

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

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September 29, 2022

The Honorable Tommy Waters
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Waters and Councilmembers:

SUBJECT: Draft Bill Amending Public Transit Fares

The Department of Transportation Services is proposing changes to the fares ordinances that will affect the fare structure, including:

- Adding new passenger categories that will restrict deeply discounted fares for Hawaii residents;
- Establishing a new seven-day HOLO card pass for adults or youth that would be marketed to visitors and dispensed by local retailers on "J-Hook" rack (similar to gift cards) for easy access;
- Providing low-income passes for eligible Handi-Van users with extremely low incomes;
- Setting the single ride cash fare at \$1.25 for seniors, persons with disabilities, Medicare cardholders, and paratransit eligibility ID holders; and
- Eliminating the annual capping option, but maintaining the annual passes.

The proposed fares ordinance is technical and is revenue positive, and although it raises fares for some passenger categories it does not raise fares for local residents. The ordinance seeks to strike a balance by providing fare breaks for the disadvantaged population while enhancing the visitors' access to transit services through the seven-day HOLO pass that is tailored to their transitory stay.

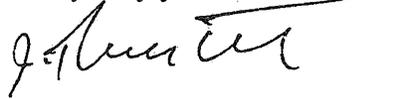
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The Honorable Tommy Waters
Chair and Presiding Officer
and Members
September 29, 2022
Page 2

The proposed changes have been reviewed by the Rate Commission. The DTS requests Council consideration of this measure as soon as possible. It is our desire to eliminate the annual capped fares, which begins on January 1st each year. We discovered a glitch in our system this year that when fare levels increased in July, the system could not track the original fare and the increased fare at the same time. So for people that had planned to cap out at the lower original rate, they could not do so and were forced to cap out at the increased rate. Passengers will still be able to purchase an annual pass in January, but will not be able to receive a capped fare starting in 2023. Capped fares will, however, be retained on a daily and monthly basis.

Should you have any questions, please contact me at (808) 768-8303.

Very truly yours,



J. Roger Morton
Director

Attachment

APPROVED:



FOR

Michael D. Formby
Managing Director



A BILL FOR AN ORDINANCE

RELATING TO PUBLIC TRANSIT.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to amend the island-wide fare structure, including paratransit fares.

SECTION 2. Section 13-1.1, Revised Ordinances of Honolulu 1990, is amended by adding a new definition of "Hawaii Resident" to read as follows:

"Hawaii Resident" means the same as "resident" as is defined in HRS Section 235-1."

SECTION 3. Section 13-2.____, Revised Ordinances of Honolulu 1990 ("City payment card – Maximum capped fares"), as enacted by Ordinance 21-7, is amended to read as follows:

"Sec. 13-2.____ City payment card --- Maximum capped fares.

- (a) Fares charged by the multimodal municipal transportation system may be paid using city payment cards, at multimodal municipal transportation system facilities, and on city transit system vehicles equipped with fare validators. When a city payment card is tapped on the fare validator, the applicable fare will be deducted from the value stored on the card.
- (b) For the city bus system~~[-and]~~, the city rail system, and the city paratransit system, after a passenger taps a city payment card on a fare validator on a city transit bus~~[-or]~~, city rail vehicle, or city paratransit vehicle, and the applicable fare is deducted, no additional fares will be deducted for additional bus or rail rides within a period of two and one-half hours following the initial tap; provided that the same city payment card is used for each ride.
- (c) Only city payment cards programmed for fares under the adult passenger category are transferable. City payment cards programmed for lower fares under other passenger categories are not transferable, and use of such city payment cards by anyone other than the authorized and eligible passenger for whom it was programmed shall be considered fare evasion and subject to appropriate penalties pursuant to Section 13-2-7.



A BILL FOR AN ORDINANCE

- (d) For each city payment card, fares for rides on the city bus system and city rail system will be deducted until the cumulative amount of fares paid during a period of time equals the maximum capped fare as specified in Section 13-2.1 for that period.
- (1) If total bus and rail fares charged to a single city payment card reaches the daily maximum capped fare as specified in Section 13-2.1, within a service day, no additional fares will be deducted from the stored value of that city payment card for additional bus and rail rides during the remainder of that service day.
- (2) If total bus and rail fares charged to a single city payment card reaches the monthly maximum capped fare as specified in Section 13-2.1, within a calendar month, no additional fares will be deducted from the stored value of that city payment card for additional bus and rail rides during the remainder of that calendar month.
- ~~[(3) If total fares charged to a single city payment card reaches the annual maximum capped fare as specified in Section 13-2.1, within a calendar year, no additional fares will be deducted from the stored value of that city payment card for additional bus and rail rides during the remainder of that calendar year.]~~
- (e) Passengers may purchase a monthly or annual pass by paying the fee set forth in the fare structure table as specified in Section 13-2.1, and the monthly or annual pass may be programmed to a city payment card."

SECTION 4. Section 13-2.1, Revised Ordinances of Honolulu 1990 ("Fare Structure"), as amended by Ordinance 21-7, is amended by amending subsection (b) to read as follows:

- "(b) Except as otherwise provided in this article, the following fares apply to every passenger using the city bus system and city rail system, and every passenger riding the city bus system and the city rail system shall pay the applicable fare set forth in this table:



A BILL FOR AN ORDINANCE

FARE STRUCTURE TABLE

Passenger Category [(Date Effective)]	Cash	Fares Paid Using City Payment Card (CPC) Only					Special Event
	Single Ride Fare	Single Ride with 2.5 – Hour Capped Fare with Free Transfers Between Bus[– and], Rail, and paratransit Systems	Daily Maximum Capped Fare	Monthly Pass or Maximum Capped Fare	Annual Maximum Capped Fare Annual Pass	<u>Seven Day Pass</u>	Single Ride Fare Special Event
Adult [(Effective until June 30, 2022)]	[\$2.75]	[\$2.75]	[\$5.50]	[\$70.00]	[\$770.00]		[\$6.25]
[(Effective July 1, 2022)]	\$3.00	\$3.00	\$7.50	\$80.00	\$880.00	<u>\$30.00</u>	\$6.25
Youth [(Effective until June 30, 2022)]	[\$1.25]	[\$1.25 with programmed CPC]	[\$2.50 with programmed CPC]	[\$35.00 with programmed CPC]	[\$385.00 with programmed CPC]		[\$6.25]
[(Effective July 1, 2022)]	\$1.50	\$1.50 with programmed CPC	\$3.75 with programmed CPC	\$40.00 with programmed CPC	\$440.00 with programmed CPC	<u>\$15.00</u>	\$6.25
Child	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		[\$6.25] <u>\$0.00</u>
Senior Citizen (Non-Hawaii Resident) [(Effective until June 30, 2022)]	[\$1.00 with valid ID]	[\$1.00 with programmed CPC]	[\$2.00 with programmed CPC]	[\$6.00 with programmed CPC]	[\$35.00 with programmed CPC]		[\$6.25]



A BILL FOR AN ORDINANCE

Passenger Category	Cash	Fares Paid Using City Payment Card (CPC) Only					Special Event
		Single Ride with 2.5 – Hour Capped Fare with Free Transfers Between Bus[– and], Rail, and paratransit Systems	Daily Maximum Capped Fare	Monthly Pass or Maximum Capped Fare	[Annual- Maximum- Capped Fare] Annual Pass	<u>Seven Day Pass</u>	
{(Date Effective)}							
[(Effective July 1, 2022)]	[\$1.25 with valid ID]	[\$1.25 with programmed CPC]	[\$3.00 with programmed CPC]	[\$20.00 with programmed CPC]	[\$45.00 with programmed CPC]		[\$6.25]
	\$1.25 with valid CPC ID	\$1.25 with programmed CPC	\$3.00 with programmed CPC	Not applicable	Not applicable		\$6.25
<u>Senior Citizen (Hawaii Resident)</u>	\$1.25 with valid CPC ID	\$1.25 with programmed CPC	\$3.00 with programmed CPC	\$20.00 with programmed CPC	\$45.00 with programmed CPC		\$6.25
<u>Person with a Disability Under ROH Section 13-2.2 (Non-Hawaii Resident)</u>	[(Effective until June 30, 2022)]	[\$1.00 with valid ID]	[\$1.00 with programmed CPC]	[\$2.00 with programmed CPC]	[\$6.00 with programmed CPC]	[\$35.00 with programmed CPC]	[\$6.25]
	[(Effective July 1, 2022)]	[\$1.25 with valid ID]	[\$1.25 with programmed CPC]	[\$3.00 with programmed CPC]	[\$20.00 with programmed CPC]	[\$45.00 with programmed CPC]	[\$6.25]
		\$1.25 with valid CPC ID	\$1.25 with programmed CPC	\$3.00 with programmed CPC	Not applicable	Not applicable	\$6.25



A BILL FOR AN ORDINANCE

Passenger Category	Cash	Fares Paid Using City Payment Card (CPC) Only					Special Event
	Single Ride Fare	Single Ride with 2.5 – Hour Capped Fare with Free Transfers Between Bus[– and], Rail, and paratransit Systems	Daily Maximum Capped Fare	Monthly Pass or Maximum Capped Fare	[Annual- Maximum- Capped Fare] Annual Pass	Seven Day Pass	Single Ride Fare Special Event
[(Date Effective)]							
<u>Person with a Disability Under ROH Section 13-2.2 (Hawaii Resident)</u>	\$1.25 with valid CPC ID	\$1.25 with programmed CPC	\$3.00 with programmed CPC	\$20.00 with programmed CPC	\$45.00 with programmed CPC		\$6.25
Medicare Cardholders							
[(Effective until June 30, 2022)]	[\$1.00 w/valid person-Medicare Card ID]	[\$1.00 with programmed CPC]	[\$2.00 with programmed CPC]	[\$6.00 with programmed CPC]	[\$35.00 with programmed CPC]		[\$6.25]
[(Effective July 1, 2022)]	\$1.25 with valid Medicare Card ID	\$1.25 with programmed CPC	\$3.00 with programmed CPC	\$20.00 with programmed CPC	\$45.00 with programmed CPC		\$6.25
Paratransit Eligibility ID Holders	[\$1.00] \$1.25 with valid paratransit ID	[\$1.00] \$1.25 with programmed CPC	\$2.00 with programmed CPC	\$6.00 with programmed CPC	\$35.00 with programmed CPC		\$6.25
Personal Care Attendant (PCA)	\$0.00 when performing PCA service	Not applicable	Not applicable	Not applicable	Not applicable		\$6.25"

SECTION 5. Section 13-2.1, Revised Ordinances of Honolulu 1990 ("Fare Structure"), as amended by Ordinance 21-7, is amended by adding a new subsection (k) to read as follows:



A BILL FOR AN ORDINANCE

- "(k) The department may establish a special seven day pass for adults or youth that is effective upon first tap on any validator at multimodal municipal transportation system facilities, and on city transit system vehicles equipped with fare validators. The pass will be valid for seven consecutive days after the initial tap. The price for the seven day pass shall be 10 times the value of an adult single ride fare or the youth single ride fare using the city payment card, as applicable."

SECTION 6. Section 13-2.10, Revised Ordinances of Honolulu 1990, as enacted by Ordinance 21-7, is amended to read as follows:

"Sec. 13-2.10 Transit fares for individuals with extremely low incomes.

- (a) Individuals who have received an eligibility letter from the Social Security Administration for benefits under the Supplemental Security Income program are eligible for the reduced transit fare upon the presentation of the Supplemental Security Income eligibility letter to the department of transportation services.

- (b) ~~[The department of community services shall support the reduced transit fare for individuals]~~ Individuals whose household incomes meet the United States Department of Housing and Urban Development guidelines for households with extremely low income within the city for the applicable household size~~[-]~~, may also qualify for the reduced transit fare through application to the department of community services. The department of community services shall be responsible for the intake and processing of applications, determination of eligibility, and communication of an applicant's eligibility to the department of transportation services.

- ~~[(b)]~~(c) The director of community services shall ~~[on an annual basis]~~ determine the eligibility of the individual for the reduced transit fare established under this section upon review and verification of an application to qualify for the fare. The application form shall be prescribed and furnished by the director of community services. The director of community services may require proof of age, total household income, and household size, and proof may include, but will not be limited to, true copies of personal income tax returns, bank statements, or other financial records. The director of community services may require ~~[proof of nonreceipt of income from relief programs such as supplemental security income, welfare, and unemployment compensation, and may require such]~~ authorization from the household to enable the director of community services to fully verify



A BILL FOR AN ORDINANCE

household income. The director of community services shall determine whether ~~[or not]~~ an applicant qualifies for the reduced transit fare within 60 days of receipt of the completed application, and the ~~[director of community services']~~director's decision will be final. The determination of eligibility will remain in effect for the period from the date of approval through the ending of the ~~[of one]~~fiscal year on June 30.

~~[(e)]~~(d) Eligible individuals shall receive a city payment card programmed with fares as follows:

- (1) A single ride fare of \$1.25;
- (2) A daily maximum capped fare of \$3.00; and
- (3) A monthly capped fare of \$20.00~~;~~ and
- ~~(4) — An annual maximum capped fare of \$45.00.~~

The reduced fares specified in this subsection are not applicable for rides on the city paratransit system or for the special events service.

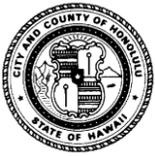
~~[(d)]~~(e) The department of community services may adopt rules in accordance with HRS Chapter 91 to implement the provisions of this section.

~~[(e)]~~(f) Availability of this program is limited to a city subsidy of \$1,500,000 per fiscal year, unless additional appropriations of general funds or non-city funds are approved."

SECTION 7. Section 13-4.5, Revised Ordinances of Honolulu 1990 ("Fare"), as amended by Ordinance 21-13, is amended by amending subsection (b) to read as follows:

"(b) Single Fare.

- (1) Any person issued a paratransit eligibility identification card under Section 13-4.3 and any person accompanying the ADA paratransit eligible individual shall pay a fare of \$2.25 per person per one-way passenger trip either in cash, by coupon or by city payment card programmed for the paratransit fare, except as provided in Section 13-2.6. Revenues from the fare will be deposited into the transportation fund.



A BILL FOR AN ORDINANCE

- (2) There is established herein a paratransit fare program for individuals with extremely low incomes as follows:
- (A) Individuals who have received an eligibility letter from the Social Security Administration for benefits under the Supplemental Security Income program are eligible for the reduced paratransit fare upon the presentation of the Supplemental Security Income eligibility letter to the department of transportation services.
- (B) Individuals whose household incomes meet the United States Department of Housing and Urban Development guidelines for households with extremely low income within the City and County of Honolulu for the applicable household size, may also qualify for the reduced paratransit fare through application to the department of community services as provided hereinbelow:
- (i) The department of community services shall be responsible for the intake and processing of applications, determination of eligibility, and communication of an applicant's eligibility to the department of transportation services;
- (ii) The application form shall be prescribed and furnished by the director of community services;
- (iii) The director of community services may require proof of age, total household income, and household size, and proof may include, but is not limited to, true copies of personal income tax returns, bank statements, or other financial records;
- (iv) The director of community services may require authorization from the household to enable the director to fully verify household income;
- (v) The director of community services shall determine whether an applicant qualifies for the reduced transit fare within 60 days of receipt of the completed



A BILL FOR AN ORDINANCE

application, and the director's decision will be final;
and

(vi) The determination of eligibility will remain in effect for
the period of one year.

(C) Eligible individuals shall receive a city payment card
programmed with a paratransit fare cap of \$2.00 for a one-
way trip.

(D) The department of community services may adopt rules in
accordance with HRS Chapter 91 and having the force and
effect of law to implement the paratransit fare program
established by this subsection.

~~(2)~~(3) Any person to whom a current paratransit eligibility identification card has been issued under Section 13-4.3 shall pay a single ride fare in accordance with Section 13-2.1 to ride a city bus or the city rail system, either by using a programmed city payment card or, for the city bus system, payment may also be made in cash upon display to the bus operator of the paratransit eligibility identification card; except that the single ride fare shall not apply when a special event fare is charged under Section 13-2.1."

SECTION 8. Ordinance material to be repealed is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____

A BILL FOR AN ORDINANCE

SECTION 9. This ordinance takes effect upon its approval; except that SECTION 3, SECTION 4, and SECTION 7 of this ordinance, take effect on January 1, 2023.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20____.

RICK BLANGIARDI, Mayor
City and County of Honolulu