

MULTIMODAL TRANSPORTATION COMMITTEE
Council of the County of Maui

M I N U T E S

Council Chamber

August 5, 2019

CONVENE: 9:01 a.m.

PRESENT: VOTING MEMBERS:

Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Riki Hokama, Vice-Chair (in at 9:04 a.m.)
Councilmember Tasha Kama
Councilmember Alice L. Lee (out at 9:55 a.m., in at 9:59 a.m., in
at 10:49 a.m., out at 11:38 a.m.)
Councilmember Tamara Paltin (in at 9:12 a.m.)
Councilmember Shane M. Sinenci
Councilmember Kelly T. King (in at 9:05 a.m., out at 11:06 a.m.)

NON-VOTING MEMBERS: *(Seated in Gallery)*

Councilmember Keani Rawlins-Fernandez (in at 11:15 a.m.)

STAFF: James Krueger, Legislative Analyst
John Rapacz, Legislative Attorney
Stacey Vinoray, Committee Secretary

Dawn Lono, Executive Assistant to Councilmember Shane Sinenci,
Hana Council Office (via telephone conference bridge)
Denise Fernandez, Council Aide, Lanai Council Office (via
telephone conference bridge)
Zhanter Lindo-Dudoit, Council Aide, Molokai Council Office (via
telephone conference bridge)

Don Atay, Executive Assistant to Councilmember Shane Sinenci
Dawn Lono, Executive Assistant to Councilmember Shane Sinenci
Sarah Pajimola, Executive Assistant to Councilmember Keani
Rawlins-Fernandez
Trinette Furtado, Executive Assistant to Councilmember Keani-
Rawlins-Fernandez

ADMIN.: Michael Hopper, Deputy Corporation Counsel, Department of the
Corporation Counsel
Scott Teruya, Director of Finance, Department of Finance
Carmelito Vila, Motor Vehicle & Licensing Administrator, Department
of Finance
Terry Vencl, Administrative Assistant II, Office of the Mayor

Jason Young, Vice-President of Operations, Robert's Hawaii
Rob Mora, Market Manager, Lyft

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Tabitha Chow, Senior Operations Manager, Uber West
Bob Toyofuku, Attorney, Lobbyist for Uber

OTHERS: Kenny Barr, Kihei Taxi
Plus (5) others in the gallery

PRESS: Akaku Maui Community Television, Inc.

MT-3 TAXICAB AND RIDESHARING PLATFORM COMPANIES (CC 18-56, 18-316)

CHAIR SUGIMURA: . . . *(gavel)*. . . Good morning, everybody. Welcome to the Multimodal Transportation Committee. Today is August the 5th, it's 9:01 a.m. Welcome everyone for being here. I wanted to ask you to silence your noisemaking devices. And my name is Yuki Lei Sugimura. I am the Committee Chair. I want to welcome Shane Sinenci from Hana.

COUNCILMEMBER SINENCI: Aloha and good morning, Chair.

CHAIR SUGIMURA: Good morning. Thank you for being here. Alice Lee from Wailuku. Congratulations on the baseball team, right?

COUNCILMEMBER LEE: . . . *(inaudible – Akaku music playing in the background)* . . .

CHAIR SUGIMURA: Yeah, too good.

COUNCILMEMBER LEE: . . . *(inaudible – Akaku music playing in the background)* . . .

CHAIR SUGIMURA: Really. I thought they came back with the winners. Oh, oh, yeah. Okay. We also have with us Kelly King.

COUNCILMEMBER KING: That was a great game.

CHAIR SUGIMURA: Yeah. Eleven zero.

COUNCILMEMBER KING: And it was one of the greatest games I've ever seen. Oh, you're talking about a different one then 'cause the younger kids was 4-2. Yeah, 4-2.

CHAIR SUGIMURA: Oh. Committee Vice-Chair Riki Hokama from Lanai. Thank you for being here.

VICE-CHAIR HOKAMA: Good morning.

CHAIR SUGIMURA: Good morning. Tasha Kama from Kahului. Thank you for being here.

COUNCILMEMBER KAMA: Good morning, Chair.

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CHAIR SUGIMURA: Good morning. Welcome everybody. Non-Voting Members are Mike Molina and Tamara Paltin. They're welcomed to be here. Today, we have a very important item on our agenda. It's been . . . actually something that was transferred from last term to this term and we are taking this opportunity to take it up. Thank you, Michael Hopper for being here from Corporation Counsel. Scott Teruya was here, is here from Finance. Lito Vila, Motor Vehicle & Licensing Administrator that works under him is on his way. Terryl Vencel from the Mayor's Office. Terryl, thank you for being here, who is our Tourism Liaison. Other resources we have, Jason Young, Vice President of Operations, Robert's Hawaii. Oh, there you are. Thank you. Rob Mora, General Manager of Lyft. And I gave my card on . . . Uber. Yeah, I know you're up there. I just don't have your name here handy so if you could give me her name later. Thank you, James Krueger, my Legislative Analyst. Stacey Vinoray, Committee Secretary. And then our District Offices they're also here and we'll hear from them shortly. Also, in the audience we have, Tabitha Chow, who is from Uber. Thank you for being here. And then we have Senator Bob Toyofuku who is not Senator Bob Toyofuku. You're representing the companies, right? So, you're not necessarily wearing your Senator hat. So, thank you very much for being here. That was a nice surprise to see you today. At this time, we have one item on our agenda, which is MT-3, Taxicabs and Ridesharing Platform Companies. At this time, do we have any testifiers? We have one. So, our first testifier in the Chamber is Kenny Barr, MT-3, who is a taxi driver and wanted to share his thoughts on.

. . . BEGIN PUBLIC TESTIMONY . . .

MR. BARR: Good morning, Chair --

CHAIR SUGIMURA: Good morning.

MR. BARR: --and Members. My name is Kenneth Barr. I am a taxi proprietor from Kihei for 40 years since 1979. I want to kind of share, well, I'm not going to represent all taxis just representing myself really. Ridesharing word is kind of a misnomer. A rideshare is a shuttle like, like a SpeediShuttle. They share rides and one customer is heading to a particular part of the island. Uber and Lyft are actually taxis without any County regulations. They get a call or a text or an email or whatever and they go pick up one party to a named destination just like a taxicab that lives with all the permits and regulations of the County of Maui. Uber and Lyft attorneys are where the representatives usually open up any challenge and meetings with the statement - we're not a transportation company, we are a technology company and as such we're not open to regulations by your transportation . . . *(inaudible-glitch in video)* . . . consider themselves computers with wheels or something. But, in actuality, they are a transportation company as anyone . . . *(inaudible)* . . . have a brain could see. I wanted to bring to your attention that back in 1986, we had a . . . there was a situation on Maui where Robert's applied for 30 taxi licenses and Hannibal Tavares was the Mayor at that time, and they denied it because we had an ordinance that regulates how taxis here . . . *(inaudible - video recording was breaking up)* . . . distributed and it's in a lottery and everybody has a right to do that. So, I guess Hannibal decided to fight it in court and the final outcome of that was that Judge

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McConnell ruled that the County does have the right to regulate the taxis. And the International Taxi Association had sent or wrote a letter explaining that of all . . . all jurisdictions that they're under that Maui has one of the fairest, it's not a monopoly, that Maui has one of the fairest distribution of licenses and the fact that every person over 18 can put their name in a lottery and be entitled to one taxi permit. We've had that forever and the system has worked pretty well based on a formula. So, so what happened in 1986 – Representative Souki and I believe it was Senator Rick Reed at that time two opposite parties and all us worked together to pass a bill and it was, called that Act 120. And originally, it was giving the Counties the right to regulate taxicabs. They were just going to make it clear and they made a bill that the Governor signed and what that was they amended it and they added in . . . I'll end here.

CHAIR SUGIMURA: Just finish what you're talking about.

MR. BARR: Oh, okay. It was subsection and I'm just going to read it. It's one paragraph. Subsection C on Page 3, the word *taxicab* has been replaced with the phrase *public passenger vehicle service* in order to conform the language within the section after authorized regulation of all forms of public passenger service rather than just taxicab service other than the buses and shuttle and everybody, limos that are under PUC. So, maybe it was 20 years before Uber, but the State made it clear that the Counties have the right to regulate all kinds of public transportation not under the PUC. Thank you.

CHAIR SUGIMURA: Thank you. Thank you very much. Anybody . . .

MR. BARR: And I have a copy to leave if you want to get it printed.

CHAIR SUGIMURA: Okay. If you could pass it on. Stacey, could you get that? Thank you. Kelly King, you have a question for him?

COUNCILMEMBER KING: Yes, I do. Thank you. Thanks for being here, Mr. Barr.

MR. BARR: Thank you.

COUNCILMEMBER KING: And wow, I haven't heard Senator Rick Reed that goes way back. He was my Senator in . . . *(inaudible)* . . . But that bill that you were talking about the last phrase that you discussed that changed the word taxi to what was that – public transportation?

MR. BARR: Authorize regulation of all forms of public passenger vehicle service rather than just taxicab service.

COUNCILMEMBER KING: Okay. So, that's in the Act? That's not proposed.

MR. BARR: Yes.

COUNCILMEMBER KING: Okay.

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MR. BARR: And at that time, there was nothing but taxis. There weren't shuttles until the '90s so they were just kind of looking in the future to give you the right to set the rules and regulations for anybody, some people and get paid for it.

COUNCILMEMBER KING: Okay. And then I want to ask you a question at the lottery since you brought that up.

MR. BARR: Yes.

COUNCILMEMBER KING: Is that, is there a maximum number . . . You don't have to, I mean, you've been doing this for so long --

MR. BARR: Yeah.

COUNCILMEMBER KING: --I'm assuming you don't have to do that every year for yourself, do you?

MR. BARR: No. You just renew your taxi license every year, but the lottery is based on, at the time it was written, I think one . . . it was either 1 per 60 hotel? Riki would know all this. One per 60 hotel rooms and or 500 population. So, since we haven't the hotels in quite a while it pretty much have been based on as the population grows, which is really kind of sad because locals don't take taxis, but they kept getting licenses based on a formula.

COUNCILMEMBER KING: Okay. So, they haven't had a lottery for a while?

MR. BARR: Maybe Lito knows that.

CHAIR SUGIMURA: Yeah, we're going to cover that during --

MR. BARR: Okay.

CHAIR SUGIMURA: --the presentation.

COUNCILMEMBER KING: Can we, can we . . . are we going to have Mr. Barr as a resource person? Or do we have somebody from the taxi industry?

CHAIR SUGIMURA: Actually, I was hoping we would. There's nobody here. But we have somebody from Robert's. Robert's knows.

MR. BARR: But he's a PUC company.

CHAIR SUGIMURA: You can . . .

COUNCILMEMBER KING: Can you stay?

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MR. BARR: I'll stay.

COUNCILMEMBER KING: Can we ask if Mr. Barr can be a resource person, if there is no objections?

CHAIR SUGIMURA: Yeah, if he would like and plan to stay.

COUNCILMEMBER KING: Thank you.

CHAIR SUGIMURA: Thank you, Members. Mr. Barr, could you stay then --

MR. BARR: Yes.

CHAIR SUGIMURA: --as we go through our discussion? Thank you, if anybody has questions. Anybody else have questions for him? No. Thank you.

MR. BARR: Thanks very much.

CHAIR SUGIMURA: Thank you very much for making the time.

MR. BARR: Thanks for holding this meeting. There's a lot of taxi people that are upset about this and thank you for holding the meeting.

CHAIR SUGIMURA: Thank you. Thank you very much. Any other testifiers in the Chamber? Seeing none. At this time, I want to go to the District Offices. So, on Lanai, Denise Fernandez, do you have any testifiers?

MS. FERNANDEZ: Good morning, Chair. This is Denise Fernandez at the Lanai Office and there are no testifiers.

CHAIR SUGIMURA: Zhantell Lindo from Molokai, do you have any testifiers?

MS. LINDO: Good morning, Chair. This is Zhan at the Molokai District Office; there are no testifiers.

CHAIR SUGIMURA: Last one is Mavis Oliveira-Medeiros from the Hana Office, any testifiers?

MS. OLIVEIRA-MEDEIROS: Aloha, Chair. This is Mavis Oliveira-Medeiros from the Hana Office and there is no one here waiting to testify.

CHAIR SUGIMURA: Thank you. Any other . . . anybody in the Chamber would like to testify? Seeing none. At this time, I'd like to ask to close public testimony, Members?

COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Thank you. So, public testimony is now closed. Thank you.

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. . . END OF PUBLIC TESTIMONY . . .

CHAIR SUGIMURA: On our agenda, we have one item today. My overall plan is to defer the item. Today is an information gathering meeting and I'll hold another meeting in the future to develop legislation or policy if it deems the decision of the Committee. At this time, the one item on the agenda is *Taxicab and Ridesharing Platform Companies, MT-3*. And this came from County Communication 18-56, from Councilmember Stacy Crivello, relating to taxicab and ridesharing platform companies from the last term, and it was passed over to this Committee to take up. And County Communication 18-316, from the Director of Finance, relating to taxicab rates and fares and baggage charges as of August 10, 2018. So, we have this on our agenda and I just wanted to explain to the Members as to why I'm taking this up. When I took over this Committee with this new term, this item was sitting in my Committee, but I do know that Senator Toyofuku who is sitting in the audience today had introduced a bill at the Legislature. And as you know, if a bill passes at the Legislature, it will circumvent any County policy. So, I wanted to see that through the session before we took this up. And that bill, I guess, went all the way through Conference Committee but did not get reported out of Conference so, it's still sitting there. As you know, Legislature is a two-year term so it could be something that could be brought up again, which according to Senator Toyofuku, he plans to bring up his bill. I do have a personal experience which I shared with the Senator before the meeting started as to why I think it's important that we look at Uber and Lyft. As you know, many of us went through and just came back from the National Association of Counties Conference. And while there, I did use Uber and Lyft, which was provided like a separate area from the hotel, and had an experience which I thought what are the people of Maui County going through as they may experience something very similar. As the taxi driver who I had called through I think it was an Uber taxi driver could not barely speak English. He had just come from Korea and could not find our pickup point. And, eventually, after trying to communicate, you know, often with him, he canceled the ride and charged me for the cancellation. And I thought that's very interesting, right? That's the kind of power that this transportation network organization has over the customers and what are they doing to our customers on Maui. And I'm glad that Terryl Vencel is here because I think that a lot of people that use it are visitors. So, I'm concerned about public safety for our residents, but I'm also concerned about handling of our visitors as they come here and try to, as we try to probably be more aloha spirited than that which I experienced in, at the NACo Conference. So, it just gave me a glimpse into what it's like to use these transportation networks that are not really grounded in the same way as I think taxis are. So, I look forward to hearing what the people who are here today would share with us. I asked Finance to be here – Director Scott Teruya and Lito, and Lito basically manages the licenses for the taxis. And the other . . . I'm going to take a short recess after they present and take your questions and then we'll ask the other people who are here to also talk about what they do in terms of their services with taxi as well as Uber, Lyft and visitors. It's a really important component. So, at this time, Mr. Teruya, do you have anything to add to this?

. . . BEGIN PRESENTATION . . .

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MR. TERUYA: Thank you. Good morning, Chair. For the Members, we just have a short presentation. It's only six slides. However, I'd like to give you an opportunity to see whether or not you want to have a print-out for the Members or not.

CHAIR SUGIMURA: Go ahead. Thank you. You're going to make copies? Okay. Thank you. So, they'll make copies for everyone. Yes, Ms. Kama?

COUNCILMEMBER KAMA: So, the one on Granicus is that the same thing that you're showing?

CHAIR SUGIMURA: No. It's not on Granicus. So, they will pass out to all of you. I'd like to take a short recess so they can get that, and we can start together. . . .(gavel). . .

RECESS: 9:18 a.m.

RECONVENE: 9:21 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Okay, meeting is now called back to order. And Stacey will pass out the PowerPoint presentation that we're going to hear from Finance. Thank you, Stacey. Thank you. Okay, proceed. It's not on Granicus so I wanted to . . . all of you to have a copy. Okay, Lito.

MR. VILA: Good morning, Madam Chair and --

CHAIR SUGIMURA: Good morning.

MR. VILA: --Councilmembers. Lito Vila, the DMV Administrator. 5.16 Maui County Code is the section I'll be giving a high overview of the taxi regulations. It is encoded within the Maui County Code. The DMV implements this by issuing taxicab driver permits as well as taxicab business licenses. So, first off, the "taxicab" means any motor vehicle designed to carry less than seven passengers, seven or less, operating for hire on call or on demand from a fixed taxi stand within the geographical limits of the County and accepting passengers with or without baggage for transportation between such points as may be directed by the passenger, the charges for service being based upon the distance traveled, plus waiting time. So, that's . . . I'll get into that a little bit more after in another slide. What the taxicab doesn't include are sightseeing buses; vehicles used solely for transportation of school children and teachers; hotel buses operated between steamship piers, airplane terminals and hotels; chartered motor vehicles; and motor vehicles rented or hired on a "u-drive" or "drive-yourself" basis. As Mr. Barr indicated earlier, there's two mechanisms to derive the number of authorized taxicabs. And please note that there's two formulas. It's an either or. It's one per taxicab for each 60 hotel rooms or one taxicab for each 500-resident population. This ordinance was enacted back in the '80s, I believe. So, since then there has been a migration of the hotels to go from pure hotels to timeshares. So, the number of hotel rooms as defined has declined so pretty much at present time the resident population has the more capacity, so it's currently based upon the resident population. So, it's separated by islands. It's one per 500 residents for the island of

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Maui; one for . . . per 500 for Molokai and likewise for Lanai. Okay. Each authorized taxicab is issued a Taxi Business Permit. So, you have one vehicle which then qualifies for a Taxicab Business Permit. And in order to activate the Taxi Business Permit it has to be awarded initially by public drawing. Okay. The business permits must be operated only on the island of issue as I explained earlier. The holder must provide a vehicle registered in that taxi business permit name. And very important, the County requires a Certificate of Liability Insurance for their taxicab operations. This is in addition to the insurance that the vehicles are required to carry. And the County of Maui is listed as a Certificate Holder and as an additional insured because we are issuing the business permit. And, currently, I looked at the taxi operations what's being required per our Risk Management is bodily injury of 100,000 per occurrence. Three hundred thousand . . . no, 100,000 per person in bodily injury and 300,000 per accident and property damage of \$50,000. That's listed on the Certificate of Insurance for taxi operations. And the vehicle must be registered in the State of Hawaii and is equipped with an approved taxi meter and it's specified in the ordinance. And the taxi must also be equipped with a taxi dome on the roof. In the vehicle itself, the operator must display their Taxi Driver Permit and their Taxi Business Permit as well as the current rate card that is visible to the passenger. Taxi Driver Permits – the applicant . . . the permit in the Code, I believe, it's referred to as chauffeur's license. We call it the Taxi Driver Permit. The applicant must possess a valid Class 3 driver license. So, if that license is suspended, revoked or for whatever reason that permit is also not valid, you need that Class 3 license to operate that vehicle and to qualify for this Taxi Driver Permit. And, initially, the applicant must pass written test in English of the roadways and general directions of the County locations. And upon issuance, it expires one year from the date of issue, and may be renewed on or before the expiration date as Mr. Barr had alluded to earlier. . . . *(inaudible)* . . . expiration date we require that the applicant to be tested as a new applicant. So, they will have to retake the test over again. And lastly, based upon the last drawing that we had, there was currently 295 permits on Maui; 270 are issued – six of 'em has expired as of July 31st and has yet since been renewed; 16 are on hold; and 3 are pending transfers. There's currently eight on the island of Molokai – five that is currently issued, three of which is either on hold or expired and none is pending transfer, and one is on the island of Lanai. As for the Taxi Driver Permits – on Maui there's currently 342 active Taxi Driver Permits that the DMV has issued as of July 31st, 7 on Molokai, and 7 on Lanai. And on this slide, it's important to know that even though Molokai and Lanai has bigger population that warrants at the last time we issued there was not enough applicants so whatever is available will be issued at the next lottery award. And that's pretty much for it and I'll entertain any questions.

CHAIR SUGIMURA: That slide wasn't on the . . . we didn't have that on our paper.

MR. VILA: Oh, I'm sorry.

VICE-CHAIR HOKAMA: So, can we ask questions on that last slide?

CHAIR SUGIMURA: Yeah, we can.

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VICE-CHAIR HOKAMA: Can you put it back up?

CHAIR SUGIMURA: Before I go to your first question, he's Mr. Hokama, our Vice-Chair, I want to welcome Tamara who walked in and I didn't introduce you earlier. So, thank you for being here.

COUNCILMEMBER PALTIN: Good morning, Chair.

CHAIR SUGIMURA: Good morning. Mr. Hokama?

VICE-CHAIR HOKAMA: Thank you. So, Mr. Vila, just help me explain. So, Lanai has one permit license issued but seven permits. And then we limit the amount of licenses but not the amount of permits?

MR. VILA: That is true. For example, a taxicab business license holder may have three or four drivers. They may operate so many. That's, to me, that's their employees, they are responsible for that Taxicab Business Permit, and they may have three employees or whatever arrangements they have but the Taxi Driver Permit is, again, totally separate.

COUNCILMEMBER SINENCI: Chair?

VICE-CHAIR HOKAMA: No, I just wanted that clarified because it's not every driver has a permit, I mean, the license. Not every driver has a license. But every driver has a permit.

MR. VILA: Yes, . . . Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Yes, to clarify there are only 295 maximum taxi business permits that may be active on the island of Maui. Okay. Of that, there's 342 drivers right now. Anyone coming into the DMV that has a Class 3 that meets Mr. Barr that has a license may come and get a driver permit and he may agree with him to be employed or drive his taxi business permitted vehicle so they can operate 24/7 if they want.

VICE-CHAIR HOKAMA: And you also conduct the category or License III court requirement.

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Yes. That's a separate license in itself. So, everybody I believe in this room has a Class 3. They are required to undergo the eye exam, be medically fit, they have to know the rules of the road, and if they have any type of violation or have a DUI that

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license may be taken away by the courts. So, once that's gone, you need that base license to keep your driver permit active.

VICE-CHAIR HOKAMA: Okay. Thank you. Thank you, Mr. Vila.

CHAIR SUGIMURA: Thank you. So, what about background checks? Is there a requirement for background checks?

MR. VILA: Chair, I believe you're referring to the driver permit. No. There's really no requirements within the ordinance to authorize and we don't have the mechanism in place to start or implement a criminal history background check. And if there was a case, there would have to be adjudication. However, Maui County Code, a section of the Code, currently specifies that the taxi driver permit may be suspended or revoked by our court of . . . by the court.

CHAIR SUGIMURA: Court. 5.16.040, yeah. Oh, Mr. Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair.

CHAIR SUGIMURA: We're going to go down to see if anyone has questions.

COUNCILMEMBER SINENCI: What is the cost of a Taxicab Business Permit versus the license?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Per the I guess Budget ordinance the initial and renewal of Taxi Business Permit is \$100.00. Duplicate business permits for that if you lose it, it's \$15.00. And the taxi driver permit is currently set at \$10.00.

COUNCILMEMBER SINENCI: And then they pay that every time they, every year when they reop their permits?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Yes, the renewal process is it's all Taxi Business Permits expire at the end of the year, fiscal year. So, around the ending of May, the Division does send out one letter for each taxi business license holder specifying the date, specifying that the owner, the business permit holder needs to come in, bring their vehicle, and provide their certification for the taxi meter, show us the dome and all of the rate cards and do a physical inspection of the vehicle in order to be issued or renewed that Taxi Business Permit. The taxi driver permits, which is different, expires one year from the date of issue. So, which is different from the Taxi Business License.

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CHAIR SUGIMURA: Thank you.

COUNCILMEMBER SINENCI: Thank you, Chair.

CHAIR SUGIMURA: Thank you. Ms. Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. Lito, proceeds from, revenues from the permits and fees go to which account – General Fund?

MR. VILA: Chair, --

CHAIR SUGIMURA: Yes.

MR. VILA: --that goes to General Fund.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR SUGIMURA: Thank you. Mr. Hokama, you have another question?

VICE-CHAIR HOKAMA: Just in general. Currently, what does the County exercise through your Department regarding Uber and Lyft? Nothing? Just --

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

VICE-CHAIR HOKAMA: --drivers licensing?

MR. VILA: There's really no enacting legislation or Code that authorize us to issue or any type of permits to the driver other than the Class 3. The Class 3 is a State function that's regulated to the County and we issue Class 3 driver licenses to anyone that meets that qualification.

VICE-CHAIR HOKAMA: Okay. But we regulate Charter buses, school buses, limousines, so pretty much everything under the PUC we have our own County regulation. Is that accurate?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Let's see the SuperShuttle, the limousine companies, the buses, transportations are regulated through the Public Utilities Commission, which is a State function.

VICE-CHAIR HOKAMA: I heard your earlier comments, Chair, so I'm just wondering how much flexibility we have in some policies. So, I'm just trying to test the parameters. I

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don't have something . . . objection to something that is smart about health and safety for any user of any transportation mode. And it's a business so I think that somewhere in the land use for permitted uses I think we have a say. This is a commercial business. Because a transaction going on it's a business. Okay. That's how I look at it . . . there's an exchange of something. And so, I don't know why it wouldn't be regulated. Just like when we do a . . . *(inaudible)* . . . A and B and Bs, I think it's our kuleana. So, Mr. Hopper, do you have anything to share with the Committee on guidance on parameters and policy?

MR. HOPPER: I'm coming up to speed as best I can on these issues. It does appear that the general language in State law that goes over the County's authority to regulate activity, HRS 46-1.5, there's a Subsection 11 that says, where not within the jurisdiction of the Public Utilities Commission, each County shall have the power to regulate, by ordinance, the operation of motor vehicle common carriers transporting passengers within the County and adopt and amend rules the County deems necessary for the public convenience and necessity. And then there's a definition in a different section of HRS of motor vehicle common carrier of passengers, which is relatively long but pretty broad. The definition of taxicab in our current Code because it talks about a fixed taxi stand, I'm not certain if that would apply to the Uber and Lyft types of services. But the County based on HRS 46-1.5 that I just read may have some authority to regulate those platforms. I think we would probably want to check with the PUC as to whether it's anything they regulate because the County's authority is to, is where the PUC is not regulated that item. So, I think that's something that would be worth checking with them on. But, in general, it looks like HRS 46-1.5 section does give some authority to the Counties to regulate the common carriers as defined in the State law.

CHAIR SUGIMURA: Thank you. Yes?

VICE-CHAIR HOKAMA: You know, so, I find that . . . thank you for that learned point, counselor. We all know on Oahu at Honolulu Airport there is a designated area for pickup for Uber and Lyft. So, wouldn't that be the platform? I mean, whether it was airports, DOT or somebody made a decision that is the platform point for pickup. So, I don't understand why some of the things, you know, for me, fair is fair. I don't have a problem with competition. I like it. And all of a sudden, our own expenses with optional transportation modes so mine is mostly good. I had a few like here but every company getting me immediate reimbursement. So, you know, I hope you got reimbursed for your troubles. Other than that, when was the last time we looked at the rates so that the taxicab sector at least has fair rates and charges for them for their requirements?

CHAIR SUGIMURA: Good question. Lito, do you know? I think it's 13 years.

MR. VILA: Chair, it has been quite a while. In order to revamp the taxi rates, I believe Council per the ordinance has to enact a review of the taxi ordinance itself. And I believe Mr. Barr was present at the last time was mid-1990s I believe where it was even proposed for an Adjudication Board because enforcement was an issue at that

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point. However, nothing was enacted. Also, in the Code itself there's a revision date when the rates was last changed.

VICE-CHAIR HOKAMA: I hope it's not '86.

MR. BARR: 2006.

VICE-CHAIR HOKAMA: 2006, okay.

CHAIR SUGIMURA: 2006 Mr. Barr is saying. Thank you.

VICE-CHAIR HOKAMA: Thanks, Mr. Barr. His memory is better than mine, Chair.

MR. VILA: Chair, if I may add?

CHAIR SUGIMURA: Uh-huh, please.

MR. VILA: Just a comment. At each renewal inspection period in June, I make it a point to visit with my inspectors when they're inspecting taxicabs and I converse with them, with the owners and some tell me, well, we want to take it up. Some says, no, you don't because now if you take it up it's going to have less so we could if it's a change, I mean, we just have to change the rates. All of the meters will have to be recalibrated. So, if this body wants, it's your decision.

CHAIR SUGIMURA: So, you're saying that the rates could be looked at before the next fiscal year? We just finished our budget for this current new fiscal year.

MR. VILA: Chair, if the Council modifies the rates as specified in this ordinance then it becomes effective which can be separate.

CHAIR SUGIMURA: Okay. It's been a long time since it's been looked at. So, I think this discussion is important on many levels . . . just to kind of level the playing field. And, unfortunately, we don't have more taxi drivers here, which I thought we would. So, I appreciate Mr. Barr here and then Robert's Hawaii also represents that segment. But it's a new game in town, right, and I'm just concerned about public safety. And I stand with you in terms of business and commerce is important and let it be in the marketplace. But I think as policy makers we have a responsibility of making sure that it's safe, and that is fair and communicated and is grounded within our community and not out there and hard to access. Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I had a few questions. The Taxicab Business Permit is that transferable?

MR. VILA: Chair, yes, in order to transfer the Taxicab Business Permit that owner will file a notice with us of their intent to transfer from a Notice of Transfer. As you can see on here, Maui has . . . currently has three pending transfers. That means the owner has notified the DMV of their intention to transfer. Now, the new owner will then have to

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meet the qualifications in assuming that Taxi Business Permit, which is the Certificate of Insurance, getting the taxi meter and the reinspection installed in that vehicle, come in, do the transfer, and pay the . . . I believe there's a transfer fee in assumption of that business license.

COUNCILMEMBER PALTIN: How much is the transfer fee?

MR. VILA: I believe it's 100.

COUNCILMEMBER PALTIN: And then when we issue the Taxicab Business Permit, is that for the vehicle or can the Taxicab Business Permit have like multiple vehicles or is it one vehicle per Taxicab Business Permit? And all the drivers share that one vehicle.

MR. VILA: Uh, Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: It's one Taxi Business Permit with one taxi vehicle, which can be operated by multiple drivers. So, in essence, for Maui there's only a maximum of 295 vehicles with Taxicab Business Permits that is authorized at this point that can be on the road at one point in time maximum.

COUNCILMEMBER PALTIN: And then, you know those car insurances that you were talking about for the Taxicab Business Permit like bodily injury that also like death they also get 100,000 per person or is that how that works?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: I'm looking at Certificate of Insurance that's what it states for the vehicle that its covered. It's bodily injury – 100,000 per person; it's a combined single limit each accident – 100,000 bodily injury; 300,000 per accident bodily injury; and property damage of 50,000.

COUNCILMEMBER PALTIN: Does it say anything for death?

MR. VILA: That's all it states on here.

COUNCILMEMBER PALTIN: And then like for my personal insurance, my personal car insurance, we got an addendum like sent out that if we're using our personal car as an Uber or Lyft it's not covered under the insurance. And I was wondering like for the Uber and Lyft guys we had like a four-fatality incident on the road in Lahaina and I think one of 'em was like a rideshare driver and two passengers and then another car so, do you know if the Ubers and Lyfts have insurance on the people that die or get injured in their cars?

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CHAIR SUGIMURA: Tamara, we're going to have the Uber and Lyft come up and we can ask them that question 'cause we don't regulate them. That's part of why we're having this discussion.

COUNCILMEMBER PALTIN: Oh, okay. I'll save that for later.

CHAIR SUGIMURA: A good research as usual.

COUNCILMEMBER PALTIN: That was just life experience.

CHAIR SUGIMURA: Oh. Ms. King?

COUNCILMEMBER KING: Thank you. So, can you go back to that last slide because the numbers are a little confusing to me. You said there was 295 cars on Maui any given time but that shows me 342.

CHAIR SUGIMURA: Oh, yeah.

COUNCILMEMBER KING: So, I think there's a . . . so there's a . . . my understanding from what you said earlier is there's the business licenses and then there's the permits for the drivers so that number 342 is the total number of cars that are on the road at any time?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Yes, the Taxi Business License think of the business license has to have one car, only one car per business license, which is equipped with one taxi meter. So, to clarify . . . make it clearer, I should have put in a line between right above the driver permit. That's two different items.

COUNCILMEMBER KING: Okay. But now you're confusing me. So, each business license only gets one car. So how do we end up with 342 driver permits then? Those are multiple drivers for the same car?

CHAIR SUGIMURA: Yeah.

MR. VILA: Chair, yes.

COUNCILMEMBER KING: Okay. So, what is on hold mean?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

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MR. VILA: Normally, Kenny has done this many times. They normally . . . if they're in process of replacing the vehicle or if it's broken, they may place it on hold put it on hold status so it's no longer on the road. They will turn in their Taxi Business License and notify us. And when they're ready to bring us another car, they can reactivate.

COUNCILMEMBER KING: Okay. And then the expired, it says six expired. I'm looking at Molokai it looks like there could be a total of eight but if you move the one that's expired 'cause we come down to seven permits.

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: When we have issued the initial awards that's why we issued eight Taxicab Business Permits. For the island of Molokai, of those eight, one has expired as of June 30th and two are currently on hold. So, the entity that licensed it had placed it on hold with us. And the eight is just a total of five plus one plus two.

COUNCILMEMBER KING: So, those expired six for Maui, are those ones you were planning to re-issue by lottery?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: No. The only ones that we issue by lottery are the initial awards. Once it's issued, the permit holder may normally . . . may sell the vehicle, they have developed it or the people want to buy a Taxicab Business Permit and if the holder wants to sell it, they may do so.

COUNCILMEMBER KING: So, you have no . . . so nobody new can get into this business unless they buy a permit from someone else?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Per the ordinance, the only way the County can issue a new permit is by lottery.

COUNCILMEMBER KING: Right. So, I'm trying to find out when that's done. Is that done when you, I mean, you have a certain maximum number of licenses, I mean, the licenses that you can give out, correct, based on . . . is it licenses or permits that they are based on the number, the population?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

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MR. VILA: The licenses is the Taxi Business License based upon right now 1 per 500 resident population.

COUNCILMEMBER KING: Okay, so that's the 295 number.

MR. VILA: Yes, that 295.

COUNCILMEMBER KING: So, there's 295 cars that can be on the road. Six of them had expired so are you going to issue another lottery for those six that have expired? What happens with the expired number . . . once they get an expiration date there's six more now that can be issued or no?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: No.

COUNCILMEMBER KING: Okay, I'm really confused. 'Cause you're saying you can have a lottery and that's the only way people can get into this business but you're not going to have a lottery just because six are taken out of circulation. So, when . . . at what point do you hold a lottery?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: If the ordinance is modified to say, if the Taxicab Business License is expired it shall be placed back into the main lottery and re-awarded then I feel that it would be then right to re-issue.

COUNCILMEMBER KING: Okay, but what I'm talking about what right now the way our ordinance reads there's no way . . . when do you hold the lottery?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Later on, in the process of re-calculating based upon the resident population --

UNIDENTIFIED SPEAKER: Right.

MR. VILA: --to divide it by 500 to come up with a new number.

UNIDENTIFIED SPEAKER: Correct.

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MR. VILA: If that amount exceeds 295 or say it comes out to 300, then the additional five must be awarded by public drawing.

COUNCILMEMBER KING: Okay. So, right now, any time something expires, what does that mean? It just goes into oblivion.

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: It just expires, and it cannot be driven. It's like your driver's license . . .

COUNCILMEMBER KING: Right, so the number goes down so, I mean, it's really confusing because you've got six up here, they're expired but you've included that in the total 295.

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: That total number of issued does not go down because it has been issued. The total number of taxis that is available it is then drops. Right now, we have 270.

COUNCILMEMBER KING: That are issued?

MR. VILA: That is currently licensed to be driven on the road.

COUNCILMEMBER KING: Okay. But you're not replacing any expired?

MR. VILA: Chair, no, the expired . . . if they come in to renew and pay the fee then it will be issued to that current holder or they may then say, hey, we want to transfer.

COUNCILMEMBER KING: How long do they have to come and pay the fee before it's just put into a lottery?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: The Code does not set an expiration or criteria so, right now, we just say it's expired. It cannot be used on the roadway.

COUNCILMEMBER KING: Okay. And then the transfers . . . if people are transferring their business license to somebody else, do they also charge . . . does that person also pay the person who is being transferred from? So, we're paying \$100 fee to the County to transfer. Do they also pay the person, you know, if I have a permit and I want to sell it

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to somebody else, is that's what's happening? Are they selling the licenses? Do you know that?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: Yes. The license is normally sold from one owner to the next.

COUNCILMEMBER KING: Okay.

MR. VILA: And the new owner would then pay the transfer fee.

COUNCILMEMBER KING: And then plus they pay the person that they're buying it from?

MR. VILA: Chair, that is not my purview. It could be for a dollar, it could be for 10,000 or it could be for 15 because we have developed that business and that clientele.

COUNCILMEMBER KING: Okay.

CHAIR SUGIMURA: That's a problem.

COUNCILMEMBER KING: Yeah, I kind of see a problem with that 'cause I see the same thing happen down at the harbor with these slips where people who don't have boats anymore keep the slips and then they sell it under the table and someone else is bringing their boat in there. And this kind of feels like the same thing to me where people, you know, rather than let somebody else win the business license in a lottery these sales are keeping new people from getting into the business if they want to. Okay. I think I . . . well, I think there's an element that's not fair and I've heard that that's what's happening with the Corps permits too, Chair, is that people rather than, you know, when they stop doing their business rather than give up the permit to the next person, they're selling it to somebody else and, to me, that's just not right. So, anyway, okay.

CHAIR SUGIMURA: That's what we hear also. So, this discussion ties into the limits, right. So, there's a part of the County Code there's limitations it's called but it's really a cap for the number of taxi drivers. And so when you look at the other part of the formula which is Lyft and Uber being out there and having customers then we wonder if our calculations are correct because there seems to be a need for transportation that's greater than the caps that were created through the ordinance what 13 years ago and it probably needs to be relooked at.

COUNCILMEMBER KING: Well, I don't know if it's a limitation on the customer or the number of drivers, but I think it has a lot to do with price because Uber and Lyft are a lot cheaper than taxis. So, that's why people are calling Uber and Lyft not because they're not enough taxis but they're a lot cheaper. But I do, I do think we have to get a handle on this so I'm glad we're discussing it because there needs to be, you know, I

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think there needs to be an expiration date. There needs to be a date on the expired ones. You cannot just hold the license indefinitely until you find someone to sell it to. I don't think that's right. Anyway, thank you.

COUNCILMEMBER PALTIN: Chair, point of information.

CHAIR SUGIMURA: Yes.

COUNCILMEMBER PALTIN: You said that there's a limit on drivers permit doing the business license or the . . .

CHAIR SUGIMURA: The licenses.

COUNCILMEMBER PALTIN: There's no limit on drivers permit still, right?

MR. VILA: Chair? On the person that's driving the vehicle there's no limit.

COUNCILMEMBER PALTIN: Thank you.

COUNCILMEMBER KING: That 342 could go up.

MR. VILA: Chair, you could have up to a thousand drivers --

COUNCILMEMBER KING: Okay.

MR. VILA: -- if business was really booming.

COUNCILMEMBER KING: Okay. But the number of licenses is going to be capped per the formula.

MR. VILA: That's correct, Chair.

COUNCILMEMBER KING: Okay. Thank you.

CHAIR SUGIMURA: Thank you. Good discussion. Ms. Kama?

COUNCILMEMBER KAMA: Thank you, Chair. So, if the lottery is based on population of our islands, then how often does a lottery take place if our population. . . we do a census every ten years and there's an assumption that our population increases. So, is that we're you at, at this point, Mr. Lito [sic]?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: We do our best to estimate the growth because the census is only once every ten years and Maui has been growing. We are quite busy now with renewals, but we'll do

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our best to do another recalculation pending the outcome of this whether it's more prudent to wait, I mean, if there's going to be action. But we were planning to do another analysis to see if that 295 should be increased or whether or not this body will be addressing the expiration and the hold or other items.

CHAIR SUGIMURA: Thank you. Ms. Kama?

COUNCILMEMBER KAMA: So, our population for the island of Maui is 153,509 as of 2018, just our island. So, if you do the math, you know that the 295 or the 270 is not enough. So, there's a demand we know that because that doesn't even include our visitor population. So, I just want to be able to make sure that we level the playing field that when it comes to our taxi drivers who are being so overly regulated and then you have another company that comes in that's not regulated that we have to figure out how to make it equal for all of our people in keeping in line with public safety.

CHAIR SUGIMURA: Yep, you got it. Yes, Mr. Hopper?

MR. HOPPER: Just a comment on those questions, the Code Section 5.16.130 that goes into the number of taxis and it talks about first the caps that were described. And then it does say the Director of Finance shall recompute the number of taxicabs authorized at least once every calendar year. And then it also says in Subsection B, the number of hotel rooms or resident population within the County shall be determined by reference to the most current statistics of the Hawaii Visitor Bureau. So, that's in the Code. The last time this was updated was 1999, so I don't know if that's something the Committee would want to take a look at. But those are the current regulations, in part, for those items.

UNIDENTIFIED SPEAKER: That's a good question.

CHAIR SUGIMURA: Thank you. Wait. Is Tasha Kama, you're done?

COUNCILMEMBER KAMA: Yes, I'm done. Thank you, Chair.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER KING: Is that . . . so, those two things you got or so you've got the hotel rooms or the number of residents, is it whichever is greater, whichever is lower . . .

MR. HOPPER: Just . . .

CHAIR SUGIMURA: Whichever is greater.

MR. HOPPER: Yeah, just before I had started reading, sorry, it does say whichever is greater.

COUNCILMEMBER KING: Whichever is greater. Okay. Thank you.

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CHAIR SUGIMURA: So, I guess it depends on which population base you use. I looked at the Maui County Data Book, I think we have 167,000 and Molokai and Lanai are pretty close to the 3,000 and 8,000 range which we always use. It's pretty close to that or is Molokai – 7 and Lanai is 3? But then that would determine the number of taxis. I think it's 3,300 for Lanai. So, I think these are issues that we need to look at. And if you look at reality what's happening so that's why I think it's important to have Robert's as well as Lyft and Uber here is because what's really the population out there is saying is, we want the services. And the market rates were bare, right, so, as you have said that you're going to maybe choose what is more reasonable. So, are we as a County by limiting or regulating, over-regulating I think maybe the taxi drivers so they're only able to charge a certain amount and not looking at that amount of rates for many years we've kind of taken them out of the market? So, you have taxi drivers that are also doing Uber and Lyft, I think, is also what I saw out there. And so that I think that's our responsibility to look at and continue this discussion. Does anybody have any more questions for Finance? None. If not, I'm going to take a short recess and ask Uber, Lyft and Robert's and the taxi and the tourism for Terryl Vencel to come here and set up. So, thank you very much for being here. . . .(gavel). . .

. . . END PRESENTATION . . .

RECESS: 10:02 a.m.

RECONVENE: 10:10 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Multimodal Transportation Committee will now come back to order. Thank you everybody for taking a brief recess so we could set up a panel of speakers and experts from various areas. So, in front of me, I have Bob Toyofuku, and I mistakenly introduced him as Senator. I think I thought you were George Toyofuku, so I apologize for that. He's a lobbyist for Lyft and Uber.

UNIDENTIFIED SPEAKER: Lyft.

CHAIR SUGIMURA: Oh, no, only Lyft.

UNIDENTIFIED SPEAKER: Only Uber.

CHAIR SUGIMURA: Only Uber, oh, okay. Then we have Tabitha Chow from Uber, that's who you represent. Mr. . . . I met with you before last term, Rob Mora, from . . . he's the General Manager for Lyft, so nice to see some consistency in the organization. I appreciate that. Thank you, Lito, for being here again from Finance. We have Terryl Vencel, who is the Mayor's Visitor Liaison. And I wanted her to be here as I think she represents an important voice of who truly also, besides our residents, we have a huge visitor population and I wanted to hear input from them. So, thank you, Terryl, for being here. We also have James . . . Jason Young, Vice President of Operations for Robert's Hawaii, and you can explain to us your connection with that because we think Robert's has many, many connections with transportation in the community.

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And then, I really appreciate Kenny Barr, who is actually a taxi driver to represent the industry and I can tell that you have a lot of experience and you can shed that light. So, at this time, I wanted to possibly start off with Robert's Hawaii and if you could tell us what your organization does in relationship to this.

. . . BEGIN PRESENTATION . . .

MR. YOUNG: Thank you, Chair, and thank you, Members. So, Robert's Hawaii has a very long-standing relationship with the Airports Division. And if we hone our focus on just the Airports Division, as you know it, many visitors that come to Hawaii will get transported either by one of our motor coaches doing a tour and or a shuttle, which would be operated from the airport to a point of place, such as a hotel. In between that, we also have a Dispatch service where we manage the taxis in and around the airport, and just the airport now. So, the business for Robert's has been very . . . very long standing. We've done a lot of things with the Airports Division to accommodate the travelers to the island. With that being said, the recent introduction to Uber to this island back and forth where we won has impacted our business significantly in several ways. One is the sheer amount of volume that we did service at one time prior to February 1 happening to the tune of just on the shuttle business at the airport, we're looking at 20,000 taxicab rides less, year-to-date, and in July 31st. So, that being said, the 20,000 passengers or taxicab riders since Uber started which is pretty significant. The amount of labor that's also used to facilitate the services at the airport have been impacted. Today, the first round of layoffs are occurring at Robert's Hawaii because of the reduced number of riders or customers, I should say, that we do service at the airport. If we just focus on the taxi or the rideshare portion of our business at the airport, that's just one component. The other component that we do is a prearranged and an on-demand service where we transport visitors from the airport to a hotel and back. So, that round-trip fare or that round-trip service has also been impacted and it's primarily because everyone knows what Uber and Lyft is now. It's a rideshare. It's like a household name. So, visitors coming into the island they automatically think they're gonna get to their hotel via rideshare – either Uber or Lyft. Taxi services have a real struggle and an uphill battle because of that brand, and it's become a household name. I, personally, used Uber and Lyft in my travels and, so, I know what the service is like. Here in Hawaii, because we manage so many people, as a company of 2,000 employees. Those employees are our employees. It's our local people having jobs that connect into tourism. And, you know, tourism is a lifeline of our business as well. So, the impacts for us in the rideshare, and the T&T business is diminishing to the point where, again, today we're talking through the first rounds of layoffs at the airport. We don't need as much people now because we don't have . . . we've reduced our counts in terms in the amount of people we're servicing whether it's a lesser amount of vehicles, less drivers, less staffing at the airport. So, that being said, thank you for having me here today. And, you know, we hope that we can reach an amicable decision based upon the needs of, you know, our community and travelers as well, as well as the local people that are being employed by us. One thing I do want to say is that the amount of taxi drivers that we did have prior to Uber and Lyft hasn't been affected a whole lot, and the reason why I think is because the taxi drivers are also Uber drivers. You know, they had to resort to, you know, the old

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adage if you can't beat 'em might as well join them. Well, they resorted to having to drive for Uber as well. So, we don't know the exact numbers to the amount of drivers because they basically can't share that with us if they wanted to but we're just very concerned that we maintain the presence at the airport and we facilitate the State's needs in dispatching the right amount of vehicles in the airport and the amount of people leaving. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. Mr. Barr, do you have anything to add to that since we're talking about taxis?

MR. BARR: Kenneth Barr, Kihei Taxi. Not really because you're talking about the airport and Jason kind of has that . . . All I can say is that the taxis at the airport they have three taxis that they stand there and, unfortunately, the State has decided to allow Uber to pick up right behind them. And I just feel for those guys because I think it's really frustrating if they have to sit there for sometimes at different times of the day for hours and watch Uber 25 feet away from them having people constantly come and go. And I've said in the testimony that in the very beginning it was only younger people that used Uber but now you old folks use it 'cause you figured how to do the apps and everything.

CHAIR SUGIMURA: You old folks.

MR. BARR: And as far as the taxi fares, you know, we're at the same fares since 2006. And I'm . . . where we are, and Uber fares are lower, and the shuttle fares are lower as well. So, we're just stuck with those fares. And I don't know if the taxi industry in itself wants a fare increase or not and let them speak for themselves. But we're just really affected by Uber. I'm over in Kihei and a lot of businesses, just like Robert's at the airport, is really going down. I mean, we're down to two cars. We used to have 12. And sometimes you just sit there all there because everybody is using Uber. I guess they're another business, but I think that you should put some kind of rules and regulations on them, you know, to even the score. So, thank you.

CHAIR SUGIMURA: Thank you, Mr. Barr. At this time, Terryl, I'm going to save you for last so you can kind of give us the visitor perspective if you don't mind. Mr. Mora, would you like to say a few words regarding Lyft? And then we can go to Ms. Chow from Uber.

MR. MORA: Aloha, Council. Thank you for having me. Chair, yeah, thank you again. We're, you know, here to provide information and, you know, really work with the City and County to provide responsible regulation. We work with Oahu and Honolulu as well as the State with the airports closely to work against all of the, you know, offenses and all of the defenses that we have against other transportation. Work with them, be part of the working eco-systems. Thank you and happy to answer any questions you guys have.

MS. CHOW: Thank you, Chair and Members. Tabitha Chow with Uber. And if I may, I'd like to just go over a little bit about Uber and how it all works. So, I know two of the

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paramount concerns here today are safety and the rider experience. So, just to address safety a bit. Uber cares tremendously about the safety of both riders, drivers in the communities in which we serve. And safety, to us, doesn't just happen before a ride in the form of background checks and screened documents. It's actually something we consider before, during, and after every ride. And we really utilize technology to help us ensure that safety. So, before the ride, every driver is screened through a seven-year background check and this includes both a criminal check and a motor vehicle background check. The criminal check checks Federal, national, and local data bases and any felony offense would be disqualified. Motor vehicle records are also checked as well and any serious offenses or more than I believe it's three moving violations within a three-year time period is also disqualifying. So, there is the upfront screening and that is something that we . . . is not mandated by any regulations within Maui but is something that we do as a standard business practice and is something that happens here on Maui. There's also just to hit on insurance, there is a State bill that regulates insurance for companies like Uber and this was passed in 2016 and this requires a \$1 million policy on all trips that happen within the State of Hawaii, so Maui included. And this \$1 million policy is in effect from the moment that a driver is connected with the rider until the moment that that trip ends. And that's something that, again, due to the technology we have a very clear idea of exactly when that trip started and exactly when it ended as well as, you know, the information on the driver and the rider who requested the ride. So, that \$1 million insurance is mandated by the State and is something that is in effect within Maui. And there's also before the ride the driver screening process in addition to the background checks there's also we collect and verify that every driver has valid driver docs. So, that's a license, a driver's license. And that's something that's also used to help with the background check process to check the MDI record. They're also required to . . . so in stepping back a minute Uber doesn't own any vehicles. So, all vehicles are driver owned. They're all their personal vehicles. So, what we do is verify that they valid registration, valid personal insurance. And so, the personal insurance is not in play when they're on a trip. That's when the Uber \$1 million policy becomes primary, but we do verify that that vehicle has been registered, is properly insured. We also collect the Hawaii State Safety Inspection and, again, this is just part of our business practices. This is what we do even if it's not mandated by current regulations. Also, during the ride, sorry, I don't want to speak too much, but during the ride we have a lot of features that we, that we utilize for both rider and driver safety. There's easy access to emergency networks so if you need to dial 911. We also have the ability where you can share your rides so your GPS track drive you can share it with friends or family to let them know exactly where you are, who you're with and that's all information that we maintain as well. And in terms of the experience . . . so just to speak to a little bit, the driver experience – this is something I have heard a few times and is correct that there are a number of drivers who drive both taxi and drive for services like Uber. And this is something where we've heard nothing but positive feedback from the drivers in terms of the level of flexibility that they now have when they don't have to let us know when they want to work. There's no shifts involved. They can drive really whenever they want as long as all their vehicles or as long as all of their documents are valid and they're current on their background check. There's also the affordability for the driver as well. This is . . . they're using their own personal

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vehicle which a lot of times if they are driving for another company, they'll have to pay for things like the dome or pay for the ability to use that company's vehicle and this is something that they appreciate when they drive for services like Uber. And as far as the rider experience, just to hit on pricing. I know it's been mentioned a few times that typically an Uber is more affordable than a traditional taxi. And I will say that in Honolulu County the regulations for taxi you also control the pricing, which is something that we have advocated in the past that we would support taxi if they think that there's another way as long as the pricing is transparent to riders. And so, the way that we achieved this is through upfront pricing and right there within the app before you even agree to take that trip, you will see the exact amount that you are going to pay. And so, you will know from the beginning there's no surprises at the end. You'll know exactly what you're going to pay for that trip. We also offer different products so another reason why pricing mandated by regulations is a little bit tricky and that we have economy products, we have XL vehicles, which can seat up to six passengers which is a little higher price point. We also have just higher quality vehicles, you know, the BMWs, the Mercedes, and those you can choose those like a higher-class option, and there's also a little bit different pricing associated with that. But again, for all of those the pricing is upfront and made available to you within the app, and you can decide from there if that price makes sense to you. And then also too for something that we've heard from the neighbor islands as a concern from the local governments, is the availability to riders late at night. And this is something where we think that services like Uber can be really helpful in helping fill that gap. So, a lot of times when you're doing shift work not too many people want to do the late night shifts and this is where the opportunity for Uber is to help people get home safely, especially when they've been out drinking perhaps and I believe that not too long ago Maui PD was quoted as saying that, you know, they've done a lot of efforts themselves to help reduce drinking and driving but they credit the services like Uber for helping reduce the number of DUI incidents that have happened on the island. And they've seen when people come through the checkpoints a lot of times, they're seeing a lot more rideshare drivers and maybe intoxicated passengers in the back seat. And so, they really credited services like that for helping with that issue. Also, just to address the driver and rider aspect of it, all of the drivers, like I mentioned, do our independent contractors that have their own personal vehicles and they're all local drivers. So, these are people who live within the community who maybe have another job within the County or maybe they're a stay at home parent and this allows them the flexible income opportunity to fill the gaps because we all know that's expensive to live on the island. So, there's that and then there's also a decent local rider population that we've seen as well and still on Maui, I believe, it's the majority of the riders are tourists or visitors to the island but there are a growing number of local riders who are starting to depend on services like Uber. A lot of times late at night or getting to places where maybe parking is difficult. And we really think that we've provide, our hearts provide a reliable and affordable option which is helps with the popularity of this service on the island. And I'll stop talking but happy to answer any questions?

CHAIR SUGIMURA: Thank you. Mr. Toyofuku?

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MR. TOYOFUKU: Madam Chair and Councilmembers, thank you very much for inviting Uber. And when I talked to Tabitha, we were informed Friday night. And when mentioned it to Tabitha I was just back from the mainland on a business trip. I asked her that maybe I should go along and supplement whatever questions that you may have. But let me just take a couple of minutes and give you some background on the legislation that happened in Honolulu and what's happening at the State Legislature. The taxicab regulation has been in place for many, many years and it's much, much more extensive in Honolulu than on Maui. I reviewed the Maui Chapter that the Finance Director went through. The Honolulu, of course because of the population as well, you know, it's much, much more extensive. What happened when Uber came into Honolulu, there was obviously pushed back by the taxis and so the Honolulu City Council had to address the problem and, basically, in 2016 there were several bills that were submitted and one bill that eventually came out of the 2016 City Council's sessions in December of 2016 passed and became effective in January of 2017. In order to try to level the playing field, what the Honolulu City Council did was they created a new entity called private transportation company, which included both taxicab companies and transportation network companies like Uber and Lyft. And the definitions were created, the permits and the licenses requirements were included in that legislation. And one of the things that I just want to point out that after talking to Finance Director in the Honolulu taxicab ordinance and in the new private transportation company ordinance there is a definition for taxicab company as opposed to taxicab and taxicab driver. So, in Honolulu, a taxicab company like The Cab, for instance, can have 200 cars and many more drivers. But the onus now in Honolulu is on the companies - the private transportation companies. So, the companies, taxi companies - Charley's, The Cab, the two major companies and the TNCs - Uber and Lyft. And so, what Tabitha was explaining to you now currently the taxicabs are now responsible to have their drivers have a seven-year background check and it's done not by the company, you have to use an outside background check company. And they do, as Tabitha said, Federal, State, local and sex registry. They check all of that to clear off the driver. At the same time, and I'll answer any questions on that because there are a lot of details, at the same time in 2016 there was legislation in the State Legislature to provide for insurance for transportation network companies. And what they decided to do was this - if you are a Uber driver then if you are not on the digital network, in other words, you're not logged in, you have to have your basic coverage according to the State law, which is 20,000 bodily injury, liability; 10,000 property damage; and 40,000 . . . it's 20,000 per person, 40,000 per accident. And you also have personal injury protection, which was the old no-fault of \$10,000. And the companies have to . . . the insurance companies have to offer uninsured and under-insured motorists' coverage. So, that's the same with the law except the companies now, if you are on the digital network but waiting . . . you do not have a ride, you do not have a pin, a request for a ride, then you have to . . . the company provides 50,000 liability per person; \$100,000 per accident and \$25,000 in property damage. As soon as you get a request and the driver says, okay, I'll pick you up, then it elevates to a million dollars for personal injury per person per accident and property damage and you still have to have personal injury protection. To answer the Councilmember's question, I think I heard it correctly on insurance even though it says bodily injury liability, if there is a death that covers death. So, not just personal

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injury. Then more recently in 2019, Uber decided to put in legislation to have Statewide regulation to cover all of the State, each County. And as the Chair said, it's stalled in Conference so we're going back in 2020 to promote that Statewide regulation. The Statewide regulation provisions mimic very closely what the City and County of Honolulu provided – background checks, the insurance is there across the board, and all of the safety checks, the licensing, the permitting and the auditing of the transportation network companies that's all in the . . . provided in the State legislation. I think, lastly, oh, the other thing I just want to mention, when it was decided in Honolulu that the TNCs made a request to the Department of Transportation to allow pick up at the Honolulu International Dan K. Inouye Airport, and so there was a pilot program from December of 2017 to February of 2018 and that was extended to August of 2018. In the meantime, the airport required if it was going to be permanent to develop rules which we did. And so, the rules applied to basically all the airports because it's under DOT State jurisdiction. And so, subsequently, a request was made as to whether or not TNCs could pick up at the neighbor island airports, including Maui. And so, that was granted by the DOT and effective in February of this year. So, anyway, that's kind of the background and we'll be happy to answer any questions. But thank you very much.

CHAIR SUGIMURA: Thank you for that summary. Appreciate it. And last is Terryl Vencl, if you could, and then I'm going to take a brief recess and then we'll convene with questions. Thank you.

MS. VENCL: Thank you, Madam Chair. Thank you, Councilmembers for inviting me here today. Obviously, there is a need for this market, or we wouldn't be here talking about it. I have not actually had a chance to discuss this matter with the Mayor so I cannot speak on behalf of him. However, certainly we know that he supports businesses, public health, and safety of visitors and residents alike. What I do recall in my years passed is that the County has, if I'm not mistaken, generally supported like businesses being regulated similarly, understanding, at the same time, that those similar businesses do have differences. So, we have, in some cases, managed to regulate similar businesses and make it fair as possible to each of those differences that those businesses have. So, I appreciate you bringing the subject up because as I mentioned in my first remarks, there's a market for it and so we want to make sure that we deal with it in the proper ways. So, mahalo.

CHAIR SUGIMURA: Thank you very much. Lito, do you want to add anything before we take a recess? Okay, so Members, I'm going to take a short recess. It is now 10:38 so come back at 10:45. And . . . is that enough time – 10:45? And then I'll go through and take questions from everybody if you will. So, thank you. We're in recess. . . . *(gavel)* . . .

RECESS: 10:39 a.m.

RECONVENE: 10:47 a.m. *(Note: YS, RH, SS, TP, KK, TK present; excused AL)*

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CHAIR SUGIMURA: . . . *(gavel)*. . . Welcome back to the Multimodal Transportation Committee. I'm going to restart with questions from the Members for the panelists. And I really appreciate the input we're getting because I think we're hearing from both sides and possibly, hopefully, we will end up with fairness and I think we're over-regulating the taxis it sounds like. To hear that they're cutting back or they have seen a 20,000 decrease number of riders since February 1 when . . . and, basically, Robert's is only talking about at OGG or at Kahului Airport and Kapalua and I'm sure Statewide all the different airports but the impact of Uber and Lyft is not necessarily only because of that. But I think, I think we have some responsibility of looking at our rates and fees and maybe some of the laws that we have with taxis. And we are looking at City and County of Honolulu closer and we have talked to Finance before this meeting and I will tell you that one of the things that Finance said and expressed in our meeting is that we don't want to lose our taxi drivers. So, there's a concern from the County that we don't kill you, you know. So, at this time, I'm going to start with Vice-Chair Hokama and then go Member Kama and go this way. So, Mr. Hokama?

VICE-CHAIR HOKAMA: Chair, first, I want to thank you for bringing this group together this morning to share with your Committee. So, I thank you for that. One thing listening to the various speakers this morning, Chair, and again, . . . *(inaudible)* . . . our true environment, yeah, in this County, we're missing two groups that I would ask you to bring in the next because I look to this Committee of helping propose some revisions. If it comes down to rates, we can refer them eventually to the Budget Committee for a budgetary consideration. But as far as the policy, I would ask that . . . I want to know what is the shuttles impact, how many shuttles do we have, the SpeediShuttles? And, again, I bring this up because you get the taxis and the shuttles that are regulated. And then, you get the Ubers and the Lyfts the so-called semi-regulated, unregulated. But for this County, the biggest goose that's on the road laying eggs is the car rental component. Why do we have the biggest damn facility in the State? Do you know how many cars that means we've got on the road that impacts our ability to maintain and provide a safe transportation system for our residents as well as visitors? So, we need to know what is that impact because it's impacting all of these other service providers – the car rental agencies. And so, for me, Chair, listening to Mr. Hopper, you know, some of the things that I think might be assisting us in the future then is maybe we should require a special plate, license plates for certain service transportation providers. Something like Japan, they go by engine size. But they would also help MPD with enforcement because you just look at the plate you know whether or not they can do commercial activity or not. That's our version of the PUC sticker for this County. I've already been in touch with Mr. Monahan of City and County, I'm requesting their ordinance for consideration as a basis to look at. And we can take what's good and adjust for what is Maui County's requirements, Chair. But that's some of the things that I just wanted to bring up. I don't really have a question because most of these are known services already. They've been around for years. We know what Uber does or Lyft does. We know what Charlie's does, the Kenny Barrs. And again, maybe we need somebody from the State 'cause I'd be interested in understanding how the State looks at service transportation. Because if you go to Lahaina Harbor what you see there are taxis waiting for Expeditions. You don't see

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Ubers and Lyfts, you see taxis, okay, on the West side. I would say, I don't see that much at Kahului Airport because we see the tram and that giant rent-a-car facility. I just want to know how the savings approaching, who they designate, who can provide on their areas, and under what agreements? And whether or not we should see how that impacts us because at those times they're on County roads, Chair.

CHAIR SUGIMURA: Uh-huh.

VICE-CHAIR HOKAMA: They're not on State roads. They're on County roads. Okay. So, I want to know the impact on County infrastructure. So, we make adjustments to get our fair share in revenue to maintain that infrastructure from this sector. So, that's what I bring up and, again, I look forward to all these people who are giving us input when we do have some kind of proposal to discuss in detail. Thank you.

CHAIR SUGIMURA: Very good. Good points. Yeah, that's a big piece missing, right, that whole State what happened at for us at OGG and the rent-a-car, tax, and it affects other things but the rent-a-car is huge. . . discussion and benefit for us too, right, because it will provide additional . . .

VICE-CHAIR HOKAMA: Well, depends. I'm a big user of the airport service. There are times where I can curse it freely.

MR. TOYOFUKU: Chair?

CHAIR SUGIMURA: Yes, Mr. Toyofuku?

MR. TOYOFUKU: Councilmember Hokama, just to try to answer part of your question. The Department of Transportation under . . . with the State controls the airports, the harbors, so even on Oahu before the TNCs – Uber or Lyft can go to the harbor for pick up they have to get permission and they have to make a request, they have to get approval. And I would think the same thing applies to Lahaina Harbor. And so, on this island I think the only approval from the . . .

VICE-CHAIR HOKAMA: Does DLNR follow same DOT procedures, Mr. Toyofuku?

MR. TOYOFUKU: I'm sorry?

VICE-CHAIR HOKAMA: Because Lahaina would come under DLNR not DOT Harbors. It would come under DLNR.

MR. TOYOFUKU: Okay, so then, I don't know if . . . I'm looking at the harbor in Honolulu that's why I thought it was similar. It's under DOT. And so, but DLNR has, I think, oversight as well. But I think before you can just go there to pick up, even the taxis have to get permission. And so, the only Statewide from the State are the airports and that's through the DOT. And then it was requested . . . the rules were amended. We had hearings on each island. We had hearings, let's see 20 . . . 18 on Maui on the airport rules, and Kauai and as well as on the Big Island. But so, the Statewide

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regulation jumping to the next level what we're proposing is the DOT would monitor the transportation network companies oversight. They would have audit availability, et cetera, and also grant the permit.

VICE-CHAIR HOKAMA: But knowing the State, they're gonna tell the County do something for them for nothing again. Right, Mr. Vila. So, Chair, again, I look forward to the other Members' questions but mine is more about I think we need to have additional input from other fact, components that create big numbers on the roads and that's the rent-a-car industry.

CHAIR SUGIMURA: That is huge. Thank you, Mr. Hokama. Ms. Kama?

COUNCILMEMBER KAMA: Thank you, Chair. So, this is what I want to ask from everybody on the panel. I know that you are all talking to all of us and we all get to ask you all a lot of questions. But I'm wondering as we are looking for solutions listening to you all, I'd like to hear what you all have to offer as a solution as to this issue that we are all in together. And, Chair, you can begin with whomever you want but that's my question to each of them.

CHAIR SUGIMURA: That is such a Tasha Kama question. I love that. Anybody want to start? Anybody have input for how we can help you, I guess, is the question?

MS. CHOW: Yes.

CHAIR SUGIMURA: Tabitha?

MS. CHOW: Sure. Tabitha Chow, again, with Uber. I think we learned a lot when we went through this process in Honolulu. And I think there were in the end the regulations that are currently in place. As Bob had mentioned earlier, there is now this umbrella called a private transportation company and then there's taxicab delineated within there and then also transportation network companies like Uber. I think that poses its own sort of interesting dynamics and it can be a little difficult when you try to squeeze them both under the same umbrella but I do think that there's a lot of good stuff within the Honolulu regulations where it was more than a year of input from taxi, from the City, from companies like Uber. So, I think there's a lot in there. There's also in the State regulations that were proposed and still currently in Conference to be heard again next year. I think there's a lot in there too. It's very similar to the Honolulu regulations and that was intentional because it seemed that the Honolulu regulations were something that everyone could agree to, taxis even and rideshare companies, and the City. So, there's a lot from that and I think something that's been mentioned here before, which is something that we're always supportive of, is if taxis would like changes to their current regulations. As we've heard, some of these things haven't been changed in decades and I think that's why it's really hard for us one, to fit under those regulations because a part of it we are a technology company. So, we own the app and the drivers use that app to get connected to riders. And so, that technology just didn't exist 30 years ago. And I think that there's certainly things that I think taxi companies would probably want to utilize as well. They'd want to be able

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to incorporate technology and incorporate all these things that maybe the current regulations don't allow them to do. So, we're always supportive and any way that we can help with that as well I think that may be something you could consider.

CHAIR SUGIMURA: Very good. Mr. Mora, do you have anything to add?

MR. MORA: Thank you. Rob Mora, again, with Lyft. Yeah, we encourage responsible regulation and, you know, we've found a, you know, a very great opportunity and playing field with all the other transportation companies. Continue to look at how we operate our business with, you know, when it comes to background checks, DMV's insurance and all these things that aren't currently required on this island that we continue to do. And we encourage it. We really encourage responsible regulation and, you know, the things that we've done in Honolulu County worked really well and we'd like to continue this.

CHAIR SUGIMURA: Thank you. Mr. Toyofuku?

MR. TOYOFUKU: Thank you. During the recess, I was just mentioning to two of the Councilmembers that when we were in the thralls of the Honolulu City Council session in 2016, we had suggested to the cab, taxi companies as well as to the Honolulu City Councilmembers to think about trying to deregulate at least somewhat some of the taxi regulations that were onerous. And we had talked about whether they wanted to have more flexibility with regard to the rates and the meters. And they did tell us that they could charge less. But see in Honolulu the taxi companies, the companies controlled the drivers. And so, because like when you have a hundred drivers it's a little different, I think, than maybe on Maui for one company. But one suggestion is whether . . . and I don't know Mr. Barr would probably have a comment as to whether some of the taxi regulations could be made more flexible and whether that would help, help the industry. And I know Robert's has the taxi franchise at the airport or whatever you call it. I don't know how many cabs vehicles you have, but maybe it's multiple but anyway so that's some of our suggestions.

CHAIR SUGIMURA: Thank you. Do you have a question regarding that one statement?

UNIDENTIFIED SPEAKER: I'll wait.

CHAIR SUGIMURA: Okay. Does Robert's or Mr. Barr have something?

MR. BARR: Kenny Barr, Kihei Taxi. There's couple of differences between Honolulu and here is that we don't really have any big companies. Most of the taxis as Lito explained you win one in a lottery and that's it, you won that license. You know, back in the '80s maybe there were a few more companies, we had drivers, but most of it other than Robert's has the most of independence however many cabs he has at the airport. But for the most part, everybody is just independent, and they may belong to a dispatcher which is something like that. So, the private transportation companies' situation that you're talking about in Honolulu I don't know if it would work here. The comment I wanted to make was Riki is right about you do need a permit to pick up at

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the State Harbor's Division but not in Lahaina. It's a County street and it's under the DLNR so. The only thing I'm going to say about the Ubers is that I know that they're identification is supposed to be that little card in the front but it's hardly identifiable. I don't really even see them bothering to put them on when they pull into the airport 'cause they're in there so quick and they're out quick. And as far as the . . . because they're identifiable they're all over the place. I mean, they're all over Kihei and Wailea waiting for that call. In Lahaina, the taxis may hover at the harbor there but as far as cruising Front Street I've been in Fleetwood's at nights by the window there and looking down and I can tell you that right below Fleetwood's windows almost 95 percent of the pickups are Ubers. Their people staring at their phone and waiting and those taxis in Lahaina are dying up there. And, you know, as far as our regulations go, I mean, you know, you gotta go through it once a year and the fares about regulating the fares I don't really think that's a good idea here because, first of all, every taxi if you set the wrong rate which would mean, the meetings would have to be changed and address it to every single taxi. And back when we did the fares last time there was a question about the airport having a different rate than the rest of us on the outside. And I think it was mixed because the airports could charge a lower rate and then as they drop at the hotel, they can get the return by telling them that the taxis out here are more. So, I'm just saying, basically, I think that having a regulated fare on Maui is good no matter what it's going to be set. So, you know, that would be brought up at a later meeting. S, that's my taxi perspective.

CHAIR SUGIMURA: Okay. Thank you.

MR. TOYOFUKU: Chair, just a one quick response. In the City and County of Honolulu ordinance as well as the proposed Statewide regulation, TNCs are not allowed to pick up passengers except with the app. In other words, they can't be riding down in Wailuku on Main Street and, you know, somebody hails you, you cannot pick up. You have to have a request with the app. The pickup by hailing is prohibited.

CHAIR SUGIMURA: Thank you. Mr. Hokama?

VICE-CHAIR HOKAMA: You're right, Bob, we know that's the law, but I can tell you, you get drivers that really don't care about the law. But for Mr. Barr, Chair, what I was going to say is, you know, I find that's the things between us and, of course, Oahu, yeah, you're right, we don't have Frank DeLima going 2-2, 2-2, 2-2 but, you know, we got people like you and in the past, we had MITA – Maui Independent Taxi Association. But I think Ms. Vencl could tell us more because for me the visitor is more going back to their own home culture patterns. Maybe that's how they do it back home so when we come here to visit, they're just doing what they do at home, which is catch the Uber or catch the Lyft because that's how they do it at home, right? They don't do anything else at home. So, for them, it's . . . I can get one bonus plan if I use this provider 10,000 times, which I'm going to get 10,000 points which means I get half off for the rest of my life . . . whatever it be, right, the promo. So, isn't that a key factor you find with the visitor? It's more about doing their normal cultural practice.

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MS. VENCL: Madam Chair? Mr. Hokama, thank you for the question. Yes, I believe you're right. People who travel a lot have ways in which they travel, and they use them wherever they go. And if those ways that they travel are transportation, ground transportation, are available then they're more likely to use that. So, I would tend to agree with you that it is, and it is more and more becoming the culture, and more and more use of rideshare kinds of transportation.

VICE-CHAIR HOKAMA: So, for those from the Robert's side, how dependent are you on technology in app? The company is 100 percent technology driven also for their operational needs.

MR. YOUNG: That's a great question. Since the arrival of Uber and Lyft, we've actually invested heavily more so on technology. You know, to be honest, to answer the question if we can actually solve anything here, one thing I do know is its way too late. Uber and Lyft is already here. They've already operated within our structure, within our islands. So, to make things work now we have to look at how to level the playing field because our poor taxi drivers. I'm not a taxi driver, I don't own a taxi company. We just handle the dispatching over at the Maui Airport for the taxi services. Robert's Hawaii is a transportation company. We're highly regulated by DOT Federal as well as State. We pay airport fees like no other, and it's really hard when I've lost 80,000 passengers since we started the airport shuttle or since Uber and Lyft have started entering into the Honolulu Airport. That impact alone of losing 80,000 customers is super significant. But we're continuing to pay our dues. We continue to pay the fees every time we enter into the Honolulu Airport and then to have Uber and Lyft start up and automatically come in and basically every car that drove into the airport didn't have to pay those taxes, didn't have to abide by what the taxis have to endure every day. So, that alone, is pretty troublesome. I think as from a company's standpoint, transportation-wise we're getting better with technology. We're becoming more efficient because of the Ubers and Lyfts we've become smarter as a company. And at one point though we're going to have make some decision as to how we continue on with managing certain parts of our business units because we've already lost so much. So, with that being said, technology changing, businesses changing, people's mindsets are changing, and as a company of 2,000 employees we just have to know how to adapt to that. So, I think as a focus for our company, and for me here today I would like to be a part of this solution but it's going to take a lot of higher ups to also make that happen. Thank you.

CHAIR SUGIMURA: Thank you.

MS. CHOW: Chair, if I may?

CHAIR SUGIMURA: Yes.

MS. CHOW: Sorry, I just wanted to address one thing that was cited. To be clear, Uber does pay fees at the airports so the Title 19 that dictates the airport rules were amended in 2018 and that's what Bob was alluding to earlier of all the hearings on the various islands. But prearranged taxis are required to pay 7 percent in Honolulu and 3

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percent on neighbor islands. We are required to do the exact same thing. So, we pay 7 percent in Honolulu and 3 percent on the neighbor islands. So, I just wanted to clarify that for those fees. We are responsible and we do pay those as well.

CHAIR SUGIMURA: Okay. Ms. Lee?

VICE-CHAIR HOKAMA: We would wait for County money.

COUNCILMEMBER LEE: The Robert's representative keeps talking about losing passengers. So, I think, for me, rather than going all over the map on this issue, first of all, what kind of volume do you think we have on Maui? How many Uber passengers? How many Lyft passengers? How many taxi passengers? How many rent-a-cars and how many people take the bus? How do you break that down?

MR. YOUNG: Councilmember Lee, I only know the data that we handle as a company. So, when I compare the data previous year, I know what we've lost to the Ubers, to the Lyfts in terms of taxi ridership and the number equates to about 20,000 year-to-date starting from February to the end of July.

COUNCILMEMBER LEE: Okay. So, how many you have left?

MR. YOUNG: We're still operating at a loss of about 50 percent.

COUNCILMEMBER LEE: Yeah. What does that 50 percent reflect in actual number? If you lost 25, then how much do you have?

MR. YOUNG: Yeah, I think that's the other side. Is that okay?

COUNCILMEMBER LEE: Can you just give me an estimate? No?

MR. YOUNG: Yeah, I need to look that up. I just know what we've lost so far.

COUNCILMEMBER LEE: Okay. What about Uber? How many passengers do you think we have on Maui?

MS. CHOW: So, there are without getting too specific on the numbers I think some of the concern from the companies in the room isn't some competitive information there. But I can share that we do know that there are thousands of rides that happen every week in Maui.

COUNCILMEMBER LEE: Okay.

MS. CHOW: I know that's frustrating.

COUNCILMEMBER LEE: You know, for us to solve the problems we gotta know volume.

MS. CHOW: Right.

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COUNCILMEMBER LEE: We need to know the volume, otherwise, no sense complaining about what you have and what you don't have because we don't know where you're starting from. So, you know, we're going to need numbers. And not only that, we need to know the numbers and how you define the problems, if you have any problems, and if you can delineate those problems, you know, prioritize those problems. Especially problems within the jurisdiction of this County, yeah. So, you can talk all you want about Oahu but we're talking about Maui, yeah, today, and we really need to know specific information in order to actually solve a problem. So, if you can help me along those lines, you know, I would really appreciate it.

MS. CHOW: Yeah, absolutely. I think that's certainly something that we're open to doing maybe not on the record in front of our direct competitors but absolutely happy to have those discussions.

COUNCILMEMBER LEE: Okay. Can anybody answer this? What would be . . . what is your estimate of total passengers on Maui? Total . . . using taxis, Uber, Lyft, and anything else?

MR. TOYOFUKU: Councilmember Lee, whenever the competitors are together, we'd be happy to, I know Uber will be happy to talk to you or any Councilmember privately. But when the competitors are in the room, they're all because they're competitors, there are all sorts of issues from way above in corporate that you cannot in a forum say about how many riders you have, et cetera.

COUNCILMEMBER LEE: Okay. I'm skipping that question.

COUNCILMEMBER PALTIN: Chair, point of information?

MR. TOYOFUKU: I will have the group talk to you.

COUNCILMEMBER PALTIN: Are we still going down the line?

CHAIR SUGIMURA: We're still going down. Sorry about that.

COUNCILMEMBER LEE: It started with Robert's . . .

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER LEE: And I asked for clarification on Robert's.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: And so, you went to this group here.

CHAIR SUGIMURA: Yeah, so sorry. You know, I did say I was going down the aisle so it would be Tamara next, but I understand where your question came from. What we

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will do as a background from James and with John Rapacz, we will look at the data or information that we could gather from another perspective which is how many passengers arrived or, you know, whatever and what services . . .

COUNCILMEMBER LEE: I just asked that. I asked that question.

CHAIR SUGIMURA: Yeah. So, we'll . . .

COUNCILMEMBER LEE: Total. Yeah, total.

CHAIR SUGIMURA: Yeah, we'll look at it and work with them.

COUNCILMEMBER LEE: I would think that they should know that number, approximate number, because if we have 2.8 million visitors a year, we should be able to, you know, extract the number of passengers from that.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER LEE: Thank you.

CHAIR SUGIMURA: I think we also have the, as Member Hokama said, we have the rent-a-car numbers, we have the shuttle numbers so, somehow, we have to look at in total. So, good question, as usual, Ms. Lee, getting back to the nuts and bolts. So, Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I guess had some bunch of questions. For Mr. Moore [sic] . . .

CHAIR SUGIMURA: Mora.

COUNCILMEMBER PALTIN: Mora.

CHAIR SUGIMURA: Mora.

COUNCILMEMBER PALTIN: Was the insurance parts that Ms. Chow was talking about does that same apply for Lyft as well?

MR. MORA: Yes, Councilmember, they're identical.

COUNCILMEMBER PALTIN: Okay. And then Mr. Toyofuku, your role is you're a paid lobbyist hired by Uber and Lyft?

CHAIR SUGIMURA: Just Lyft.

MR. TOYOFUKU: I just do . . . I represent Uber in government affairs. And, currently, I forgot to mention, but I deal with Jennifer Sabas who used to be the Chief of Staff to Senator Inouye and she does some of the government affairs for Lyft.

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COUNCILMEMBER PALTIN: So, you just are a paid lobbyist for Uber only?

MR. TOYOFUKU: Yes.

COUNCILMEMBER PALTIN: Okay. And then . . . I was wondering what are the taxi regulations that you feel are onerous?

MR. BARR: I don't think that they're overwhelming. I mean, we have to do what we do once a year. Our problem, I mean, we operate in a way that we can operate as a professional manner with the high insurance rates and so on. Our problem is that we're losing all of this business to the rideshares and I don't really have an answer as to how to solve that. They're here and as Jason said that they've got the head start in here. And I mean, one of the things mentioned about the airport and that they have all the permits, but you need a ground transportation permit to pick up at the airport. I don't see . . . I don't know how many Ubers are actually picking up at the airport, but I don't see any of them with a ground transportation permit on the side and I don't see any of 'em with a PUC number on their rear bumpers. So, I don't know who is paying the State and why don't these, every individual operator picking up at the airport not have to pay the airport insurance fees and the permit fees? So, I mean, that's just one thing about evening the score for the taxis. Maybe if none of them wanted to pay that kind of money that you have to pay to get insurance to pick up at the airport, maybe half of them wouldn't be picking up, and this gentleman over here with Robert's would be getting their fares. So, that's one way to look at evening the thing. The other thing is about identification. I don't understand what their identification is. Is it just one little cardboard placard that they have on their windshield, which half of them here do not have? So, again, we're you know, we're easily identifiable with our domes and with our permits. And with our professionalism really, I mean, we know how to be a professional transportation provider. We do get out of the car, we do open doors, we do load the luggage. If you watch those Uber drivers at the airport, very few of them even get out of the car. They're staring at their phone and the person that they're meeting up is staring at their phone, they sit in the car, and then they've got the people open their own doors, and it's just really a lack of professionalism, and they're all in it for a quick buck. We're in it because it's our life. It's our professional life. Thank you.

CHAIR SUGIMURA: Thank you. Thank you.

COUNCILMEMBER PALTIN: I was wondering if anyone knew how many Uber and Lyft vehicles are on Maui, Molokai and Lanai? And are they all identified with decals?

CHAIR SUGIMURA: Mr. Mora?

MR. MORA: Councilmember, I don't have that exact number for it. We don't operate Lyft on Molokai or Lanai. On Maui, we don't have that number readily available. We can work with you to get that information.

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CHAIR SUGIMURA: Okay, so we'll ask.

COUNCILMEMBER PALTIN: Are they required to have the placard for Lyft?

MR. MORA: Correct.

COUNCILMEMBER PALTIN: They have to have it?

MR. MORA: Each driver has to display their placard on the front and rear bumper.

COUNCILMEMBER PALTIN: And like say --

MR. MORA: That's for the airport.

COUNCILMEMBER PALTIN: --somebody gets picked up and they don't see the placard, is there like a rating system like, hey, I got picked up by Lyft but there was no placard?

MR. MORA: Yes, they're in the app. You'll see the driver's face then make and model of the vehicle, license plate number, the ETA where they're at and then a little map that you'll see. You'll also, if you do not see that for some reason, once a year when you rate your driver there's an option in there too with that information, and then that information gets sent to us and then we put that information to that driver and or make sure they have that displayed, send them another one if it got damaged or lost.

CHAIR SUGIMURA: Staff, we can send a letter asking for that information. Thank you.

MS. CHOW: And I can just address the identification for Uber. So, there are no County regulations for the identification; however, we do encourage drivers to place the . . . it's a removable decal that says Uber. We encourage them to place that in the front passenger windshield and that's where our current regulations in Honolulu require it. So, it's different by companies. So, different for us, different for Lyft; different for taxi company based on what's been approved by the . . . by our regulator in Honolulu. However, with the DOT airport they have asked that it be I believe it's in the front window is the required trade dress so that is something that is required for any pick up at Honolulu airport, Maui airport, Big Island, Kauai, and we're also not currently operating on Molokai or Lanai.

COUNCILMEMBER PALTIN: And then being that you folks own the app and the drivers use the app, what is you guys cut of the driver's take?

MS. CHOW: Right. Sorry. If I could just . . . one more thing about the identification too, so everything is also available within the app and that's primarily how riders identify the drivers. But there's the license plate similarly the make, model, color, all of that. So, most of the identification have been right within the app. And then to answer your question, so it's not always a clear . . . we charge a service fee to drivers for their use of the app. And so, they will get a standard per mile, per minute, sometimes waiting fee base spare type of thing for the rides. But to allow us to do upfront pricing and to

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ensure that the rider knows exactly what they're going to pay ahead of time. Sometimes that service fee that we get is smaller or bigger depending on that delta between how long it actually took if there's traffic, all these things. We try our best to predict traffic patterns based on historical information but it's not always going to be like a perfect 20 percent or anything like that but it's typically around 20 percent, I would say, 25.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Same for Lyft?

MR. MORA: I'd like to add to that. Ours is similar and then also too with the airports we are required to put in the window as well. So, should correct this, specifically with the airports though.

COUNCILMEMBER PALTIN: But not off the street then it doesn't matter.

MR. MORA: There's some crossover between the regulations and the ordinances somewhere in for Lyft. Ours is stated that it needs to be in the front rear bumper in Honolulu but the airport it needs to be in the window.

COUNCILMEMBER PALTIN: Okay. And then for the taxis on the fare pricing would it be better or worse if they had like an instead of a regulated pricing like a max cap and then you could go anywhere up and down from there? Or you prefer it how it is right now?

MR. BARR: I think all the taxis are all the same. If you want to have a fancy car, you're going to have to it or . . . and you have to have a decent car because you have to pass all the inspections. Most people have vans because of the amount of people but as I said before I think that whatever fare we have should be equal to every . . . everybody should have the same fare here.

COUNCILMEMBER PALTIN: So, you're not in favor of like a max fare where people being able to choose if it's less or more?

MR. BARR: No, not for the taxis because you kind of should get your business based on your quality of service. And I don't think we should have any other than the one single fare on Maui whatever it would be. Right now, it's \$3.00 a mile and that's what it's been since 2006.

COUNCILMEMBER PALTIN: And would you like to see the rideshare folks have the same fare or that's not . . .

MR. BARR: That's not for me to say. As I've explained, they have their own waiting structure. We really have no say about that. It's just that they tend to be . . . I know the fare to Wailea from the airport is \$52.00. And I'm not . . . *(inaudible)* . . . maybe

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one of them can answer. They should know what the fare would be from the airport to Wailea. It's 17.2 miles so I'm interested too what is their fare to Wailea.

COUNCILMEMBER PALTIN: And then for the insurance issue that you mentioned before with the million-dollar policy, let's say the driver and the two passengers died, you split the million dollars up amongst the three people's families?

MR. TOYOFUKU: Yes. The million dollars covers the accident. So, if three people happen to die in that particular accident and it was, it depends you know who was at fault, et cetera, but the coverage is that's what the insurance law. But, yeah, the million dollars would cover all three and it's like the Finance Director said it's a hundred thousand, three hundred thousand. So, if three people die in a taxi, then the maximum is 300,000 split among whoever has perished.

COUNCILMEMBER PALTIN: So, the insurance levels are higher than the taxi and that comes out of their service fee to provide that coverage.

MS. CHOW: Yeah, so part of the cost for insurance it's part of our service fee.

COUNCILMEMBER PALTIN: Okay. Thank you so much.

CHAIR SUGIMURA: Thank you. Ms. Lee?

COUNCILMEMBER LEE: Just want to reiterate that we will need the volume amount and then the breakdown. And if you see that there are some pressing problems, you could note that. And if you have any suggestions or solutions, that would be helpful. And then, keep in mind that our powers are limited on Maui. You cannot supersede State or Federal laws. Okay. Thank you.

CHAIR SUGIMURA: Thank you. Mr. Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. My question was for Ms. Chow. You mentioned that the number of Uber drivers varies during the month? Can you speak to that?

MS. CHOW: Right. So, we measure internally maybe a little bit different than what would be most helpful for this discussion so, internally, we keep track of on a weekly basis how many drivers actually took a trip within that past week. Certainly, we can find information, you know, based on what is most interesting or less relevant for this conversation based on how many were active in a single month or a year. What would be the most helpful, Member?

COUNCILMEMBER SINENCI: And what are the costs for the Uber drivers to establish themselves as a driver?

MS. CHOW: Right. So, this is one of the reasons that drivers really love being on the platform and we've had a lot of drivers who have been previously taxi who have now

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become our ride-share drivers. There's really little to no input cost on their part. There are the background checks that happen so there's the time there that it takes for that. But that's not something that's a cost directly to them. That's something that the company is responsible for paying and that's dictated by legislation in Oahu and many places throughout the world or that we are the ones responsible for the background check. But this is also again we don't own any vehicles. And so, they . . . it's their own personal vehicle. In some places we have partnerships with companies like Enterprise or rental companies. We don't have that here but where they could maybe rent a car for a certain amount based on how long they're going to drive, all of those things. So, it's typically though their own personal vehicle. So, any costs associated with maintaining their vehicle would fall on the driver. However, they're getting the vast majority of the amount of money coming in from each of those trips.

COUNCILMEMBER SINENCI: So, they don't pay a monthly fee to Uber?

MS. CHOW: Right. There's no monthly fee.

COUNCILMEMBER SINENCI: And so, let me get this straight, so Uber . . . you get an account with Uber. There's no transfer of any cash. They just take it straight from your account, your credit card and then it goes to Uber and then Uber pays the drivers?

MS. CHOW: So, the way it works is we act as a payment processor for the drivers so it's actually . . . again, so Uber is just the app really because we don't employ any drivers, we just partner with drivers, we don't own any vehicles, it's all their vehicles. So, we use the app to facilitate the rides between riders and drivers so the rider will have their own app and the driver will have their own app. And once a driver passes all their requirements and a rider has uploaded their payment information, it will connect the two and we act as the payment processor so, basically, the rider is really paying the driver via the app.

COUNCILMEMBER SINENCI: Via the app.

MS. CHOW: Yeah. And then the driver will then pay a service fee to us for each trip.

COUNCILMEMBER SINENCI: And for the 3 percent at the Maui airport --

MS. CHOW: Uh-huh.

COUNCILMEMBER SINENCI: --that is a State Legislature so that goes directly to the State.

MS. CHOW: Right. So, that's a monthly payment that we calculate base on the gross fares that have happened during that month. We'll calculate the 3 percent of that and pass that amount along to DOT.

COUNCILMEMBER SINENCI: So, does that cost . . . is the customer taking on that extra 3 percent if you're going to the airport?

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MS. CHOW: So, it is added to the overall cost of the trip, but again, it's . . . the rider sees it upfront. So, they'll see exactly how much they're going to pay. And then for the airport trips there is an additional fee to account for that 3 percent. So, we help basically pass it along from the rider to the airport.

COUNCILMEMBER SINENCI: So, Uber doesn't pay anything to the local County for your, for operating on County roads?

MS. CHOW: So, in Honolulu, currently the only place where we have County regulations. And we are required to pay a permit fee every year, and that's a thousand dollars. And it's a thousand dollars I believe for us, and I believe that's the fee for all permits for companies.

COUNCILMEMBER SINENCI: Okay. Thank you. Thank you, Chair.

MR. TOYOFUKU: If I could, oh, Chair?

CHAIR SUGIMURA: Yes.

MR. TOYOFUKU: Just real quickly, if I could add on. You know, because the drivers on the Uber are using their own cars, so whatever fees they have to pay to the County it, you know, it dictates whether they're driving more. But that's just part of the County-type fee. And the other thing, I don't know how it operates here but I know in Honolulu the big taxi companies the drivers usually are required to pay them a monthly fee, but they can keep I think in some instances 100 percent of the fare. But if they have to pay a thousand dollars to the company, then the first thousand dollars of fares, you know, like is they break even. So, that's how I know some companies work in Honolulu.

COUNCILMEMBER SINENCI: Okay. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you. Mr. Hokama?

VICE-CHAIR HOKAMA: I know you're going to post another opportunity for the Committee, so I appreciate that. But kind of quickly, yeah, whether it's the Uber or Lyft, you guys control density? I mean, I can see you guys being at the airport and saying, okay, I want to have 50 Ubers around the airport between 10 and 2 p.m. and we're just going to saturate 'em out. So, that anybody can still have this 50 cars waiting for a pickup.

MR. MORA: No, we don't. It's a matter of the rider demand that instigates the driver supply around certain areas.

VICE-CHAIR HOKAMA: And since your drivers' rate customers and let's say you get the 50 cars at Kahului, how you assure that, you know, cabs they wait in line, you know. First, you know, next guy goes – it's Ken's turn next, it's Mr. Vila's turn, you know, we know the order 'cause they line up. How do you guys assure your drivers that they

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gave 'em fair opportunities of fares and then they see 20 other dots waiting for the fare too?

MR. MORA: And how do you regulate the drivers around the airport? It's the nearest drivers in the area for the . . .

VICE-CHAIR HOKAMA: Closest to the app?

MR. MORA: Not in all cases but we have the formula and algorithm in the app that dictates when they go first in, first out.

MS. CHOW: I can . . .

VICE-CHAIR HOKAMA: How much of a personal information is in the decision making since you guys keep our data?

MS. CHOW: So, I can speak to how we do it for the airport. So, we don't allow anyone to be on airport property to be connected with a rider so there's no waiting or anything like that on airport property to help avoid any sort of extra congestion there. So, we have sort of a net area what we call geo fence around the airport and it's pretty generous but once you enter into that area you basically signal that you're open for airport pickups. And so, from there it becomes a first in, first out basis and so we'll have a cue of maybe ten people in that general area. And they'll be available for pickups outside of the airport too if someone is nearby and just wants a trip. But if they've made it into that cue then that person is the next in line. But then there's also too based on the type of vehicle that the rider would want. So, we don't discriminate based on, you know, your ratings higher than your rating so you get the next one. Really, it's the type of vehicle that they select. So, if they want an economy vehicle or a larger vehicle or a more premium vehicle, they have those options.

VICE-CHAIR HOKAMA: You folks have any internal requirement of the drivers to have at least at a minimum a yearly health check-up and clearance from a physician?

MS. CHOW: Right. So, we rely on the Hawaii State Driver's License on Oahu, which you have to certify that you are medically fit to drive your vehicle. In Honolulu, that used to be a requirement.

VICE-CHAIR HOKAMA: But that's every eight years to have a license, right?

MS. CHOW: Well, . . .

VICE-CHAIR HOKAMA: The license is good for eight years so for eight years if that person is under 72 you don't care about the health?

MS. CHOW: I wouldn't say we don't care about the health. We also . . . so, just to say for Honolulu that used to actually be a taxi requirement, but they had to get an annual physical, I believe, is every two years. They had to get a physical but that was

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repealed for taxi because it was shown to be not, it didn't add any sort of extra layer of safety. And then also, just casually speaking . . .

VICE-CHAIR HOKAMA: . . . *(inaudible)* . . .

MS. CHOW: What's that?

VICE-CHAIR HOKAMA: Tell all the people who caught Dengue fever and everything else about the issues of communicable disease in Hawaii. For us, we deal with it in this County, okay. So, we take --

MS. CHOW: Right.

VICE-CHAIR HOKAMA: --it serious about health and safety issues.

MS. CHOW: Oh, absolutely. And I think that's paramount to us as well. And what we have found to be a better indicator of the actual health versus an annual check that was, you know, being run by one single doctor. You pay your \$50.00 and you got your check. On Oahu, we rely on the feedback system that we have within the app and so, riders will let us know if they think there is, you know, something off or something that should be investigated about the driver. So, the feedback system has really been a great tool to help us create a safe platform.

VICE-CHAIR HOKAMA: Okay. Thank you. Mr. Vila, PUC you require to have a health clearance?

MR. VILA: Chair?

CHAIR SUGIMURA: Yes.

MR. VILA: As part of the licensing process, if you self-disclose you have a medical condition, a medical review probably will be triggered. We'll issue a medical report requirement. Or the other trigger is if our staff observes certain conditions that may require an evaluation then we have the ability to issue the medical. However, that's only at the time of renewal or issuance of the license. And the issuance normally is based upon the age up to age 71, 72 it becomes two years. That's per State law.

VICE-CHAIR HOKAMA: Two years after 71, 72?

MR. VILA: Chair, at the time the license is issued if you're 72 or older it becomes a two-year license.

VICE-CHAIR HOKAMA: Correct. If you're younger, it's good for eight years?

MR. VILA: That's per State law, Chair, yes.

VICE-CHAIR HOKAMA: Eight years.

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MR. VILA: Or if there's a medical requirement that needs to be monitored, then the Admin. Rules provides the ability to issue based upon the medical review anything below eight years. It could be two years, four years, --

VICE-CHAIR HOKAMA: Uh-huh.

MR. VILA: --depending upon that person's medical condition.

VICE-CHAIR HOKAMA: Thank you, Mr. Vila. I know what I'm going to start proposing, Chair. So, thank you.

CHAIR SUGIMURA: Okay. Good. Ms. Paltin?

COUNCILMEMBER PALTIN: I just was wondering for the transportation companies is there a way for folks to utilize it if they don't have a smart phone or a credit card?

CHAIR SUGIMURA: Ms. Chow?

MS. CHOW: I'll address the payment portion of it first, so the credit card is certainly an option within the app but we're also trying to increase the number of options available to people because we know not everyone has a credit card or likes to use their credit card so we also have partnered with companies like Venmo. Not sure if you're familiar with them but it's a way that you can share money across friends, or you can just use it as a payment processor, and you can have a debit card or checking account associated with that. There's some markets for where we're testing cash also as an option so I would say that we do try to expand the payment options and that's something in the future we'll probably continue to do as well. And then I'm sorry the first part of your question?

COUNCILMEMBER PALTIN: Like if they don't have a smart phone is there --

MS. CHOW: Oh, right.

COUNCILMEMBER PALTIN: --like a number to call or something like that?

MS. CHOW: Right. So, we have a few options there. If someone doesn't have a smartphone but they have access to the Internet, you can order a ride through Uber.com, which is something I've had to do before just before my phone dies and I happen to have my laptop with me. I've done that before. So, you can do it through a website. Also, we have family profiles as well so if let's say this is a pretty common use case for a family profile is if I have an account and I add my grandmother to the account, maybe she doesn't have a smartphone but I want to order a ride for her, I can create a profile for her on my family account and I can order that ride for her and I can see the whole thing -- GPS tracked and all of that. And we also have partnerships with businesses as well where there's business accounts that can do it for hospitals or for doctor's offices. That's also a common use case. We have a program called Uber health where

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everything is HIPAA compliant. And we work directly with hospitals so if a patient needs a ride home or something like that, they can do that directly through their system and order the ride for the patient.

COUNCILMEMBER PALTIN: So, if you are ordering for your grandmother, you would pay for it also unless she had like a credit card or a debit card?

MS. CHOW: Right.

COUNCILMEMBER PALTIN: She couldn't pay with cash.

MS. CHOW: Right. So, it would be the payment profile dictated on the account. But you can add multiple payment options so if I wanted to, I could switch between the payment options within the one profile.

COUNCILMEMBER PALTIN: And then in my previous career I've seen folks decline ambulance and request an Uber, and we kind of knew the Uber guy and they weren't too stoked with us because the patient then got blood all over the car. Do you guys have any kind of coverage for the driver if those types of things if the rider messes up the person's personal vehicle?

MR. CHOW: Absolutely. So, we want to make sure that the driver is properly compensated for anything like, any damage that happens to the vehicle while on a trip. So, what we ask that in that situation or in any situation where a passenger soils the vehicle in some way, we ask them to take it to get professionally cleaned so that they're not, especially with something with blood we wouldn't want them in that hazardous situation trying to clean it themselves. So, we'll have them take it to a professional and then submit the receipt to us and then we'll reimburse them for the amount.

COUNCILMEMBER PALTIN: And does that ultimately come from just the company or is it added on to the charge of the rider?

MS. CHOW: Typically, it'll go back to the rider and we'll say, you know, this is . . . and we also do require documentation of it so we'll ask them to send pictures and all these things, and we will typically send it to the rider for them to pay.

COUNCILMEMBER PALTIN: So, maybe the taxicab is, become the niche market for folks that aren't technologically savvy or don't have credit or debit or PayPal or Venmo or whatever?

MS. CHOW: I think to us we don't see taxi as a competitor in the general sense of it. We think we're all part of this transportation eco-system. We think there's room for everyone and like you said some people prefer to just . . . and I take taxi still too if I see a taxi sitting there and I look on the app and someone is five minutes away, I'll make a decision based on that, you know, what's most important to me in that moment and sometimes it's just getting there as quickly as possible. And so, I'll take a taxi in that moment. So, we think there's use cases for everyone. And then also too if

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you don't have your credit card on you or you just have cash, taxi is also a good option for that.

COUNCILMEMBER PALTIN: Unless tracking . . . digital tracking so folks don't know where you've been or something like that?

MS. CHOW: Right. So, I think there are various ways in which we can differentiate ourselves competitively and we compete and we think it's important to compete on price, and so that's why typically an Uber is going to be less expensive and a taxi and that's true here on Maui. So, we think that affordability and prices is an important place to compete because we know that riders are price sensitive. So, that and, of course, like if taxi would prefer to all have the same price, we're not going to, you know, say that we are going to have a hand in that. But if they would like help in changing the way that pricing works so it's certainly something that we're open to helping with whatever way we can. But we compete on price, also the safety component of it, I think that it's nice to go back and see all of your trips and see exactly GPS coordinates of those trips. It's nice to be able to share with my mom when I'm, you know, going somewhere late at night to just let her know that I'm safe and she can watch my ride as it happens. I think a lot of these things are just different ways that we can compete, and we've tried to progress on some of those.

COUNCILMEMBER PALTIN: What if law enforcement wanted to know the records of all particular passengers there, I mean, sort of privacy expectation?

MS. CHOW: Absolutely. So, we have a law enforcement team within our company and so those individuals work directly any time there's a law enforcement inquiry. And so, we'll work directly with law enforcement. When it comes to a driver maybe saying I want more information about this passenger, that's not something we'll reveal because of privacy concerns and then also the same way if a passenger was like tell me everything about this driver. That's not something we're going to do because of privacy concerns. However, if law enforcement is involved, we'll work directly with law enforcement to aid in their investigation in whichever way we can. And so, in the past in other markets that has included giving everything that we know about that trip depending on the issue.

COUNCILMEMBER PALTIN: Like if a crime was committed here and something ended up there and they want to know who got picked or something.

MS. CHOW: Exactly. We can give them the exact GPS coordinates and every moment on that ride, the exact time stand of that ride, the driver, all of their documents, their background check. There's all sorts of information and we have in the past and we'll continue to work with law enforcement.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR SUGIMURA: Thank you. So, this is good, right? So, what Uber and Lyft is or what Uber is saying is that they would be open to us regulating their fares as we have for

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taxi and that's how we can level the playing field. Right? They said they would be willing to talk to them so, Shane Sinenci, you're next.

COUNCILMEMBER SINENCI: Chair, couple questions. One for Mr. Toyofuku. Has there been other municipalities that have put a cap on the number of Uber drivers as you know?

MR. TOYOFUKU: I mean, not here. I don't think there's a cap on anywhere, but you may know.

CHAIR SUGIMURA: Not for Uber and Lyft. Not from us.

MS. CHOW: Oh, right.

COUNCILMEMBER SINENCI: Other municipalities?

MS. CHOW: I think New York City there's a cap there. Whether or not, I don't know of any other markets where a cap exists. And I think the New York City one they're testing it out to see how it works. But I, to my knowledge, there are not other markets.

COUNCILMEMBER SINENCI: Oh, okay. And then, Chair, there was . . .

MR. TOYOFUKU: Councilmember, I think the problem on the cap, you know, I think it came out in the articles I read out in New York is the enforcement – trying to figure out how you regulate that whole thing, you know.

COUNCILMEMBER SINENCI: Yeah. And then, Chair, there was some written testimony about seeing some illegal tour operators at the airport. There's Uber – Uber has nothing to do with that, yeah.

CHAIR SUGIMURA: They probably don't know.

MS. CHOW: Yes, so we don't . . . I'm not sure. I have to see what it was, but we do have a permit for operations at the airport and it extends to any of the drivers who are taking . . . *(inaudible)* . . .

COUNCILMEMBER SINENCI: Okay, great. Thank you.

CHAIR SUGIMURA: Thank you. Members, I'm gonna . . . Lito, you have anything you want to add?

MR. VILA: Thank you, Chair. I was just following up and Mr. Hokama's question earlier about the medical or the validity of the driver license, Hawaii's license period maximum is eight years. However, some jurisdictions issue, for example, Arizona, they used to have a 50-year license that doesn't expire. So, the question is so for that information of the Councilmembers here when you're verifying the license validity of

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your potential driver is there, how do you verify that? You do the . . . you can't access the jurisdiction's data base . . .

CHAIR SUGIMURA: Interesting question.

MS. CHOW: If I may, so, there are actually a few ways that we do that. So, we do have a third party who conducts our background and they're a nationally accredited background check company and they work directly with DMVs and all of the various jurisdictions. So, they have oftentimes basically their systems speak to one another and so they can pull information from local DMVs. We've also just had the actual background check company speak directly with the DMV or get courthouse records or whatever is needed to verify the licensing history. But the MVR check, the motor vehicle record check is a part of the screening process.

MR. VILA: So, is the licensing drivers in Hawaii required to have a Hawaii license or can they have, or must they have, can they have any license from any one of the 52 jurisdictions?

MS. CHOW: So, our Oahu regulations dictate but it has to be a Hawaii State driver's license.

MR. VILA: Okay.

CHAIR SUGIMURA: Okay. Good question. So, Members, I'm going to close this meeting and defer the item and pick up the conversation again. We are looking at legislation and but based upon this conversation, I think more discussion will happen. We will reach out to the taxis and get input from you in terms of, and Uber and Lyft also, but in terms of fares and regulations that are basically make this safer I think is what we're hearing for all users and figure out how we can kind of level the playing field, I think, was the goal that I had coming in. I'm hearing some options by listening to you. We need to also get in here the taxicab drivers and taxi drivers, I'm sorry, not taxi, the rent-a-car companies, the State agencies that also have a say in this. We have looked at City and County of Honolulu their ordinance and understand that and we'll look further into the issue in depth. So, appreciate everyone for being here. If you don't mind, we'll let you know when the next meeting is to possibly continue this conversation and, hopefully, we can come to some joint solutions. At this time, Members, it's 11:52 and this meeting is now adjourned. . . .(gavel). . .

ACTION: DEFER pending further discussion.


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ADJOURN: 11:52 a.m.

APPROVED BY:



YUKI LEI K. SUGIMURA, Chair
Multimodal Transportation Committee

mt:min:190805:js

Transcribed by: Jo-Ann Sato

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CERTIFICATE

I, Jo-Ann Sato, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 21st day of August, in Pukalani, Hawaii


Jo-Ann Sato