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Testimony of the Public Utilities Commission

To the
House Committee on
Transportation

March 20, 2025
10:15 a.m.

Chair Kila, Vice Chair Grandinetti, and Members of the Committee:

Measure: H.C.R. 45 / H.R. 38
Title: URGING THE PUBLIC UTILITIES COMMISSION TO SUPPORT THE COMPLETE TRANSFER OF ITS REGULATORY AUTHORITY OVER MOTOR CARRIERS AND OTHER MEANS OF TRANSPORTATION TO THE DEPARTMENT OF TRANSPORTATION.

Position:

The Public Utilities Commission ("Commission") supports this measure and offers the following comments and amendments for consideration.

Comments:

The Commission supports this resolution that urges the Commission to support a potential transfer of regulatory oversight of Motor Carriers, and potentially Water Carriers, from the Commission to the Department of Transportation ("Department" or "DOT"). The Commission notes that this session, the Commission supported S.B. 1219, a substantially similar bill to the current resolution.

In line with the Commission's support of S.B. 1219, the Commission observes that Act 117, Session Laws of Hawaii 2024, has already transferred the enforcement responsibilities of the Motor Carrier Law from the Commission to the DOT.

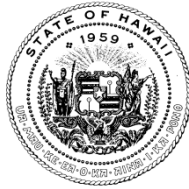
The Commission has no concerns if an appropriate agency takes over the regulation of Motor Carriers and Water Carriers that have a Certificate of Public Convenience and Necessity ("CPCN") with the Commission. The Commission notes that such transfer of responsibilities will likely require legislation, and said legislation should include a transition period. In this transition period, the Commission would assist the Department in the transfer of information, processes, documents, rules, etc. The Commission believes that, so long as the Department is comfortable with assuming said regulation and

responsibilities, setting up the necessary internal resources, and converting or adopting necessary rules, that this transfer is possible.

Furthermore, if a bill were passed into law, the Commission's intent would be to conclude all remaining proceedings for Motor Carriers and Water Carriers within the transition period so that the Department can assume responsibility without pending Commission actions.

The Commission notes that while the phrase "and other means of transportation" is included in this resolution, the Commission suggests it would be helpful to make clear if this is meant to also include Water Carriers, as was contemplated by S.B. 1219.

Thank you for the opportunity to testify on this resolution.



STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
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March 20, 2025
10:15 A.M.
State Capitol, Room 430 & Videoconference

H.C.R 45/H.R. 38

**URGING THE PUBLIC UTILITIES COMMISSION TO SUPPORT THE COMPLETE TRANSFER OF
ITS REGULATORY AUTHORITY OVER MOTOR CARRIERS AND OTHER MEANS OF
TRANSPORTATION TO THE DEPARTMENT OF TRANSPORTATION.**

House Committee on Transportation

The Hawai'i Department of Transportation (HDOT) **supports** H.C.R. 45, which urges the Public Utilities Commission (PUC) to support the full transfer of its regulatory authority over motor carriers and other means of transportation to HDOT.

The regulation and enforcement of motor carriers operating on Hawai'i's public highways are critical to ensuring public safety, fair industry practices, and compliance with state laws. Under the current structure, PUC oversees regulatory functions such as tariff structures, financial reporting, and administrative compliance, while HDOT is responsible for enforcement. This split authority creates inefficiencies and operational challenges that impact both government agencies and the regulated industry.

With the passage of Act 117, Session Laws of Hawai'i 2024, enforcement responsibilities were transferred from PUC to HDOT. However, full regulatory authority remains with PUC, which continues to create administrative redundancies and gaps in enforcement. Consolidating both regulatory and enforcement functions under HDOT would allow for a more streamlined, data-driven, and responsive approach to motor carrier oversight.

Thank you for the opportunity to provide testimony.

HCR-45

Submitted on: 3/18/2025 3:40:49 PM

Testimony for TRN on 3/20/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Frank Schultz	Individual	Support	Written Testimony Only

Comments:

I support this initiative.