

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

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April 21, 2021

The Honorable Calvin Say, Chair
and Members
Committee on Budget
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Say and Councilmembers:

SUBJECT: Bill 87 (2020) – Relating to Public Transit

The Department of Transportation Services (DTS) supports the proposed CD1 amendments (OCS2021-0351/4/14/2021 1:32 PM) submitted by Councilmember Say that implements the recommendation of the Rate Commission to raise the fare for a single ride on TheHandi-Van to \$2.25 from \$2.00.

Pursuant to the Revised Charter of Honolulu, the Rate Commission is authorized to recommend adjustments to fares and other charges for use of the City's multimodal municipal transportation system, including TheHandi-Van. Following transmittal of the recommendations to the Council, the Council shall fix and adjust reasonable fares and other charges so that the revenues derived therefrom, in conjunction with any other revenues allocated to the City's transportation system, shall be sufficient or as nearly sufficient as possible. The Council may also consider factors such as transportation equity, accessibility, sustainability, availability, and effect on ridership.

The current single ride fare on TheHandi-Van is \$2.00; this fare was set in 2001 and has not been raised in nearly twenty years. In comparison, the average cost of providing a trip on TheHandi-Van is \$49.18, with a farebox recovery ratio of approximately 4.3%. Prior to the decrease in rides and ridership due to COVID-19, about 1.2 million rides were provided annually on TheHandi-Van. This reasonable fare increase translates to increased revenue of \$300,000 for this level of ridership.

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This draft measure complements Ordinance 21-7, formerly Bill 89 (2020) that also implements recommendations made by the Rate Commission and proposes to update the public transit fare structure with similar modest fare increases.

Thank you for the opportunity to submit this testimony. Should you have any questions, please call me at 768-8303.

Very truly yours,



J. Roger Morton
Director

APPROVED:



Michael D. Formby
Managing Director