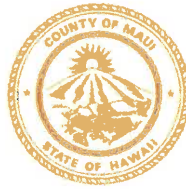


Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

February 10, 2020

TESTIMONY OF MICHAEL P. VICTORINO
MAYOR
COUNTY OF MAUI

A handwritten signature in black ink that reads "Michael P. Victorino".

BEFORE THE SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,
AND MILITARY AFFAIRS

Tuesday, February 11, 2020, 2:00 p.m.
Conference Room 229

SB2122 RELATING TO TRANSPORTATION NETWORK COMPANIES

Honorable Clarence K. Nishihara, Chair

Honorable Glenn Wakai, Vice Chair

Honorable Members of the Senate Committee On Public Safety, Intergovernmental,
and Military Affairs

Thank you for this opportunity to testify in **SUPPORT** of SB2122.

The purpose of this bill is to authorize each county to levy and collect a county per-ride fee against a transportation network company.

There has been a large increase in transportation network drivers (Uber, Lyft, etc.) and those drivers use county and state roads significantly more than the average citizen. These networks should provide an additional fee for impacting our roadway infrastructure.

Accordingly, I ask you to pass this measure, **SB2122**.



February 11, 2020

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS
ON SB 2122 RELATING TO TRANSPORTATION NETWORK COMPANIES**

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

HTA supports this bill.

TNC operations increase traffic, especially in anticipated higher use urban areas like Waikiki and Downtown. These operations cruise the streets or illegally (without paying or permits) use on street parking, taxi zones and commercial vehicle loading zones.

There are substantial impacts on county infrastructure justifying the intent of this bill.

Mahalo.

Waikīkī Transportation Management Special Improvement District



*Making Waikīkī better,
One curb at a time.*

Testimony of Rick Egged
President, Waikīkī Transportation Management Special Improvement District
to the
Hawai'i State Senate Committee:
Public Safety, Intergovernmental, and Military Affairs
Tuesday, February 11, 2020

In support of
SB 2122 Relating to Transportation Network Companies

Aloha Chair Nishihara and Members of the Committee,

I am submitting testimony in support of SB2122 Relating to Transportation Network Companies (TNCs) in my capacity as the President of the Waikīkī Transportation Management Special Improvement District (WTMSID).

Waikīkī sits at the heart of Honolulu's tourism economy. The special improvement district was conceived to assist in preserving this unique resource. The Waikīkī Transportation Management Association (WTMA) was established to coordinate and assist in the management of transportation operations within Waikīkī under the purview of the WTMSID. WTMA was created by private passenger carriers joined by other business, freight carrier, resident, and City and County of Honolulu members.

Waikīkī, as well as other areas within the County, has experienced an amazing increase in traffic. TNCs have significantly contributed to congestion and conflicts. We have seen a rapid rise in TNCs dwelling in limited curb areas -- on-street parking spaces, taxi zones and commercial vehicle loading zones. They do so without paying.

Today, TNCs occupy freight loading zones indiscriminately; thereby, inhibiting routine and permitted commercial deliveries. TNCs occupy passenger vehicle loading zones blocking scheduled and permitted services to our guests. TNCs occupy taxi zones reserved for taxis regulated by the City. TNCs linger in these regulated commercial curb zones to be close to impromptu requests for pickups. TNCs linger to receive notice of a passenger who does not have pre-arranged transportation, interfering with those that do.

The WTMA believes pre-arranged commercial freight deliveries and passenger pickups by those paying Honolulu's newly enacted special WTMA permit creates a safe and appealing visitor experience. The inappropriate use of reserved commercial vehicle zones for regulated vehicles forces legitimate vehicles to find other curb areas increasing safety concerns and congestion. This is not sustainable.

Honolulu is not alone in experiencing the impacts from TNCs. Studies in San Francisco have shown that TNCs are responsible for about 50 percent of the congestion increase in the City. Other cities and states have enacted surcharges on TNCs to fund enforcement, infrastructure and other projects to counter the impact of TNCs.

We applaud giving the Counties the option to enact a surcharge. Funds could be used to identify locations for TNCs to dwell, provide additional enforcement and safety monitoring.

Mahalo for the opportunity to testify.

SB 2122: WRITTEN TESTIMONY OF TRACI LEE OF LYFT

SB 2122: Relating to Transportation Network Companies Senate Committee on Public Safety, Intergovernmental, and Military Affairs February 11, 2020 2pm State Capitol, Room 229

Chair Nishihara, Vice Chair Wakai, and Committee Members,

My name is Traci Lee, and I am a Senior Public Policy Manager for Lyft, responsible for Lyft's policy and government relations in Hawai'i. This testimony is to express Lyft's **opposition to Senate Bill 2122**, which imposes a burdensome tax on transportation network companies, drivers and passengers. **Lyft respectfully opposes SB 2122 for the following reasons:**

This regressive tax would hit hardest individuals who can least afford it, resulting in a policy that makes transportation access more difficult for those already facing transportation barriers.

The revenue the County is seeking to generate should be shouldered equally by all industries. Lyft and services like it have increased equitable mobility. 51% of Lyft rides in Hawai'i start or end in low income areas - it's important that rides stay affordable. Lyft riders are incredibly price sensitive, and this tax will serve as an additional burden to those who have traditionally lacked access to efficient, affordable, and reliable forms of transportation.

Moreover, in Hawai'i, 93.5% of drivers drive fewer than 20 hours per week. By imposing this per-ride tax, demand will very likely decrease in response to price increase, resulting in fewer rides and therefore lower earnings for drivers. Lyft drivers are 22% female, 26% over the age of 50, 22% veterans, and 13% students. This population of drivers will be disproportionately affected by this proposed tax.

Lyft encourages riders to explore new areas of the community and invest in local businesses.

Passengers are exploring their cities, spending more at local businesses, and staying out longer thanks to a reliable ride home. In Hawai'i, 32% of riders spend more at local businesses as a result of using Lyft, 37% of riders are more likely to attend community events as a result of Lyft, and 25% of riders still take public transit at least once a week. If rides become more expensive for passengers due to this tax, passengers will take Lyft less often, resulting in

Lyft provides a necessary transportation option, given the current capacity of local transit.

In Hawai'i, 10% of rides take place late at night, between the hours of midnight and 5 am. During these hours, ridesharing plays an important role in reducing impaired driving, and

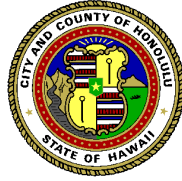
providing a reliable transportation option when public transit may not be running or have infrequent service. In fact, 56% of riders say they are less likely to drive substance impaired due to the availability of Lyft. Further, 25% of Lyft riders in Hawaii have used Lyft to access healthcare services. If the County imposes such a tax, the individuals who depend on affordable and reliable transportation during the late hour, after a night of drinking, or to get to medical appointments will face a heavier burden to simply get home safely or to the doctor.

For the aforementioned reasons, Lyft respectfully **opposes SB 2122**. Thank you for your consideration.

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 3RD FLOOR
HONOLULU, HAWAII 96813
Phone: (808) 768-8305 • Fax: (808) 768-4730 • web: www.honolulu.gov

KIRK CALDWELL
MAYOR



WES FRYSZTACKI
DIRECTOR

JON Y. NOUCHI
DEPUTY DIRECTOR

TESTIMONY TO THE
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND
MILITARY AFFAIRS (PSM)

FEBRUARY 11, 2020
2:00 PM

**IN SUPPORT OF
SB 2122 – RELATING TO TRANSPORTATION NETWORK COMPANIES**

Chair Nishihara, Vice Chair Wakai, and Members of the Committee:

The Department of Transportation Services is in support of this measure; it is part of the Hawaii Council of Mayors (HCOM) 2020 legislative package.

This measure seeks the authority for counties to levy and collect a per-ride fee for rides provided by transportation network companies (TNC); specific fee amounts, geographic areas, and uses of revenue will be determined by the respective county councils through adoption of ordinances. This authority equips counties with an important tool in reducing traffic congestion in areas with high TNC activity. In general, the TNC hail-by-app on-demand model relies on having idle vehicles and drivers available in high-demand areas to reduce passenger wait times. Idle vehicles contribute to traffic congestion; studies conducted in New York and San Francisco have demonstrated the direct correlation between increases in TNC trips and increases in congestion. Per-ride surcharges, and other policies like limits on the total number of TNC vehicles authorized at a given time, have been adopted to mitigate the congestion.

In Honolulu, we have observed this correlation in Waikiki and we are concerned by the increased traffic generated by empty TNC vehicles. While the City continues to explore all mitigation options, including curb management policies and the deployment of a streamlined bus rapid transit (BRT) option from Ala Moana Center through Waikiki, we believe the authority to assess these fees is a valuable tool in addressing conditions in this specific area.

Thank you for consideration of this measure and for the opportunity to provide this testimony.

LATE

**TESTIMONY OF ROBERT TOYOFUKU ON BEHALF OF UBER TECHNOLOGIES IN
OPPOSITION TO SB 2122, RELATING TO TRANSPORTATION NETWORK
COMPANIES**

February 11, 2020

To: Chairman Clarence Nishihara and Members of the Senate Committee on Public Safety, Intergovernmental, and Military Affairs:

My name is Bob Toyofuku and I am presenting this testimony on behalf of Uber Technologies (Uber) in opposition to SB 2122, Relating to Transportation Network Companies.

Under state law Transportation Network Companies (TNCs) like Uber already pay the General Excise Tax as well as a fee to the State of Hawaii Department of Transportation.

Any fee increase increases the cost of rideshare as a transportation option, impacting the individuals in our community who can least afford it the most, and potentially reducing work available for the drivers that use rideshare to earn money.

Additionally, this bill allows the counties to establish a per-ride fee assessment only on TNCs. It appears that TNCs are being singled out for this type of fee – transparently putting a thumb on the scale against one type of business. If the counties intend to establish a per-ride fee it should be assessed on all companies that transport passengers as well as products.

Thank you for allowing me to submit this testimony.