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



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

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

6       "**§271-5 Exemptions, generally.** Notwithstanding any other  
7 provisions of this chapter, its contents shall not apply to:

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

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



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

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

12 "Taxicab" includes:

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

20 (B) Any motor vehicle for hire having seating  
21 accommodations for eight or fewer passengers used



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

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



1 unloaded at any point between the fixed stands or  
2 may be delivered to their homes in the rural  
3 area;

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

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

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

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

18 (8) Persons operating funeral cars or ambulances;

19 (9) Persons operating motor vehicles in the transportation  
20 of garbage or refuse;



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

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

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

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

19 (14) Persons transporting unprocessed raw milk to  
20 processing plants and returning any containers used in  
21 such transportation to dairy farms for reloading;



1 (15) Persons transporting animal feeds to animal husbandry  
2 farmers and farming supplies directly to animal  
3 husbandry farmers and returning any containers used in  
4 such transportation to these sources of such feeds and  
5 supplies for reloading;

6 (16) Persons engaged in transporting not more than fifteen  
7 passengers between their places of abode, or termini  
8 near such places, and their places of employment in a  
9 single daily round trip where the driver is also on  
10 the driver's way to or from the driver's place of  
11 employment;

12 (17) Persons transporting passengers without charge in  
13 motor vehicles owned or operated by such person, where  
14 such transportation is provided in conjunction with  
15 and in furtherance of a related primary business  
16 purpose or enterprise of that person, and such  
17 transportation is provided only directly to and from  
18 the place of business of such person, except that this  
19 exemption shall not apply to persons making any  
20 contract, agreement, or arrangement to provide,  
21 procure, furnish, or arrange for transportation as a



1 travel agent or broker or a person engaged in tour or  
2 sightseeing activities, nor shall this exemption apply  
3 where the transportation is undertaken by a person to  
4 evade the regulatory purposes of this chapter; ~~and~~

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

13 (19) Community-based organizations engaged in community-  
14 based economic development providing transportation  
15 services; provided that:

16 (A) The transportation services are operated within  
17 the parameters of a state- or county-approved  
18 plan that is contracted or regulated under the  
19 authority of that state or county government  
20 agency. The state or county government agency  
21 shall require, or may exceed, the minimum





1 requirements for commercial and business

2 insurance required under section 271-17;

3 (B) The community-based organization owns the  
4 transportation service-related assets, and these  
5 assets cannot be sold for personal gain for the  
6 duration of the exemption from this chapter;

7 (C) Community stakeholders have a role in the  
8 operation of the community-based organization;  
9 and

10 (D) The state or county government agency shall  
11 notify the commission of the agency's  
12 determination that the community-based  
13 organization qualifies for this exemption.

14 For purposes of this paragraph:

15 "Community-based economic development" has the  
16 same meaning as in section 210D-2.

17 "Community-based organization" has the same  
18 meaning as in section 210D-2.

19 "Community stakeholders" means individuals,  
20 groups, or other organizations within the  
21 geographically defined area served by, and that have a



1           direct interest in the activities and outcomes of, the  
2           community-based organization and community-based  
3           economic development."

4           SECTION 3. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 4. This Act shall take effect on July 1, 3000.



**Report Title:**

Motor Carriers; Motor Carrier Law; Exemptions; Community-Based Organizations; Community-Based Economic Development; Transportation Services

**Description:**

Exempts community-based organizations engaged in community-based economic development providing transportation services from the Motor Carrier Law under certain circumstances. Effective 7/1/3000. (HD2)

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

