

JAN 19 2023

A BILL FOR AN ACT

RELATING TO PUBLIC TRANSPORTATION.

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

1 SECTION 1. The legislature finds that revenues are needed
2 to operate and maintain the counties' mass transit systems. The
3 legislature notes that the counties have historically attempted
4 to meet these revenue needs by adding or increasing rider fares.
5 However, new fares and fare increases often place undue
6 financial burdens on mass transit riders. The legislature
7 therefore believes that adding or increasing mass transit fares
8 should be a last resort.

9 Accordingly, the purpose of this Act is to require the
10 counties to seek revenues from alternative sources, including
11 transit-based advertising, before imposing any new or increased
12 mass transit fare.

13 SECTION 2. Chapter 51, Hawaii Revised Statutes, is amended
14 by adding a new section to be appropriately designated and to
15 read as follows:

16 "§51- Fares; revenues; transit-based advertisements.

17 (a) Before a county establishes any new mass transit fare or



1 increases any existing fare for a mass transit system authorized
2 by this chapter, the county shall first assess whether the
3 additional revenue sought from the proposed fare or fare
4 increase may be obtained by alternative means, including
5 transit-based advertisements.

6 (b) The county shall seek fair market compensation from
7 governmental and nongovernmental entities, as applicable, for
8 the display of paid advertisements displayed:

9 (1) On the interior of mass transit vehicles;

10 (2) On the exterior of mass transit vehicles; provided
11 that the county may prohibit the placement of
12 advertisements on the front exterior of vehicles; and

13 (3) At mass transit stops.

14 (c) Notwithstanding subsection (b), a county may:

15 (1) Establish reasonable restrictions on the placement,
16 format, size, and material of transit-based
17 advertisements to ensure the health and safety of
18 passengers, operators, and the general public; and

19 (2) Prohibit any transit-based advertisement that:

20 (A) Bears the name, signature, picture, or likeness
21 of any elected federal, state, or city official



1 or any candidate for federal, state, or city
2 elective office;

3 (B) Promotes or appeals to racial, religious, or
4 ethnic prejudice or violence by reason of the
5 advertisement's design, format, or subject
6 matter;

7 (C) Contains obscene, lewd, lascivious, or indecent
8 pictures, words, or symbols;

9 (D) Promotes any illegal, indecent, or immoral
10 purpose; or

11 (E) Promotes any product or service that is
12 prohibited by law from being sold or offered for
13 sale to minors or an age-based subgroup of
14 minors.

15 (d) A county that, after the assessment described in
16 subsection (a), determines that a new mass transit fare or fare
17 increase is necessary shall submit a justification report to the
18 department of transportation. The report shall include:

19 (1) The amount and type of the proposed new mass transit
20 fare or fare increase; and



1 (2) A description of the county's efforts to raise
2 revenues through alternative means, if any.

3 (e) Within thirty days from the receipt of a county's
4 justification report under subsection (d), the department of
5 transportation shall approve or reject the county's proposed new
6 mass transit fare or fare increase. If the department of
7 transportation:

8 (1) Rejects the proposed new fare or fare increase, the
9 county shall not establish or increase the fare;

10 (2) Approves the proposed new fare or fare increase, the
11 county may establish or increase the fare as provided
12 by county ordinance; or

13 (3) Fails to submit a decision to the county within thirty
14 days, the proposed new fare or fare increase shall be
15 deemed approved.

16 (f) Mass transit fare revenues and revenues from
17 transit-based advertisements shall be expended by a county only
18 to operate and maintain the county's mass transit system."

19 SECTION 3. New statutory material is underscored.



S.B. NO. 264

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

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INTRODUCED BY:

Kurt Fevola



S.B. NO. 264

Report Title:

Counties; HDOT; Mass Transit Fares; Fare Increases; Transit-Based Advertisements

Description:

Requires the counties, before implementing any new mass transit fare or increasing any existing fare to first seek revenues from alternative sources, including transit-based advertisements. Requires a county that decides, after seeking alternative revenue sources, to implement a new or increased mass transit fare to submit a justification report to the Department of Transportation. Requires the Department of Transportation to reject or approve the proposed new mass transit fare or fare increase within 30 days of receiving a county's justification report.

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