

TESTIMONY OF RANDY IWASE
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII
TO THE
HOUSE COMMITTEE ON
COMMITTEE ON TRANSPORTATION

February 2, 2018
10:30 a.m.

MEASURE: H.B. No. 2684
TITLE: RELATING TO MOTOR CARRIERS.

Chair Aquino and Members of the Committee:

DESCRIPTION:

Amends the fees and penalties for motor carriers. Requires that a percentage of the fees collected be used for expenditures relating to the enforcement of motor carrier laws, including but not limited to expenditures for enforcement personnel.

POSITION:

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

COMMENTS:

The Commission is uncertain as to the intent of this proposed legislation, but notes there could be administrative and fiscal challenges in earmarking portions of fees collected under HRS 271-36 in the Commission's special fund.

For FY 2017, only 33% of the revenues deposited in the Commission's special fund were appropriated to the Commission. The remaining 67% of special fund revenues were allocated to other state agencies or to the general fund. If the intent of this bill is to increase the Commission's efforts in enforcing motor carrier laws, there may be a need for additional enforcement personnel in which case the Commission would request an increase in appropriations to enable additional personnel to be hired.

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On the matter of reviewing the statutory level of penalties and fines, the Commission is supportive. The Commission is available to work the Committee members or staff to answer any questions regarding this measure.

Thank you for the opportunity to testify on this measure.



February 2, 2018

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION
ON HOUSE BILL 2684 RELATING TO MOTOR CARRIER**

Thank you Chair Aquino and committee members. I am Gareth Sakakida Managing Director of the Hawaii Transportation Association (HTA) with about 400 members involved with the commercial ground transportation industry.

HTA believes this bill is intended to enable the Public Utilities Commission (PUC) to enforce their laws over all motor carriers who are subject to chapter 271 of the Hawaii Revised Statutes. This we applaud and support.

However, there are certain sections of this bill we oppose due to certain agency beliefs. We support sections 1 and 3 providing the PUC with much needed funds to enforce chapter 271.

However, we oppose section 2 that increases the penalties for violations of chapter 271. We oppose this as it is our understanding the PUC still feels it can only apply penalties against legal motor carriers: motor carriers that are already certificated by the PUC.

Motor carriers who are illegal, i.e. those who operate without first obtaining a certificate are not subject to these penalties.

There are many other provisions, besides certification, for which penalties can be assessed, but again, our understanding is the PUC does not feel penalties apply to motor carriers who are required to be certificated, but are not.

Come such a time as the penalties provided apply to all motor carriers, certificated or otherwise, we would support section 2 as well.

Thank you.