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# A BILL FOR AN ACT

RELATING TO MOTOR CARRIERS.

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

1           SECTION 1. The legislature finds that the State's beach  
2 parks, scenic viewpoints, hiking trailheads, cultural sites,  
3 wildlife habitats, and other natural resources are popular  
4 destinations for visitors to the State. However, these sites  
5 are often located alongside congested state highways or county  
6 roads with limited parking.

7           The legislature further finds that there are community  
8 based non-profit organizations that collaborate with the State,  
9 counties, visitor industry, and impacted neighborhoods to  
10 address traffic congestion in these areas, such as the shuttle  
11 system currently in use in Hā'ena, Kaua'i, which reduces the  
12 number of vehicles on the narrow Kuhio highway. This shuttle  
13 system generates revenues to fund shuttle operations, as well as  
14 improvements at the Hā'ena state park, parking attendant  
15 salaries, and the costs of maintaining and expanding lo'i and  
16 cultural sites within Hā'ena state park.



1           The purpose of this Act is to exempt non-profit community-  
2 based organizations that provide transportation services from  
3 the State's motor carrier regulations, under certain  
4 circumstances.

5           SECTION 2. Section 271-5, Hawaii Revised Statutes, is  
6 amended to read as follows:

7           "**§271-5 Exemptions, generally.** Notwithstanding any other  
8 provisions of this chapter, its contents shall not apply to:

9           (1) Persons transporting their own property where the  
10 transportation is in furtherance of a primary business  
11 purpose or enterprise of that person, except where the  
12 transportation is undertaken by a motor carrier to  
13 evade the regulatory purposes of this chapter;

14           (2) Persons operating motor vehicles when engaged in the  
15 transportation of school children and teachers to and  
16 from school, and to and from school functions;  
17 provided that these persons may engage in providing  
18 transportation at special rates for groups of persons  
19 belonging to an eleemosynary or benevolent  
20 organization or association domiciled in this State  
21 where the organization or association sponsors or is



1           conducting a nonregular excursion; provided that  
2           whenever the persons engage in the transportation of  
3           persons other than those exempted in this paragraph,  
4           that portion of their operation shall not be exempt  
5           from this chapter. Nothing in this paragraph shall be  
6           construed to authorize any person to engage in the  
7           transportation of persons, other than the  
8           transportation of persons exempted by the terms of  
9           this paragraph, without a permit or certificate issued  
10          by the commission authorizing such transportation;

11       (3) Persons operating taxicabs or other motor vehicles  
12       utilized in performing a bona fide taxicab service.

13       "Taxicab" includes:

14       (A) Any motor vehicle used in the movement of  
15           passengers on the public highways under the  
16           following circumstances, namely the passenger  
17           hires the vehicle on call or at a fixed stand,  
18           with or without baggage for transportation, and  
19           controls the vehicle to the passenger's  
20           destination;



1           (B) Any motor vehicle for hire having seating  
2 accommodations for eight or fewer passengers used  
3 in the movement of passengers on the public  
4 highways that may, as part of a continuous trip,  
5 pick up or discharge passengers from various  
6 unrelated locations; provided that they shall be  
7 regulated by the counties in accordance with  
8 section 46-16.5(c); and provided further that  
9 this subparagraph shall not apply to any  
10 exclusive rights granted by the department of  
11 transportation for taxicab services at facilities  
12 under the department's control; and

13           (C) Any motor vehicle having seating accommodations  
14 for eight or fewer passengers used in the  
15 movement of passengers on the public highways  
16 between a terminal, i.e., a fixed stand, in the  
17 Honolulu district, as defined in section 4-1 and  
18 a terminal in a geographical district outside the  
19 limits of the Honolulu district, and vice versa,  
20 without picking up passengers other than at the  
21 terminals or fixed stands; provided that the



1 passengers may be picked up by telephone call  
2 from their homes in the rural area or may be  
3 unloaded at any point between the fixed stands or  
4 may be delivered to their homes in the rural  
5 area;

6 (4) Persons operating motor vehicles in the transportation  
7 of persons pursuant to a franchise from the  
8 legislature and whose operations are presently  
9 regulated under chapter 269;

10 (5) Nonprofit agricultural cooperative associations to the  
11 extent that they engage in the transportation of their  
12 own property or the property of their members;

13 (6) Persons operating motor vehicles specially constructed  
14 for the towing of disabled or wrecked vehicles but not  
15 otherwise used in the transportation of property for  
16 compensation or hire;

17 (7) Persons operating motor vehicles in the transportation  
18 of mail, newspapers, periodicals, magazines, messages,  
19 documents, letters, or blueprints;

20 (8) Persons operating funeral cars or ambulances;



1           (9) Persons operating motor vehicles in the transportation  
2           of garbage or refuse;

3           (10) Persons operating the type of passenger carrying motor  
4           vehicles known as "sampan buses" within the radius of  
5           twenty miles from the city of Hilo, Hawaii;

6           (11) Persons transporting unprocessed pineapple to a  
7           cannery, seed corn to a processing facility, or  
8           returning any containers used in such transportation  
9           to the fields;

10          (12) Sugar plantations transporting sugarcane, raw sugar,  
11          molasses, sugar by-products, and farming supplies for  
12          neighboring farmers pursuant to contracts administered  
13          by the United States Department of Agriculture;

14          (13) Persons engaged in the ranching or meat or feed  
15          business who transport cattle to slaughterhouses for  
16          hire where such transportation is their sole  
17          transportation for hire and where their earnings from  
18          the transportation constitute less than fifty per cent  
19          of their gross income from their business and the  
20          transportation for hire;



- 1           (14) Persons transporting unprocessed raw milk to  
2           processing plants and returning any containers used in  
3           such transportation to dairy farms for reloading;
- 4           (15) Persons transporting animal feeds to animal husbandry  
5           farmers and farming supplies directly to animal  
6           husbandry farmers and returning any containers used in  
7           such transportation to these sources of such feeds and  
8           supplies for reloading;
- 9           (16) Persons engaged in transporting not more than fifteen  
10          passengers between their places of abode, or termini  
11          near such places, and their places of employment in a  
12          single daily round trip where the driver is also on  
13          the driver's way to or from the driver's place of  
14          employment;
- 15          (17) Persons transporting passengers without charge in  
16          motor vehicles owned or operated by such person, where  
17          such transportation is provided in conjunction with  
18          and in furtherance of a related primary business  
19          purpose or enterprise of that person, and such  
20          transportation is provided only directly to and from  
21          the place of business of such person, except that this



1 exemption shall not apply to persons making any  
2 contract, agreement, or arrangement to provide,  
3 procure, furnish, or arrange for transportation as a  
4 travel agent or broker or a person engaged in tour or  
5 sightseeing activities, nor shall this exemption apply  
6 where the transportation is undertaken by a person to  
7 evade the regulatory purposes of this chapter; ~~and~~

8 (18) Persons conducting the type of county-regulated  
9 passenger carrying operation known as "jitney  
10 services". For the purposes of this paragraph,  
11 "jitney services" means public transportation services  
12 utilizing motor vehicles that have seating  
13 accommodations for six to twenty-five passengers,  
14 operate along specific routes during defined service  
15 hours, and levy a flat fare schedule[-]; and

16 (19) Non-profit community-based organizations providing  
17 transportation services; provided that:

18 (A) The transportation services are operated within  
19 the parameters of a state or county-approved plan  
20 that is within the purview of a state or county  
21 government agency;



1           (B) The non-profit community-based organization owns  
2           the transportation service related assets and  
3           these assets cannot be sold for profit or  
4           personal gain for the duration of the exemption  
5           from this chapter; and  
6           (C) Community stakeholders have a role in the  
7           operation of the non-profit community-based  
8           organization."

9           SECTION 3. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

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

12

INTRODUCED BY: *Nadine K. Pugh*

JAN 23 2025



# H.B. NO. 1422

**Report Title:**

Motor Carriers; Exemptions; Non-Profit Community-Based Organizations

**Description:**

Exempts non-profit community-based organizations providing transportation services from motor carrier regulations under certain circumstances.

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

