

## ACT 286

S.B. NO. 2680

A Bill for an Act Relating to Taxicabs.

*Be It Enacted by the Legislature of the State of Hawaii:*

**SECTION 1. Findings and purpose.** The legislature finds that traffic congestion is a critical problem facing the State. The solution may lie in a combination of strategies that reduce the number of motor vehicles on our roadways. Any strategy that promotes and encourages ridesharing with the effect of lessening the number of private vehicles on the road should be encouraged. Taxicabs have the potential for promoting ridesharing between passengers, much like a jitney service. This would serve to reduce the number of private vehicles on the roads, and could open up an entirely new means of rush hour commuter travel. This potential, however, is not realized presently. The purpose of this Act is to authorize the counties to establish shared-ride taxicab service.

**SECTION 2.** Section 46-16.5, Hawaii Revised Statutes, is amended to read as follows:

“**[[§46-16.5]] Public passenger vehicle regulation.** (a) The legislature finds and declares the following:

- (1) The orderly regulation of vehicular traffic on the streets and highways of Hawaii is essential to the welfare of the State and its people.

- (2) Privately-operated public passenger vehicle service provides vital transportation links within the State. Public passenger vehicle service operated in the counties [and the city and county] enables the State to provide the benefits of privately-operated, demand-responsive transportation services to its people and to persons who travel to the State for business or tourist purposes.
- (3) The economic viability and stability of privately-operated public passenger vehicle service is consequently a matter of statewide importance.
- (4) The policy of the State is to promote safe and reliable privately-operated public passenger vehicle service in order to provide the benefits of that service. In furtherance of this policy, the legislature recognizes and affirms that the regulation of privately-operated public passenger vehicle service is an essential governmental function.
- (5) The policy of the State is to require that counties regulate privately-operated public passenger vehicle service and not subject a county [or a city and county] or its officers to liability under the federal antitrust laws.
- (6) The policy of the State is to further promote privately-operated public passenger vehicle service, including but not limited to, the picking-up and discharge of passengers from various unrelated locations by taxicabs.

(b) Any other law to the contrary notwithstanding, where not within the jurisdiction of the public utilities commission, every county [or city and county] may provide rules to protect the public health, safety, and welfare by licensing, controlling, and regulating, by ordinance or resolution, public passenger vehicle service operated within the jurisdiction of the county [or city and county.]; provided that the counties shall promote the policies set forth in subsection (a).

(c) Every county [or city and county] is empowered to regulate:

- (1) Entry into the business of providing public passenger vehicle service within the jurisdiction of that county [or city and county].
- (2) The rates charged for the provision of public passenger vehicle service.
- (3) The establishment of stands to be employed by one or a limited number of providers of public passenger vehicle service.”

SECTION 3. Section 271-5, Hawaii Revised Statutes, is amended to read as follows:

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

- (1) Persons transporting their own property where the transportation is in furtherance of a primary business purpose or enterprise of that person, except where the transportation is undertaken by a motor carrier to evade the regulatory purposes of this chapter.
- (2) Persons operating motor vehicles when engaged in the transportation of school children and teachers to and from school, and to and from school functions; provided that these persons may engage in providing transportation at special rates for groups of persons belonging to an eleemosynary or benevolent organization or association domiciled in this State where the organization or association sponsors or is conducting a nonregular excursion, provided that whenever the persons engage in the transportation of persons other than those exempted in this paragraph, that portion of their operation shall not be exempt from [the provisions contained in] this chapter. Nothing [herein] in this paragraph shall be construed to authorize any person to engage in the

transportation of persons, other than the transportation of persons exempted by the terms of this paragraph, without a permit or certificate issued by the commission authorizing such transportation.

- (3) Persons operating taxicabs or other motor vehicles utilized in performing a bona fide [metered] taxicab service. "Taxicab" [means and] includes:
- (A) Any motor vehicle used in the movement of passengers on the public highways under the following circumstances, namely the passenger hires the vehicle on call or at a fixed stand, with or without baggage for transportation, and controls the vehicle to the passenger's destination; [and]
  - (B) Any motor vehicle for hire having seating accommodations for eight or fewer passengers used in the movement of passengers on the public highways that may, as part of a continuous trip, pick up or discharge passengers from various unrelated locations; provided that they shall be regulated by the counties in accordance with section 46-16.5(c); and provided further that this subparagraph shall not apply to any exclusive rights granted by the department of transportation for taxicab services at facilities under the department's control; and
  - [(B)] (C) Any motor vehicle having seating accommodations for eight or less passengers used in the movement of passengers on the public highways between a terminal, i.e. a fixed stand, in the Honolulu district, as defined in section 4-1 and a terminal in a geographical district outside the limits of the Honolulu district, and vice versa, without picking up passengers other than at the terminals or fixed stands; provided that the passengers may be picked up by telephone call from their homes in the rural area or may be unloaded at any point between the fixed stands or may be delivered to their homes in the rural area.
- (4) Persons operating motor vehicles in the transportation of persons pursuant to a franchise from the legislature and whose operations are presently regulated under chapter 269.
  - (5) Nonprofit agricultural cooperative associations to the extent that they engage in the transportation of their own property or the property of their members.
  - (6) Persons operating motor vehicles specially constructed for the towing of disabled or wrecked vehicles but not otherwise used in the transportation of property for compensation or hire.
  - (7) Persons operating motor vehicles in the transportation of mail, newspapers, periodicals, magazines, messages, documents, letters, or blueprints.
  - (8) Persons operating funeral cars or ambulances.
  - (9) Persons operating motor vehicles in the transportation of garbage or refuse.
  - (10) Persons operating the type of passenger carrying motor vehicles known as "sampan buses" within the radius of twenty miles from the city of Hilo, Hawaii.
  - (11) Persons transporting unprocessed pineapple to a cannery and returning any containers used in such transportation to the fields.
  - (12) Sugar plantations transporting sugarcane, raw sugar, molasses, sugar by-products, and farming supplies for neighboring farmers pursuant to contracts administered by the United States Department of Agriculture.

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- (13) Persons engaged in the ranching or meat or feed business who transport cattle to slaughterhouses for hire where such transportation is their sole transportation for hire and where their earnings from the transportation constitute less than fifty per cent of their gross income from their business and the transportation for hire.
- (14) Persons transporting unprocessed raw milk to processing plants and returning any containers used in such transportation to dairy farms for reloading.
- (15) Persons transporting animal feeds to animal husbandry farmers and farming supplies directly to animal husbandry farmers and returning any containers used in such transportation to these sources of such feeds and supplies for reloading.
- (16) Persons engaged in transporting not more than fifteen passengers between their places of abode, or termini near such places, and their places of employment in a single daily round trip where the driver is also on the driver's way to or from the driver's place of employment.
- (17) Persons transporting passengers without charge in motor vehicles owned or operated by such person, where such transportation is provided in conjunction with and in furtherance of a related primary business purpose or enterprise of that person, and such transportation is provided only directly to and from the place of business of such person, except that this exemption shall not apply to persons making any contract, agreement, or arrangement to provide, procure, furnish, or arrange for transportation as a travel agent or broker or a person engaged in tour or sightseeing activities, nor shall this exemption apply where the transportation is undertaken by a person to evade the regulatory purposes of this chapter."

SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 13, 1988.)