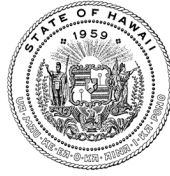


JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
465 S. KING STREET, #103
HONOLULU, HAWAII 96813

JON S. ITOMURA
CHAIR

NAOMI U. KUWAYE
COMMISSIONER

COLIN A. YOST
COMMISSIONER

Telephone: (808) 586-2020
Facsimile: (808) 586-2066

Website: puc.hawaii.gov
E-mail: puc@hawaii.gov

Testimony of the Public Utilities Commission

To the
House Committee on
Transportation

Tuesday, March 31, 2026
10:00 a.m.

Chair Kila, Vice Chair Miyake, and Members of the Committee:

Measure: H.C.R. 120 / H.R. 112

Title: REQUESTING THE DEPARTMENT OF TRANSPORTATION AND PUBLIC UTILITIES COMMISSION TO DEVELOP A FRAMEWORK TO REGULATE TRANSPORTATION NETWORK COMPANIES UNDER THE MOTOR CARRIER LAW.

Position:

The Public Utilities Commission ("Commission") offers the following comments for consideration.

Comments:

The Commission appreciates the intent of the measure that requests the Department of Transportation ("DOT") and the Commission to develop a framework to regulate transportation network companies under the Motor Carrier Law.

The Commission notes that Act 117, Session Laws of Hawaii 2024, transferred the enforcement responsibilities of the Motor Carrier Law, under chapter 271, Hawaii Revised Statutes, from the Commission to DOT. The Commission continues to process applications for Certificate of Public Convenience and Necessity for motor carriers to operate as a property or passenger carrier. The Commission also administers hearings for any citations issued by DOT for violations relating to the Motor Carrier Law. The Commission looks forward to working together with DOT on developing a framework.

Thank you for the opportunity to testify on this measure.



March 30, 2026
House Committee on Transportation
Opposition of Proposed HR 112/HCR 120

Chair Kila, Vice Chair Miyake, and committee members,

Mahalo for the opportunity to testify. My name is Francisco Avalos, and I am a Senior Public Policy Manager with Lyft. We respectfully oppose HR 112/HCR 120.

In 2022, this Legislature did something important - it passed a first-of-its-kind TNC regulatory framework for Hawaii, one specifically designed for how rideshare actually works. It was thoughtful, it was deliberate, and it was developed in collaboration with the Department of Transportation to meet a robust standard for Hawaii. Building on that foundation, the Department of Transportation launched a mandatory TNC permit program in March 2024. TNCs are permitted. Safety standards are in place. Consumers are protected.

That 2022 framework is the right foundation. It reflects a considered judgment by this body that TNCs require their own regulatory category - not a one-size-fits-all approach borrowed from a different era of transportation.

The Motor Carrier Law is the wrong fit and our insurance obligations are just one example.

HRS Chapter 271, Hawaii's Motor Carrier law, was designed for fixed-route carriers that own vehicles, employ drivers, and file rates with the PUC. Lyft is a technology platform connecting independent drivers and riders through an online marketplace app. The operational model is fundamentally different, and the regulatory requirements under the existing TNC framework already exceed what the Motor Carrier Law would require. As just one example: Lyft maintains \$1 million in liability coverage during active rides, significantly higher than the liability minimums imposed on motor carriers under Hawaii Administrative Rules. Shifting TNCs to the Motor Carrier Law would not strengthen protections for riders or drivers. It would simply apply the wrong rules to the wrong industry.

HR 112/HCR 120 asks DOT and the PUC to develop a new framework under the Motor Carrier Law. We believe that work has already been done - and done well - right here in this chamber. We'd respectfully encourage the committee to let that framework continue to do its job. We respectfully request a no vote on these resolutions.

Mahalo, and happy to answer any questions.

Francisco Avalos,
Senior Public Policy Manager
Lyft, Inc.