

JAN 23 2026

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 accessible,
2 affordable, and reliable public transportation is essential to
3 the well-being of Hawai'i's youth and families. Transportation
4 barriers can limit access to education, employment, and
5 community opportunities, particularly for low- and moderate-
6 income households and rural communities. Furthermore, the State
7 currently faces a transportation system under strain. Driver
8 and service shortages for school bus and public transit
9 operations have been documented in Hawai'i and contribute to
10 elevated rates of student absenteeism and lost instructional
11 time.

12 The legislature further finds that a statewide pilot
13 program providing fare-free youth transit can help mitigate
14 these burdens by increasing utilization of public transit,
15 easing demands on limited school bus fleets, reducing pressure
16 on county transit systems, and supporting consistent access to
17 school and other youth activities. Fare-free transit programs



1 align with the commitments made by the Hawai'i department of
2 transportation (HDOT) under the settlement of *Navahine F. v.*
3 *Hawai'i Department of Transportation*, CIV. NO. 1CCV-22-0000631
4 (Hawai'i Cir.Ct.), in which HDOT agreed to develop and implement
5 a comprehensive decarbonization and multi-modal mobility strategy
6 for Hawai'i's transportation system. Specifically, this program
7 comports with fuel demand reduction strategy HWY-M-12 of the
8 Hawaii Energy Security and Waste Reduction Plan published by
9 HDOT on October 15, 2025, which calls for the enactment of
10 legislation to incentivize counties to provide free public bus
11 access to youth under eighteen and improve safety for youth on
12 buses.

13 The legislature additionally finds that providing fare-free
14 public transit for youth advances both mobility and state
15 climate goals, including reducing vehicle dependency, vehicle
16 miles traveled, and greenhouse gas emissions. Therefore, the
17 program is in accord with the principles guiding the
18 implementation of the green fee established by the legislature
19 as Act 96, Session Laws of Hawaii 2025. Creating a fare-free
20 public transit for youth initiative would strengthen the State's
21 goal of increasing the resilience of infrastructure to climate-



1 related disasters, which exemplifies the principles set forth in
2 Act 96, Session Laws of Hawaii 2025, to guide appropriations
3 made with revenue generated by the green fee.

4 Accordingly, the purpose of this Act is to establish a two-
5 year statewide pilot program to provide year-round fare-free
6 public transportation for:

- 7 (1) Residents eighteen years of age and younger; and
- 8 (2) One parent, legal custodian, or caregiver accompanying
9 eligible children twelve years of age and younger.

10 SECTION 2. (a) There is established within the department
11 of transportation a two-year youth ride free pilot program to
12 provide fare-free access to county public transportation systems
13 for residents of the State who are:

- 14 (1) Eighteen years of age and under; or
- 15 (2) A parent, legal custodian, or caregiver accompanying
16 an eligible child twelve years of age or younger.

17 (b) Each county transit agency shall administer the pilot
18 program within its jurisdiction; provided that the county may
19 use existing fare-free card systems or other verification
20 methods to issue and manage youth transit passes.



1 (c) For the purposes of the pilot program, each county
2 shall allow eligible youth to access county public transit
3 services by presenting:

- 4 (1) A valid county- or school-issued student
5 identification card;
- 6 (2) A transit-issued youth fare card or pass; or
- 7 (3) Any other form of identification approved by the
8 county transit agency.

9 (d) Administrative costs incurred by the counties in
10 implementing and operating the pilot program shall be eligible
11 for reimbursement from the State, subject to the availability of
12 funds and approval by the department of transportation; provided
13 that each county shall be eligible to be reimbursed in the
14 following amounts:

- 15 (1) For fiscal year 2026 to 2027:
 - 16 (A) \$7,560,000 for the city and county of Honolulu;
 - 17 (B) \$241,000 for the county of Hawaii;
 - 18 (C) \$165,000 for the county of Kauai; and
 - 19 (D) \$560,000 for the county of Maui; and
- 20 (2) For fiscal year 2027 to 2028:
 - 21 (A) \$11,005,300 for the city and county of Honolulu;



1 (B) \$482,000 for the county of Hawaii;

2 (C) \$210,000 for the county of Kauai; and

3 (D) \$1,051,200 for the county of Maui.

4 (e) The department of transportation, in coordination with
5 the county transit agencies, shall collect and evaluate data on
6 the youth ride free pilot program, including:

7 (1) Program participation and ridership levels;

8 (2) Fiscal impacts, including administrative and
9 operational costs;

10 (3) Benefits to families and youth, including access to
11 education, employment, and recreation;

12 (4) Environmental and traffic congestion impacts; and

13 (5) Other data to determine the costs and benefits of
14 permanently implementing the program.

15 (f) The department of transportation shall submit a report
16 on the implementation of the youth ride free pilot program to
17 the legislature no later than twenty days prior to the convening
18 of the regular session of 2028. The report shall include:

19 (1) A record of pilot program activities and
20 accomplishments;



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- 1 (2) A recommendation on whether to extend or make
2 permanent the pilot program; and
3 (3) Any additional findings, recommendations, and proposed
4 legislation.

5 (g) For the purposes of this section, "caregiver" means
6 any individual eighteen years of age or older who is not a
7 child's parent or legal custodian and who has:

8 (1) Undertaken the temporary or permanent care, custody,
9 physical control, or supervision of a child; or

10 (2) Who has a legal or contractual duty to care for the
11 health, safety, and welfare of a child.

12 SECTION 3. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$22,000,000 or so
14 much thereof as may be necessary for fiscal year 2026-2027 for
15 the implementation of the youth ride free pilot program
16 established pursuant to this Act, including to reimburse county
17 transit agencies for administrative and operational expenses
18 related to implementing the pilot program; provided that any
19 funds not distributed to the county transit agencies may be
20 expended by the department of transportation to administer and
21 evaluate the pilot program.



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1 The sum appropriated shall be expended by the department of
2 transportation for the purposes of this Act.

3 SECTION 4. This Act shall take effect on July 1, 2026, and
4 shall be repealed on June 30, 2028.

5

INTRODUCED BY: *Karl Rhoads*



S.B. NO. 2726

Report Title:

DOT; County Transit Agencies; Youth Ride Free Pilot Program; Reimbursement; Public Transportation; Report; Appropriation

Description:

Establishes a two-year Youth Ride Free Pilot Program within the Department of Transportation. Specifies that certain Program administrative costs incurred by the counties are eligible for reimbursement from the State. Requires a report to the Legislature. Appropriates funds. Sunsets 6/30/2028.

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

