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# A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 PART I

2 SECTION 1. The legislature finds that the Motor Carrier  
3 Law, codified as chapter 271, Hawaii Revised Statutes,  
4 recognized that "the transportation of persons and of property,  
5 for commercial purposes, over the public highways of this State  
6 constitutes a business affected with the public interest" and  
7 the Motor Carrier Law intended "to provide for fair and  
8 impartial regulation of such transportation" in the public  
9 interest. However, despite this articulated policy, existing  
10 law has provided a competitive advantage to newer business  
11 models buttressed by emerging technologies through an exemption  
12 from the regulatory requirements under the Motor Carrier Law,  
13 while established business models continue to be subjected to  
14 those regulations.

15 Accordingly, the purpose of this part is to promote parity  
16 and remove the statutory barriers to fair competition amongst  
17 the similar businesses that transport persons or property over



1 public highways by repealing the authority and mechanisms to  
2 regulate tariffs of motor carriers.

3 SECTION 2. Section 271-2, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "**§271-2 Administration; governing provisions of other**  
6 **acts.** This chapter shall be administered by the public  
7 utilities commission of the State and the provisions of this  
8 chapter and of chapter 269, not inconsistent with this chapter,  
9 shall govern its administration; provided that sections [~~269-4,~~  
10 269-9, [~~269-11,~~] 269-16 to 269-28 and 269-30 and any provision  
11 of chapter 269 with respect to rate regulation shall not, in any  
12 respect, apply to the regulation of motor carriers."

13 SECTION 3. Section 271-10, Hawaii Revised Statutes, is  
14 amended by amending subsection (a) to read as follows:

15 "**§271-10 Reports and decisions of commission.** (a)  
16 Whenever the public utilities commission inquires into the  
17 operations[~~]~~ or operating rights, [~~or rates,~~] or directs  
18 inquiry and investigation into motor carrier activities  
19 regulated under this chapter, and holds public hearing thereon,  
20 it shall make a report in writing, on paper or electronically,  
21 in respect thereto, which shall state its findings of fact and



1 conclusions of law, together with its decision, order, or  
2 requirement in the premises."

3 SECTION 4. Section 271-11, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "§271-11 Copies of [~~schedules, tariffs,~~] contracts, etc.,  
6 kept as public records; evidence. The copies of [~~schedules and~~]  
7 classifications and [~~tariffs of rates, fares, and charges, and~~]  
8 all contracts, agreements, and arrangements between motor  
9 carriers filed with the public utilities commission as herein  
10 provided, and the statistics, tables, and figures contained in  
11 the annual or other reports of carriers made to the commission  
12 as required under this chapter shall be preserved as public  
13 records in the custody of the commission (except any contract,  
14 agreement, or arrangement between a contract carrier by motor  
15 vehicle and a shipper shall only be made public as provided in  
16 section 271-25), and shall be received as prima facie evidence  
17 of what they purport to be for the purpose of investigations by  
18 the commission and in all judicial proceedings; and copies of  
19 and extracts from any of the [~~schedules,~~]  
20 [~~tariffs,~~] contracts, agreements, arrangements, or reports, made  
21 public records as aforesaid, certified by the commission under



1 the commission's seal, shall be received in evidence with like  
2 effect as the originals."

3 SECTION 5. Section 271-19, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) Certificates and permits shall be effective from the  
6 date specified therein, and shall remain in effect until  
7 suspended or terminated as [~~herein~~] provided[~~+~~] in this section.

8 Any certificate or permit, upon application of the holder  
9 thereof, in the discretion of the public utilities commission,  
10 may be amended or revoked, in whole or in part. The commission,  
11 upon complaint or upon its own initiative, after notice and  
12 hearing, may suspend or revoke any certificate or permit, in  
13 part or in whole, if the certificate or permit holder [~~thereof~~]  
14 is found to be in violation of any of the provisions of this  
15 chapter; provided that:

16 (1) A motor carrier's right to engage in transportation by  
17 virtue of any certificate or permit may be suspended  
18 by the commission immediately without hearing or other  
19 proceedings upon the carrier's failure to comply, and  
20 until the carrier complies with [~~sections 271-21(a),~~  
21 ~~271-22(a),~~] section 271-17 or Act 20, Special Session



1           Laws of Hawaii 1977, or with any lawful order of the  
2           commission; and

3           (2) The commission shall revoke the certificate or permit  
4           of a holder that knowingly and wilfully engages the  
5           services of a driver not licensed under part XIII of  
6           chapter 286."

7           SECTION 6. Section 271-20, Hawaii Revised Statutes, is  
8           amended to read as follows:

9           "§271-20 ~~[Rates, fares and charges]~~ Services, equipment,  
10 and facilities of common carriers by motor vehicle. (a) It  
11 shall be the duty of every common carrier of passengers by motor  
12 carrier to provide safe and adequate service, equipment, and  
13 facilities for the transportation of passengers and ~~to~~  
14 ~~establish, observe, and enforce just and reasonable rates,~~  
15 ~~fares, and charges, and]~~ just and reasonable regulations and  
16 practices relating thereto, and to the issuance, form, and  
17 substance of tickets, the carrying of personal, sample, and  
18 excess baggage, the facilities for transportation, and all other  
19 matters relating to or connected with the transportation of  
20 passengers.



1 (b) It shall be the duty of every common carrier of  
2 property by motor vehicle to provide safe and adequate service,  
3 equipment, and facilities for the transportation of property and  
4 ~~[to establish, observe, and enforce just and reasonable rates,~~  
5 ~~charges, and classifications, and]~~ just and reasonable  
6 regulations and practices relating thereto, and to the manner  
7 and method of presenting, marking, packing, and delivering  
8 property for transportation, the facilities for transportation,  
9 and all other matters relating to or connected with the  
10 transportation of property.

11 (c) ~~[All charges made for any service rendered by any~~  
12 ~~common carrier by motor vehicle in the transportation of~~  
13 ~~passengers or property or in connection therewith shall be just~~  
14 ~~and reasonable, and every unjust and unreasonable charge for~~  
15 ~~such service or any part thereof, is prohibited and declared to~~  
16 ~~be unlawful.]~~ It shall be unlawful for any common carrier by  
17 motor vehicle to make, give, or cause any undue or unreasonable  
18 preference or advantage to any particular person, locality,  
19 region, district, island, or description of traffic, in any  
20 respect whatsoever; or to subject any particular person,  
21 locality, region, district, island, or description of traffic to



1 any unjust discrimination or undue or unreasonable prejudice or  
2 disadvantage in any respect whatsoever; provided that this  
3 subsection shall not be construed to apply to discrimination,  
4 prejudice, or disadvantage to the traffic of any other carrier  
5 of whatever description.

6 (d) Any person, organization, or body politic may make  
7 complaint in writing to the public utilities commission that any  
8 such [~~rate, fare, charge,~~] classification, rule, regulation, or  
9 practice, in effect or proposed to be put into effect, is or  
10 will be in violation of this section [~~or of section 271-21~~].  
11 Whenever, after hearing, upon complaint or an investigation of  
12 its own initiative, the commission shall be of the opinion that  
13 [~~any individual rate, fare, or charge, demanded, charged, or~~  
14 ~~collected by any common carrier or carriers by motor vehicle for~~  
15 ~~transportation, or~~] any classification, rule, regulation, or  
16 practice whatsoever of the carrier or carriers, [~~affecting such~~  
17 ~~rate, fare, or charge or the value of the service thereunder,~~]  
18 is or will be [~~unjust or unreasonable, or~~] unjustly  
19 discriminatory or unduly preferential or unduly prejudicial, it  
20 shall determine and prescribe [~~the lawful rate, fare, or charge~~  
21 ~~or the maximum or minimum or maximum and minimum rate, fare, or~~



1 ~~charge thereafter to be observed, or]~~ the lawful classification,  
2 rule, regulation, or practice thereafter to be made effective.

3 ~~[(e) Whenever there is filed with the commission any~~  
4 ~~schedule stating a new rate, fare, charge, or classification for~~  
5 ~~the transportation of passengers or property by a common carrier~~  
6 ~~or carriers by motor vehicle, or any rule, regulation, or~~  
7 ~~practice affecting such rate, fare, or charge, or the value of~~  
8 ~~the service thereunder, the commission may upon complaint of any~~  
9 ~~interested person or upon its own initiative at once and, if it~~  
10 ~~so orders, without answer or other formal pleading by the~~  
11 ~~interested carrier or carriers, but upon reasonable notice,~~  
12 ~~enter upon a hearing concerning the lawfulness of the rate,~~  
13 ~~fare, or charge, or the rule, regulation, or practice, and~~  
14 ~~pending the hearing and the decision thereon the commission, by~~  
15 ~~filing the schedule and delivering to the carrier or carriers~~  
16 ~~affected thereby a statement in writing of its reasons for such~~  
17 ~~suspension, may from time to time suspend the operation of the~~  
18 ~~schedule and defer the use of the rate, fare, or charge, or the~~  
19 ~~rule, regulation, or practice, but not for a longer period than~~  
20 ~~five months beyond the time when it would otherwise go into~~  
21 ~~effect, and after hearing, whether completed before or after the~~



1 ~~rate, fare, charge, classification, rule, regulation, or~~  
2 ~~practice goes into effect, the commission may make such order~~  
3 ~~with reference thereto as would be proper in a proceeding~~  
4 ~~instituted after it had become effective. If the proceeding has~~  
5 ~~not been concluded and an order made within the period of~~  
6 ~~suspension, the proposed changed rate, fare, or charge, or~~  
7 ~~classification, rule, regulation, or practice, shall go into~~  
8 ~~effect at the end of such period; provided that this subsection~~  
9 ~~shall not apply to any initial schedule or schedules filed by~~  
10 ~~any carrier in bona fide operation when this section takes~~  
11 ~~effect. At any hearing involving a change in a rate, fare,~~  
12 ~~charge, or classification, or in a rule, regulation, or~~  
13 ~~practice, the burden of proof shall be upon the carrier to show~~  
14 ~~that the proposed changed rate, fare, charge, classification,~~  
15 ~~rule, regulation, or practice, is just and reasonable.~~

16 ~~(f) In any proceeding to determine the justness or~~  
17 ~~reasonableness of any rate, fare, or charge of any carrier,~~  
18 ~~there shall not be taken into consideration or allowed as~~  
19 ~~evidence or elements of value of the property of the carrier,~~  
20 ~~either goodwill, earning power, or the certificate under which~~  
21 ~~the carrier is operating; and in applying for and receiving a~~



1 ~~certificate under this [chapter] any carrier shall be deemed to~~  
2 ~~have agreed to the provisions of this subsection on its own~~  
3 ~~behalf and on behalf of all transferees of the certificate.~~

4 ~~(g) In the exercise of its power to prescribe just and~~  
5 ~~reasonable rates, fares, and charges for the transportation of~~  
6 ~~passengers or property by common carriers by motor vehicle, and~~  
7 ~~classifications, regulations, and practices relating thereto,~~  
8 ~~the commission shall give due consideration, among other~~  
9 ~~factors, to the effect of rates upon the movement of traffic by~~  
10 ~~the carrier or carriers for which the rates are prescribed; to~~  
11 ~~the need, in the public interest, of adequate and efficient~~  
12 ~~transportation service by the carriers at the lowest cost~~  
13 ~~consistent with the furnishing of the service; and to the need~~  
14 ~~of revenues sufficient to enable the carriers, under honest,~~  
15 ~~economical, and efficient management, to provide the service.~~

16 ~~(h)]~~ (e) Nothing in this section shall be held to  
17 extinguish any remedy or right of action not inconsistent  
18 herewith."

19 SECTION 7. Section 271-24, Hawaii Revised Statutes, is  
20 amended to read as follows:



1           "§271-24 Recovery of overcharges or undercharges. (a)

2 All actions by common carriers by motor vehicle for the recovery  
3 of their charges, or any part thereof, shall be begun within  
4 three years from the time the cause of action accrues, and not  
5 after.

6           (b) For recovery of overcharges, actions shall be begun  
7 within three years from the time the cause of action accrues,  
8 and not after, subject to subsection (c) of this section, except  
9 that if claim for the overcharge has been presented in writing  
10 to the carrier within the three-year period of limitation the  
11 period shall be extended to include six months from the time  
12 notice in writing is given by the carrier to the claimant of  
13 disallowance of the claim, or any part or parts thereof  
14 specified in the notice.

15           (c) If on or before the expiration of the three-year  
16 period of limitation in subsection (b) a common carrier by motor  
17 vehicle begins action under subsection (a) for recovery of  
18 charges in respect of the same transportation service, or,  
19 without beginning action, collects charges in respect of that  
20 service, the period shall be extended to include ninety days



1 from the time the action is begun or the charges are collected  
2 by the carrier.

3 (d) The cause of action in respect of a shipment of  
4 property shall, for the purpose of this section, be deemed to  
5 accrue upon delivery or tender of delivery thereof by the  
6 carrier, and not after.

7 ~~[(e) The term "overcharges" as used in this section means~~  
8 ~~charges for transportation services in excess of those~~  
9 ~~applicable thereto under the tariffs lawfully on file with the~~  
10 ~~commission.]"~~

11 SECTION 8. Section 271-25, Hawaii Revised Statutes, is  
12 amended by amending subsection (a) to read as follows:

13 "(a) The public utilities commission may require annual,  
14 periodical, or special reports from all motor carriers,  
15 prescribe the manner and form in which the reports shall be  
16 made, and require from the carriers specific and full, true, and  
17 correct answers to all questions upon which the commission may  
18 deem information to be necessary. The annual reports shall give  
19 an account of the affairs of the carrier in such form and detail  
20 as may be prescribed by the commission. The commission may also  
21 require any motor carrier to file with it a true copy of any



1 contract, agreement, or arrangement between the carrier and any  
2 other carrier or person in relation to any traffic affected by  
3 this chapter. The commission shall not, however, make public  
4 any contract, agreement, or arrangement between a contract  
5 carrier by motor vehicle and a shipper, or any of the terms or  
6 conditions thereof, except as a part of the record in a formal  
7 proceeding where it considers the action consistent with the  
8 public interest [~~; provided that if it appears from an~~  
9 ~~examination of any such contract that it fails to conform to the~~  
10 ~~published schedule of the contract carrier by motor vehicle as~~  
11 ~~required by section 271-22(a), the commission may, in its~~  
12 ~~discretion, make public such of the provisions of the contract~~  
13 ~~as the commission considers necessary to disclose such failure~~  
14 ~~and the extent thereof]."~~

15 SECTION 9. Section 271-27, Hawaii Revised Statutes, is  
16 amended by amending subsection (b) to read as follows:

17 "(b) Any person, whether carrier, shipper, or consignee,  
18 or any officer, employee, agent, or representative thereof, who  
19 intentionally, knowingly, or recklessly offers, grants, or  
20 gives, or solicits, accepts, or receives any rebate, concession,  
21 or discrimination in violation of any provisions of this



1 ~~chapter, [or who by means of any false statement or~~  
2 ~~representation or by the use of any false or fictitious bill,~~  
3 ~~bill of lading, receipt, voucher, roll, account, claim,~~  
4 ~~certificate, affidavit, deposition, lease, or bill of sale, or~~  
5 ~~by any other means or device, intentionally, knowingly, or~~  
6 ~~recklessly assists, suffers, or permits any person or persons,~~  
7 ~~natural or artificial, to obtain transportation of passengers or~~  
8 ~~property subject to this chapter for less than the applicable~~  
9 ~~rate, fare, or charge,]~~ or who intentionally, knowingly, or  
10 recklessly by any such means or otherwise fraudulently seeks to  
11 evade or defeat regulation as in this chapter provided for motor  
12 carriers, shall be deemed guilty of a misdemeanor."

13 SECTION 10. Section 271-31, Hawaii Revised Statutes, is  
14 amended by amending subsection (b) to read as follows:

15 "(b) Complaints may be made in writing, on paper or  
16 electronically, by the commission on its own motion or by any  
17 person or body politic, setting forth any act or thing done, or  
18 omitted to be done, by any motor carrier [~~, including any rule,~~  
19 ~~rate, or charge heretofore established or fixed by or for any~~  
20 ~~motor carrier,~~] in violation or claimed to be in violation, of  
21 any law or of any order or rule of the commission."



1 SECTION 11. Section 271-32, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) The motion for reconsideration or a rehearing shall  
4 be filed within ten days after the decision and order has been  
5 served and shall set forth specifically the ground or grounds on  
6 which the applicant considers the decision or order to be  
7 unlawful. No person shall in any court urge or rely on any  
8 ground not so set forth in the motion. If a motion for  
9 reconsideration or rehearing is filed from a final decision and  
10 order, the commission's order shall be automatically stayed  
11 until the commission renders its final determination on the  
12 motion; provided that:

13 ~~[(1) No change in any rate, fare, or charge shall go into~~  
14 ~~effect while a motion for reconsideration or rehearing~~  
15 ~~is pending notwithstanding section 271-20(e);~~

16 ~~[(2)]~~ (1) Any motion for reconsideration or rehearing shall  
17 be determined and an order issued by the commission  
18 within forty-five days from the filing date of the  
19 motion for reconsideration or rehearing; and

20 ~~[(3)]~~ (2) The commission may set aside the automatic stay  
21 in its discretion."



1 SECTION 12. Section 271-36, Hawaii Revised Statutes, is  
2 amended by amending subsection (d) to read as follows:

3 "(d) The commission may charge an amount it deems  
4 necessary and reasonable to defray the cost of supplying to the  
5 carriers and the public the application forms and other forms,  
6 [~~schedules, tariffs,~~] copies of rules, and other pamphlets and  
7 materials it provides by individual copy or in bulk."

8 SECTION 13. Section 271-21, Hawaii Revised Statutes, is  
9 repealed.

10 [~~§271-21 Tariffs of common carriers by motor vehicle.~~

11 ~~(a) Every common carrier by motor vehicle shall file with the~~  
12 ~~public utilities commission, and print, and keep open to public~~  
13 ~~inspection, tariffs showing all the rates, fares, and charges~~  
14 ~~for transportation, and all services in connection therewith, of~~  
15 ~~passengers or property. The rates, fares, and charges shall be~~  
16 ~~stated in terms of lawful money of the United States. The~~  
17 ~~tariffs required by this section shall be published, filed, and~~  
18 ~~posted in such form and manner, and shall contain such~~  
19 ~~information as the commission by regulations shall prescribe;~~  
20 ~~and the commission may reject any tariff filed with it which is~~  
21 ~~not in consonance with this section and with the regulations.~~



1 ~~Any tariff so rejected by the commission shall be void and its~~  
2 ~~use shall be unlawful.~~

3 ~~(b) No common carrier by motor vehicle shall charge or~~  
4 ~~demand or collect or receive a greater or less or different~~  
5 ~~compensation for transportation or for any service in connection~~  
6 ~~therewith between the points enumerated in the tariff than the~~  
7 ~~rates, fares, and charges specified in the tariffs in effect at~~  
8 ~~the time; and no carrier shall refund or remit in any manner or~~  
9 ~~by any device, directly or indirectly, or through any agent, or~~  
10 ~~otherwise, any portion of the rates, fares, or charges so~~  
11 ~~specified, or extend to any person any privileges or facilities~~  
12 ~~for transportation except such as are specified in its tariffs.~~

13 ~~(c) No change shall be made in any rate, fare, charge, or~~  
14 ~~classification, or any rule, regulation, or practice affecting~~  
15 ~~the rate, fare, charge, or classification, or the value of the~~  
16 ~~service thereunder, specified in any effective tariff of a~~  
17 ~~common carrier by motor vehicle; except after thirty days'~~  
18 ~~notice of the proposed change filed and posted in accordance~~  
19 ~~with subsection (a) of this section. The notice shall plainly~~  
20 ~~state the change proposed to be made and the time when it will~~  
21 ~~take effect. The commission may in its discretion and for good~~



1 ~~cause shown allow the change upon notice less than that herein~~  
2 ~~specified or modify the requirements of this section with~~  
3 ~~respect to posting and filing of tariffs either in particular~~  
4 ~~instances or by general order applicable to special or peculiar~~  
5 ~~circumstances or conditions.~~

6 ~~(d) No common carrier by motor vehicle shall engage in the~~  
7 ~~transportation of passengers or property unless the rates,~~  
8 ~~fares, and charges upon which the same are transported by the~~  
9 ~~carrier have been filed and published in accordance with this~~  
10 ~~chapter." ]~~

11 SECTION 14. Section 271-22, Hawaii Revised Statutes, is  
12 repealed.

13 [~~§271-22 Schedules of contract carriers by motor vehicle.~~

14 ~~(a) It shall be the duty of every contract carrier by motor~~  
15 ~~vehicle to file and observe reasonable minimum rates and charges~~  
16 ~~for any service rendered or to be rendered in the transportation~~  
17 ~~of passengers or property in connection therewith, and to file~~  
18 ~~and observe reasonable regulations and practices to be applied~~  
19 ~~in connection with the reasonable minimum rates, fares, and~~  
20 ~~charges. It shall be the duty of every contract carrier by~~  
21 ~~motor vehicle to file with the public utilities commission,~~



1 ~~publish, and keep open for public inspection, in the form and~~  
2 ~~manner prescribed by the commission, schedules containing the~~  
3 ~~actual rates or charges of the carrier for the transportation of~~  
4 ~~passengers or property, and any rule, regulation, or practice~~  
5 ~~affecting the rates or charges and the value of the service~~  
6 ~~thereunder; provided that any contract carrier serving but one~~  
7 ~~shipper having rendered continuous service to the shipper for~~  
8 ~~not less than one year may file reasonable minimum rates and~~  
9 ~~charges unless the commission in any individual case, after~~  
10 ~~hearing, finds it in the public interest to require the filing~~  
11 ~~of actual rates and charges. No contract carrier, unless~~  
12 ~~otherwise provided by this chapter, shall engage in the~~  
13 ~~transportation of passengers or property unless the actual rates~~  
14 ~~or charges for the transportation by the carrier have been~~  
15 ~~published, filed, and posted in accordance with this chapter.~~  
16 ~~Nothing herein provided shall be so construed as to require the~~  
17 ~~carriers to maintain the same rates, rules and regulations for~~  
18 ~~the same services for all shippers served. No reduction shall~~  
19 ~~be made in any such charge either directly or by means of any~~  
20 ~~change in any rule, regulation, or practice affecting the charge~~  
21 ~~or the value of the service thereunder, nor shall any new charge~~



1 ~~be permitted, except after thirty days' notice of the proposed~~  
2 ~~change or new charge is filed in the aforesaid form and manner;~~  
3 ~~but the commission may, in its discretion and for good cause~~  
4 ~~shown, allow the change upon less notice, or modify the~~  
5 ~~requirements of this subsection with respect to posting and~~  
6 ~~filing of schedules, either in particular instances, or by~~  
7 ~~general order applicable to special or peculiar circumstances or~~  
8 ~~conditions. The notice shall plainly state the change proposed~~  
9 ~~to be made and the time when the change will take effect. No~~  
10 ~~carriers shall demand, charge, or collect compensation for~~  
11 ~~transportation different from the charges filed in accordance~~  
12 ~~with this subsection, as affected by any rule, regulation, or~~  
13 ~~practice so filed, or less than the minimum rate or charge as~~  
14 ~~may be prescribed by the commission from time to time, and it~~  
15 ~~shall be unlawful for any carrier, by the furnishing of special~~  
16 ~~services, facilities, or privileges, or by any other device~~  
17 ~~whatsoever, to charge, accept, or receive compensation different~~  
18 ~~from the actual rates and charges so filed, or less than the~~  
19 ~~minimum charges prescribed; provided that any carrier or~~  
20 ~~carriers, or any class or group thereof, may apply to the~~  
21 ~~commission for relief from this subsection, and the commission~~



1 ~~may, after hearing, grant such relief to such extent and for~~  
2 ~~such time, and in such manner as in its judgment is consistent~~  
3 ~~with the public interest and the transportation policy declared~~  
4 ~~in this chapter.~~

5 ~~(b) Whenever, after hearing, upon complaint or upon its~~  
6 ~~own initiative, the commission finds that any minimum rate or~~  
7 ~~charge of any contract carrier by motor vehicle, or any rule,~~  
8 ~~regulation, or practice of any carrier affecting the minimum~~  
9 ~~rate or charge, or the value of the service thereunder, for the~~  
10 ~~transportation of passengers or property or in connection~~  
11 ~~therewith, contravenes the transportation policy declared in~~  
12 ~~this chapter, or is in contravention of any provision of this~~  
13 ~~chapter, the commission may prescribe such just and reasonable~~  
14 ~~minimum rate or charge, or such rule, regulations, or practice~~  
15 ~~as in its judgment may be necessary or desirable in the public~~  
16 ~~interest and to promote the policy and will not be in~~  
17 ~~contravention of any provision of this chapter. The minimum~~  
18 ~~rate or charge, or the rule, regulation, or practice, so~~  
19 ~~prescribed by the commission, shall give no advantage or~~  
20 ~~preference to any carrier in competition with any common carrier~~  
21 ~~by motor vehicle subject to this chapter, which the commission~~



1 ~~may find to be undue or inconsistent with the public interest~~  
2 ~~and the transportation policy declared in this chapter and the~~  
3 ~~commission shall give due consideration to the cost of the~~  
4 ~~services rendered by such carriers, and to the effect of the~~  
5 ~~minimum rate or charge, or the rule, regulation, or practice,~~  
6 ~~upon the movement of traffic by the carriers. All complaints~~  
7 ~~shall state fully the facts complained of and the reasons for~~  
8 ~~the complaint and shall be made under oath.~~

9 ~~(c) Whenever there is filed with the commission by any~~  
10 ~~contract carrier any schedule stating a charge for a new service~~  
11 ~~or a reduced charge directly, or by means of any rule,~~  
12 ~~regulation, or practice, for the transportation of passengers or~~  
13 ~~property, the commission may upon complaint of interested~~  
14 ~~persons or upon its own initiative at once and, if it so orders,~~  
15 ~~without answer or other formal pleading by the interested party,~~  
16 ~~but upon reasonable notice, enter upon a hearing concerning the~~  
17 ~~lawfulness of the charge, or rule, regulation, or practice, and~~  
18 ~~pending the hearing and the decision thereon, the commission, by~~  
19 ~~filing with the schedules and delivering to the carrier affected~~  
20 ~~thereby a statement in writing of its reasons for the~~  
21 ~~suspension, may from time to time suspend the operation of the~~



1 ~~schedule and defer the use of the charge, or rule, regulation,~~  
2 ~~or practice, but not for a longer period than five months beyond~~  
3 ~~the time when it would otherwise go into effect; and after~~  
4 ~~hearing, whether completed before or after the charge, or rule,~~  
5 ~~regulation, or practice goes into effect, the commission may~~  
6 ~~make such order with reference thereto as would be proper in a~~  
7 ~~proceeding instituted after it had become effective. If the~~  
8 ~~proceeding has not been concluded and an order made within the~~  
9 ~~period of suspension, the proposed change in any charge or rule,~~  
10 ~~regulation, or practice shall go into effect at the end of the~~  
11 ~~period; provided that this subsection shall not apply to any~~  
12 ~~initial schedule or schedules filed by any carrier in bona fide~~  
13 ~~operation when this section takes effect. The rule as to burden~~  
14 ~~of proof specified in section 271-20(c) shall apply to this~~  
15 ~~subsection." ]~~

16 SECTION 15. Section 271-30, Hawaii Revised Statutes, is  
17 repealed.

18 [~~§271-30 Allowance to shippers for transportation~~  
19 ~~services.~~ If the shipper of property transported under this  
20 ~~chapter, directly or indirectly, renders any service connected~~  
21 ~~with the transportation, or furnishes any instrumentality used~~



1 ~~therein, the charge and allowance therefor shall be published in~~  
2 ~~tariffs or schedules filed in the manner provided in this~~  
3 ~~chapter and shall be no more than is just and reasonable; and~~  
4 ~~the public utilities commission may, after hearing on a~~  
5 ~~complaint or on its own initiative, determine what is a~~  
6 ~~reasonable charge as the maximum to be paid by the carrier or~~  
7 ~~carriers for the services so rendered or for the use of the~~  
8 ~~instrumentality so furnished, and fix the same by appropriate~~  
9 ~~order." ]~~

10

## PART II

11 SECTION 16. The legislature finds that the Motor Carrier  
12 Law, codified as chapter 271, Hawaii Revised Statutes,  
13 recognized that "the transportation of persons and of property,  
14 for commercial purposes, over the public highways of this State  
15 constitutes a business affected with the public interest" and  
16 the Motor Carrier Law intended "to provide for fair and  
17 impartial regulation of such transportation" in the public  
18 interest. However, despite this articulated policy, existing  
19 law has provided a competitive advantage to newer business  
20 models buttressed by emerging technologies through an exemption  
21 from the regulatory requirements under the Motor Carrier Law,



1 while established business models continue to be subjected to  
2 those regulations.

3 Accordingly, the purpose of this part is to promote parity  
4 and fair competition amongst the similar businesses that  
5 transport persons or property over public highways by applying  
6 on similar businesses the same regulatory framework enforced  
7 upon motor carriers - which is an alternative approach to part  
8 I.

9 SECTION 17. Section 271-2, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "**§271-2 Administration; governing provisions of other**  
12 **acts.** This chapter shall be administered by the public  
13 utilities commission of the State and the provisions of this  
14 chapter and of chapter 269, not inconsistent with this chapter,  
15 shall govern its administration; provided that sections [~~269-4,~~  
16 269-9, [~~269-11,~~] 269-16 to 269-28, and 269-30 shall not, in any  
17 respect, apply to the regulation of motor carriers."

18 SECTION 18. Section 271-4, Hawaii Revised Statutes, is  
19 amended as follows:

20 1. By adding three new definitions to be appropriately  
21 inserted and to read:



1        ""Prearranged ride" means the provision of transportation  
2 by a transportation network company driver to a passenger,  
3 beginning when a transportation network company driver accepts a  
4 passenger's request for a ride through a digital network or  
5 software application service controlled by a transportation  
6 network company, continuing while the transportation network  
7 company driver transports the requesting passenger, and ending  
8 when the requesting passenger, or the last passenger from the  
9 requesting passenger's party, departs from the personal vehicle.

10 A prearranged ride shall not include transportation provided  
11 through a ridesharing arrangement, as defined in section 279G-1;  
12 use of a taxicab, limousine, or other for-hire vehicle; or a  
13 regional transportation provider.

14        "Transportation network company" means an entity that uses  
15 a digital network or software application service to connect  
16 passengers to transportation network company drivers; provided  
17 that the entity:

- 18        (1) Does not own, control, operate, or manage the personal  
19        vehicles used by transportation network company  
20        drivers; and





# H.B. NO. 1301

1           SECTION 20. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 21. This Act shall take effect upon its approval.

4

INTRODUCED BY: \_\_\_\_\_



JAN 22 2025



# H.B. NO. 1301

**Report Title:**

Motor Carriers; Deregulation; PUC; Ratemaking; Transportation  
Network Companies

**Description:**

Part I: Repeals the Public Utilities Commission's authority to regulate ratemaking for motor carriers. Part II: Applies the existing framework regulating motor carriers onto transportation network companies. Part III: Repeals the chapter regulating transportation network companies.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

