3 shall require, or may exceed, the minimum
4 requirements for commercial and business
5 insurance required under section 271-17;

6 (B) The community-based organization owns the
7 transportation service-related assets, and these
8 assets cannot be sold for personal gain for the
9 duration of the exemption from this chapter;

10 (C) Community stakeholders have a role in the
11 operation of the community-based organization;
12 and

13 (D) The state or county government agency shall
14 notify the commission of the agency's
15 determination that the community-based
16 organization qualifies for this exemption.

17 For the purposes of this paragraph:

18 "Community-based economic development" has the
19 same meaning as defined in section 210D-2.

20 "Community-based organization" has the same
21 meaning as defined in section 210D-2.



1 "Community stakeholders" means individuals,
2 groups, or other organizations within the
3 geographically defined area served by, and that have a
4 direct interest in the activities and outcomes of, the
5 community-based organization and community-based
6 economic development."

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect on July 1, 3000, and
10 shall be repealed on July 1, 2028; provided that section 271-5,
11 Hawaii Revised Statutes, shall be reenacted in the form in which
12 it read on the day before the effective date of this Act.



Report Title:

Motor Carriers; Motor Carrier Law; Exemptions; Community-Based Organizations; Community-Based Economic Development; Transportation Services

Description:

Exempts community-based organizations engaged in community-based economic development providing transportation services from the Motor Carrier Law under certain circumstances. Sunsets 7/1/2028. Effective 7/1/3000. (SD1)

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