

**Testimony to the House Committee on Transportation
Representative Darius K. Kila, Chair
Representative Tina Nakada Grandinetti, Vice Chair**

**Tuesday, March 25, 2025, at 9:10AM
Conference Room 430 & Videoconference**

**RE: HCR45/HR38 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.**

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

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber respectfully opposes House Concurrent Resolution 45/House Resolution 38 which urges 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.

The Chamber recognizes the resolution's intent to streamline motor carrier oversight but urges caution in transferring regulatory authority during a time of federal uncertainty surrounding tariffs and compliance. With limited clarity at the federal level, the Chamber recommends postponing the transfer until more data is available and detailed federal guidance is provided. Given these uncertainties, shifting regulatory authority from the Public Utilities Commission (P.U.C.) to the Department of Transportation (D.O.T.) may be premature.

The P.U.C. serves a vital quasi-judicial function, giving it the authority and expertise to interpret and enforce tariff structures, adjudicate disputes, and oversee formal compliance proceedings. With oversight of approximately 1,741 motor carrier entities, the P.U.C. has built deep institutional knowledge in managing financial reporting, administrative requirements, and complex regulatory matters. In contrast, while the D.O.T. has a broader enforcement presence, it is not a quasi-judicial body and lacks the legal framework to conduct formal hearings or issue rulings in contested regulatory cases. Prematurely transferring full regulatory authority could result in oversight gaps, inconsistent enforcement, and confusion within the industry—at a time when stable and experienced governance is critical.

Moreover, the resolution does not include any funding to support the transfer of regulatory authority. Without sufficient resources, it will be difficult to recruit and retain experienced staff capable of managing complex tariff and compliance issues. The absence of dedicated funding and transition planning raises serious concerns about the D.O.T.'s capacity to assume full regulatory responsibilities without disrupting operations or weakening enforcement. For these reasons, the Chamber respectfully opposes HCR45/HR38.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen



Chamber *of* Commerce HAWAII



overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

Thank you for the opportunity to testify.