JAN 2 4 2024

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. The legislature finds that over the past five 2 years, the rideshare industry has experienced substantial growth nationally and in Hawaii, transforming the way people commute 3 4 and navigate. This paradigm shift is evident in cities like Boston, where the sheer volume of rideshare rides reached a 5 6 staggering \$45,000,000 in 2022 alone. As ridesharing continues to grow, its impact is felt more and more in Hawaii's 7 8 communities, and on its roads. In Hawaii, a state heavily reliant on tourism, rideshare services are often utilized by 9 10 visitors. Visitors and rideshare platforms should contribute 11 more to address the infrastructure and road safety issues they 12 exacerbate and help alleviate the burden on local residents of 13 improving and maintaining roads and infrastructure.

14 The legislature further finds that implementing a fee has 15 been successful for funding infrastructure in other states like 16 Minnesota. Hawaii has the potential to create a self-sustaining 17 model where those benefiting the most from rideshare services



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1 contribute directly to the maintenance and enhancement of the 2 transportation infrastructure they utilize. This approach not 3 only aligns with broader initiatives to promote responsible 4 tourism, but also represents a responsible means of addressing 5 the evolving challenges posed by the proliferation of rideshare 6 services in the State. 7 The purpose of this Act is to implement a twenty-five cent

8 fee on each rideshare ride, to be used on infrastructure 9 enhancements.

SECTION 2. Chapter 279G, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

13 "<u>\$279G-</u> <u>Rideshare fee.</u> (a) There is levied and shall
14 be assessed and collected a rideshare fee of twenty-five cents
15 on each ride originated through a rideshare application. The
16 rideshare fee shall be levied upon the rider.

- 17 (b) Each rideshare platform shall collect and remit the
- 18 required rideshare fees to the department of taxation.
- 19 (c) All fees collected under this section shall be
- 20 deposited in the state highway fund."
- 21 SECTION 3. New statutory material is underscored.



SECTION 4. This Act shall take effect upon its approval. 1

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INTRODUCED BY:

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Report Title:

Transportation; Ridesharing Arrangements; State Highway Fund; Fee

Description:

Establishes a ridesharing fee. Deposits taxes collected into the State Highway Fund.

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