

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



GOV. MSG. NO. 1360

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

July 1, 2025

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Third State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Nadine Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on July 1, 2025, the following bill was signed into law:

H.B. NO. 1422, H.D. 2,  
S.D. 1, C.D. 1

RELATING TO MOTOR CARRIERS.  
**ACT 257**

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D.".

Josh Green, M.D.  
Governor, State of Hawai'i

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# A BILL FOR AN ACT

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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 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]~~ no more than  
9           fifteen passengers between their places of abode, or  
10          termini near such places, and their places of  
11          employment in a single daily round trip where the  
12          driver is also on the driver's way to or from the  
13          driver's place of 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



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

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

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

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

For the purposes of this paragraph:

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

"Community-based organization" has the same  
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 upon its approval.



H.B. NO. 1422  
H.D. 2  
S.D. 1  
C.D. 1

APPROVED this 1st day of July, 2025

A handwritten signature in black ink, appearing to read "Jon Green". The signature is fluid and cursive, with a large initial "J" and "G".

GOVERNOR OF THE STATE OF HAWAII

HB No. 1422, HD 2, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.



Nadine K. Nakamura  
Speaker  
House of Representatives

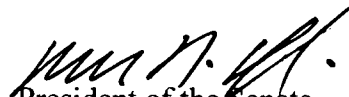



Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: April 30, 2025  
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate  
of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2025.

  
President of the Senate

  
Clerk of the Senate