

STAND. COM. REP. NO.

1043

Honolulu, Hawaii

, 2025

FEB 28

RE: H.B. No. 1422

H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1422, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR CARRIERS,"

begs leave to report as follows:

The purpose of this measure is to exempt non-profit community-based organizations that provide transportation services from the State's Motor Carrier Law, under certain circumstances.

Your Committee received testimony in support of this measure from the Office of Economic Development of the County of Kaua'i; Hui Maka'āinana o Makana; and The Hanalei Initiative. Your Committee received comments on this measure from the Department of Land and Natural Resources and Public Utilities Commission.

Your Committee finds that two non-profit community-based organizations, Hui Maka'āinana o Makana and The Hanalei Initiative, have collaborated on the care and management of Hā'ena State Park on Kaua'i via the North Shore Shuttle Project. The Project has successfully reduced traffic congestion between Princeville and Hā'ena, which has decreased the number of visitors at Hā'ena State Park and Ke'e Beach and eased tensions between residents and visitors. These efforts have also enabled The Hanalei Initiative to subsequently reinvest into the community.

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Your Committee further finds that, while the Project has been successful, it does not directly fall into any of the existing exemptions under the Motor Carrier Law. There are exemptions for other similar operations, including sampan buses operating within the vicinity of Hilo, Hawai'i, and persons conducting jitney services.

Your Committee also finds that the Project may serve as a model for other locations to reduce traffic congestion and decrease the number of visitors in sensitive areas. This measure would provide an exemption for such operations from the Motor Carrier Law.

Your Committee has amended this measure by:

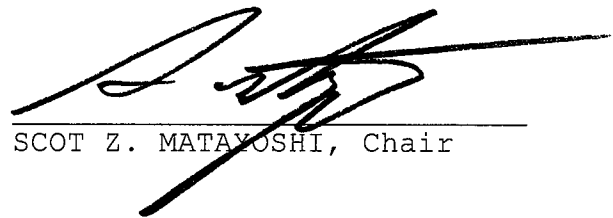
- (1) Specifying that the exemption from the Motor Carrier Law applies to community-based organizations engaged in community-based economic development providing transportation services;
- (2) Clarifying the parameters that qualify a community-based organization for the exemption, including:
 - (A) Specifying that the transportation services are operated within the parameters of a state- or county-approved plan that is contracted or regulated under the authority of that state or county government agency;
 - (B) Stating that the government agency shall require or may exceed the minimum requirements for commercial and business insurance as required under the Motor Carrier Law;
 - (C) Deleting language that prohibited a community-based organization from selling any transportation service-related assets for profit during the period of the exemption; and
 - (D) Requiring the government agency to notify the Public Utilities Commission of the agency's determination that the community-based organization qualifies for the exemption;



- (3) Inserting definitions for "community-based economic development", "community-based organization", and "community stakeholders"; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1422, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1422, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



SCOT Z. MATAYOSHI, Chair



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 1422, HD1	Committee Referral: TRN, CPC	Date: 2/20/25
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. MATAYOSHI, Scot Z. (C)	✓			
2. CHUN, Cory M. (VC)	✓			
3. ILAGAN, Greggor				✓
4. ICHIYAMA, Linda	✓			
5. IWAMOTO, Kim Coco	✓			
6. KONG, Sam Satoru	✓			
7. LOWEN, Nicole E.				✓
8. MARTEN, Lisa	✓			
9. TAM, Adrian K.	✓			
10. PIERICK, Elijah				✓
TOTAL (10)	7			3

The recommendation is: Adopted Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: 