

# Bill 87 (2020) Testimony

MISC. COM. 880

BUDGET



## DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813  
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • TTY (808) 586-8162

November 18, 2020

The Honorable Joey Manahan, Committee Chair  
and Members of the Budget Committee  
Honolulu City Council  
City and County of Honolulu  
530 South King Street  
Room 203  
Honolulu, HI 96813

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

Dear Chair Manahan and Members of the Budget Committee:

The Disability and Communication Access Board (DCAB) supports Bill 87 (2020). Bill 87 (2020) would raise the paratransit single ride fare by 25 cents from \$2.00 to \$2.25 effective July 1, 2021. The paratransit fare has not been raised since 2001.

The Americans with Disabilities Act (ADA) allows the paratransit fare to be up to twice the undiscounted, full fare charged for an adult single ride fare on the fixed route service. Bill 87 (2020) would result in a paratransit fare that is still significantly lower than what the ADA allows. However, DCAB supports the establishment of a subsidy for low income riders who would be harmed by even a nominal fare increase.

Thank you for the opportunity to provide testimony in support of Bill 87 (2020).

Respectfully submitted,

KIRBY L. SHAW  
Executive Director

Donald K. Sakamoto

E-mail: [cfadarhonoluluhi@aol.com](mailto:cfadarhonoluluhi@aol.com)

Phone: (808) 291-1740

To: Councilmember Joey Manahan, Budget Chair

Also: City Council Budget Committee Members

3rd floor Council Chambers Room

Honolulu Hale

530 S. King Street

Honolulu, HI 96813

Tuesday, November 24, 2020 1:00PM

Aloha Chair Manahan and Council Members:

My name is Donald Sakamoto and I advocate for riders of TheBus and The Handi-Van. Today, I want to focus on my concerns with the proposed Bill 87 to increase the Handi-Van fee hikes from \$2.00 to \$2.25. Many riders are people with disabilities who are unable or are afraid to speak for themselves. I am part of a group named "CFADAR." Though, we do not represent all of the ridership, we do represent a good cross-section of people with different disabilities, economic backgrounds, etc., from Kaimuki/Kapahulu to Waianae, through central O`ahu, and around the North shore to the east side including Kaneohe where I live.

Originally organized in 2002, we are officially known as Citizens for a Fair Americans with Disabilities Act Ride (CFADAR™). Since 2006, CFADAR has presented concerns that have yet to be addressed and solved. Late pick-ups and drop-offs for: Chemo, dialysis, and other treatments; crucial medical appointments; and most importantly employment, are unacceptable and inexcusable! Waiting in harsh weather conditions, feeling tired or ill, or not having a place to sit and wait for the van can be torturous.

Regarding Bill 87 we do not agree that this is the appropriate time to increase the Handi-Van fares! The pandemic has placed restrictions in multiple areas and we the citizens of Hawaii are experiencing the largest economic hardship of all time! This is not the time to be deliberating fee hike increases!

At your folks last full city council meeting of Thursday, November 5, 2020 I submitted oral testimony in opposition of Bill 87 for the following reasons:

1. The city should explore other resources and ways to generate additional funds before any increases are proposed such as; to have the City's Department of Transportation Services to implement the TriMed program that the state of Oregon has been using for sometime now to have county, state, and federal funding to subsidize their paratransit ride services especially, with the high volumes of Medicate clients, etc.
2. Establish the HoLo card for Handi-Van as soon as possible before increasing any fee hikes, because the drivers will have a very difficult time collecting the .25 cents, etc.
3. The City's Department of Transportation Services needs to apply or seek federal grants to subsidize the budget during the COVID 19 pandemic and economic crisis.
4. The Department of Transportation Services should conduct a customer satisfaction survey that was mentioned in the city's auditors report of March 2016 that should strongly include the demographics of how many SSI riders are on fix income, how many of them can afford fee increases, etc. This information can benefit not only the administration and the Honolulu Rate Commission, but you the councilmembers in determining proposed fee hikes, etc.
5. We strongly should wait for the new elected mayor and new councilmembers who will take office next year in January to determine the fee hikes.

I appreciate the opportunity to come before you to share my views and I hope we can all work together for better Handi-Van fee hikes and services for the disabled citizens of Oahu.

Most Respectfully,

Donald K. Sakamoto

President , CFADAR

November 24, 2020

Joy Nakata-Muranaka

650 Sheridan Street, #20

Honolulu, HI 96814

Councilmember: Joey Manahan

Department; Budget Committee

Subject: Bill 87 Budget Committee Meeting

My name is Joy Nakata-Muranaka, a blind individual. I represent a senior visually impaired/blind group called Hui Kupuna VIP.

I am opposed to Bill 87, and the increase in fair of. \$25 at this time. Can't the passing of this bill be postponed for about a year when the pandemic is under better control?

Individuals are already under enough stress dealing with following mandatory rules to prevent catching the pandemic. Now is not the correct time to try to increase the Handi Van rate and placing more burden!

Before this increase should be brought forth to riders, the Holo card should be implemented for the Handi Van. It has not occurred as yet. When the Holo card is in effect, it eliminates for the driver the additional business of collecting and handling the extra coin. Plus eliminating that burden for the rider when transmitting their fare to the driver.

There are other resources which should be explored first before placing the burden of paying more on to riders. Look into how other States of the United States obtain their finances.

Thank you for your time with this matter.

Sincerely

Joy Nakata-Muranaka

Hui Kupuna VIP

President

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**From:** CLK Council Info  
**Sent:** Monday, November 23, 2020 9:34 AM  
**Subject:** Budget Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Gary Gill  
**Phone** 8085237675  
**Email** garylgill@gmail.com  
**Meeting Date** 11-24-2020

**Council/PH  
Committee** Budget

**Agenda Item** Bill 87,89 and 91

**Your position on  
the matter** Support

**Representing  
Organization** Organization  
Honolulu Rate Commission

**Written  
Testimony** Aloha Members of the City Council,  
As a member of the Honolulu Rate Commission, I am testifying in support of the recent package of bills submitted to the City Council by the Mayor's administration. Bills 87, 89 and 91 contain the Commission's recommendations, after years of work and public input. The commission's recommendations represent a comprehensive approach to integrate the bus and rail transit system, manage the new Holo Card payment system and assure that mass transportation is affordable to all. Please consider our recommendations carefully.  
Mahalo,  
Gary Gill

**Testimony  
Attachment**

**Accept Terms  
and Agreement** 1

IP: 192.168.200.67



The Honorable Joey Manahan  
Chair, Budget Committee  
Honolulu City Council  
November 25, 2020  
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## Rate Commission

CITY AND COUNTY OF HONOLULU

<http://www.honolulu.gov/boards-and-commissions>

650 South King Street, 3<sup>rd</sup> Floor • Honolulu, Hawaii 96813

### COMMISSIONERS

Cheryl D. Soon, Ph.D. FAICP, Chair

Keslie Hui, Vice Chair

Barbra J. Armentrout

Ann M. Bouslog, Ph.D.

James Burke

Gary Gill

Maeda Timson

November 25, 2020

The Honorable Joey Manahan  
Chair, Budget Committee  
Honolulu City Council  
Honolulu Hale  
530 South King Street  
Honolulu, HI 96813

SUBJECT: Honolulu Rate Commission Testimony on Bills 87, 89, and 91

Dear Chair Manahan and Members of the Budget Committee:

The Honolulu Rate Commission is in SUPPORT of all three Bills. They were generated as a result of our hard work over the past twelve months. Longer explanations of the features, how we gathered information, how we involved the public are all explained in two reports from the Rate Commission, dated May 2020) for bus and rail) and October 2020 (for paratransit). Those reports are part of your meeting packet.

The City Charter calls upon the Rate Commission to conduct an annual review of rates. Your Rate Commission worked faithfully with this Council, offering recommendations and testimonies on a previous Bill 77 (2018) during 2018 and 2019. In June 2019, the Budget Chair informed the Rate Commission that he would shelve that bill and asked the Commission to offer a new simplified rate structure for consideration. We took up that challenge and worked diligently to address: Policy Guidance, a simplified rate structure, the introduction of daily and monthly rates and financial caps, inter-modal transfers, and the impacts of all recommendations (see the *Rate Commission 2019 Annual Report*). Our efforts involved working with Neighborhood Boards, setting evening community meetings, and actively soliciting testimony that influenced our decision-making.

Listed below are the highlights of the bills. Note, that most of these highlights are contained in **Bill 89** unless otherwise noted.

- Honolulu is rapidly moving in the direction of a Multi-Modal Transportation system with rail, bus, and other modes. This changes the language of Chapter 2, Article 12, Section ROH 1990 from “bus” to “transit.” This change is important to the city can charge for rail trips.
- Establishes that the fare for a bus ride and for a rail ride is the same.



- Further establishes that there is no charge for a transfer between modes when taken within a two and on-half hour period.
- Proposes a modest 25 cent increase for a single ride in all four categories of fare (Adult, Youth, Senior/Medicare/Disability, and Extremely Low Income). The 25-cent increase also applies to a Handi-Van ride.
- Continues the practice of multi-ride discounts, and ties these to use of the City Payment Card (aka Holo Card). In short, there is a daily, monthly and annual cap established for each of the four fare categories. Note, this is a cap on the amount of funds that can be deducted from the owner's card, after which rides become unlimited. There is no cap on the number of rides that can be taken.
- Continues the practice of allowing paratransit riders with an eligibility card, when riding the bus or rail, to pay in cash or by coupon an individual fare of \$2.25. This fare can also be used by an accompanying attendant. **(Bill 87)**

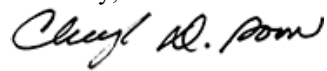
The one change we would recommend to **Bill 89** is that its implementation date be set at July 1, 2021 (not March 1). The latest information is that interim rail opening will not occur in March as previously expected. Thus, implementation should be done at the beginning of the new fiscal year, not mid-year.

Finally, it is important to understand that **Bill 91** was meant as an integral part of the full set of Rate Commission recommendations. Equity and ability to pay were important considerations in deliberations. While it was understood that many adults, youth, and seniors ARE able to pay the increases proposed, there are still many for whom it is a hardship. This is addressed by creation of a new fare category: Extremely Low Income and Disabled. The measure of ELI is 30% Adjusted Median Income (AMI), and eligibility would be determined by the Department of Community Services (DCS). DCS actively participated in Commission meetings and assured everyone that they had the capability and capacity to undertake eligibility determination. When deliberating a fair rate for Handi-Van, the Rate Commission sought out input from the advocacy community including Easter Seals, Adult Care Centers Hawaii, Hawaii Disability Rights Center, Lanakila Pacific, Citizens for Accessible Transportation (CAT), Citizens for Fair American with Disabilities act Ride (CFADAR), Statewide Independent Living Council, and the State Disability and Communications Action Board (DCAB). We are especially appreciative of Donald Sakamoto and Bryan Mick for helping make those connections.

Rate Commission deliberations and supporting data regarding the ELI category can be found in the October 2020 Rate Commission Report. Some Council members have asked what would be the fiscal impact of implementing it at this time. Therefore, attached to this testimony is a likely-case analysis conducted by the Chair of the Rate Commission based on data from DTS and OTS. It shows that reasonable estimate of the fiscal impact is from \$4-6 Million.

In summary, the fare changes implemented in these bills help 1) simplify the rate structure would; 2) transition Honolulu to a multi-modal transit system; and 3) utilize the City Payment Card to continue the practice of multi-ride discounts. It is our sincere hope that the bills can be passed by the current council, in time for incorporation in next year's budget, and in order to give time for all riders and their affiliated advocacy support agencies to prepare for implementation.

Sincerely,



Cheryl D. Soon  
Chair, Honolulu Rate Commission

Attachment



# Rate Commission

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## ESTIMATING THE FISCAL IMPACT OF THE NEW ELI CATEGORY (BILL 91)

### Variables

The difference between a single Adult ride (\$3.00) and an ELI ride (\$1.25) is \$1.75

The difference between a monthly capped Adult ride (\$80.00) and Eli monthly cap (\$20.00) is \$60.00

DTS model assumes 15% of riders would use the ELI Category. Removing Seniors from this number, there are about 14-15,000 persons eligible to use ELI.

### Calculation

Assume an average use of ten months, the additional subsidy of \$60.00, this comes to \$600 per user

X 1,000 users = \$600,000

X 10,000 users = \$6 Million

X 15,000 users = \$9 Million

In FY 21 ridership is off by 2/3, so the impact at that level is \$3 Million.

**In conclusion, \$5-6 million is probably a good working number if one assumes ridership returns to previous levels; \$4-5 million is probably a reasonable number for FY 22.**

## COMPARISON TO SUBSIDIES THE CITY ALREADY PROVIDES TO RIDERS

### A. All riders

- In FY 19 ridership was 60 Million; revenues were estimated at \$52 million and budget was \$207.4 Million. Farebox recovery is around 25%. **Thus, the system subsidy is \$155.4 Million.**

### B. Seniors

- There are approximately 28,600 senior riders. The annual pass option is used by 82% of the riders and is mostly locals. The option \$10 pass and \$6 monthly sticker is used by 18% of riders, 2/3 from out of state riders (this would be eliminated). Each senior rider is getting a \$735 per year subsidy over adult riders. Multiplied by 28,600 riders, **the senior subsidy from the city amounts to \$21 Million.**

### C. Handivan

- In FY 19 the budget for Handivan was \$53.7 Million. Farebox recovery is 0.43%, which comes to \$2.3 Million in revenues. **Thus, the Handivan subsidy from the city is \$51.4 Million.**

Donald K. Sakamoto

E-mail: [cfadarhonoluluhi@aol.com](mailto:cfadarhonoluluhi@aol.com)

Phone: (808) 291-1740

To: Councilmember Joey Manahan, Budget Chair

Also: City Council Budget Committee Members

3rd floor Council Chambers Room

Honolulu Hale

530 S. King Street

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