FAQs - Motor Carriers

APPLICANTS

Q1: Who needs to apply for a Public Utilities Commission ("PUC") motor carrier Certificate of Public Convenience and Necessity ("CPCN or certificate")?

A: A PUC motor carrier certificate is required by any motor carrier that transports people or property for compensation or hire over any public highway in the State.

Q2: What motor carriers do NOT need a PUC motor carrier certificate?

A: There are certain exemptions pursuant to <u>Hawaii Revised Statutes § 271-5</u>. Examples are motor carriers that:

- transport their own property;
- tow wrecked or disabled vehicles;
- operate funeral vehicles, ambulances, school busses, garbage/refuse trucks;
- operate vehicles which transport newspaper, documents, blueprints, letters; or
- are taxi drivers or ride share operators (e.g., Uber or Lyft).

APPLICATION PROCESS

Q3: Where on the PUC website can I find the certificate applications?

A: The applications for transporting passengers, property, or for transferring a PUC certificate, please visit our Submit a Filing page. (You will need to create an online account with PUC before submitting any online applications.)

Q4: How long does the motor carrier application process take?

A: Due to various legal requirements, the length of time it takes to process a motor carrier application can vary from six to twelve weeks or longer depending on the completeness. of the application.

Q5: Is there a "rush fee" for a motor carrier application?

A: No, there is no rush fee. The application cannot be expedited.

Q6: Why does the application process take so long?

A: The process to issue a PUC motor carrier certificate involves:

- making sure the application is complete and accurate;
- publishing a notice of application in the local newspaper or on our website;
- a wait-period of twenty (20) days until the end of the intervention period;
- reviewing the motor carrier's financial fitness;
- following all rules and regulations that apply;
- issuing a Decision & Order approving the application with conditions; and
- issuing a PUC license letter to the motor carrier when the conditions are met.

<u>NOTE</u>: The application process may take longer if the application is incomplete, needs clarification, or has unresolved issues.

Q7: How do I file my application?

A: If you have not already done so, you will first need to create an online account at the PUC's CDMS e-Services webpage, please visit our Self-Register page.

Once you have an account you will be able to e-file an application. For applications for motor carrier certificates, please visit our Submit a Filing page.

Q8: What if I already have a PUC certificate and want to add another classification or island?

A: To extend the authority under your PUC certificate you are required, pursuant to Hawaii Revised Statutes § 271-12, to file a formal application which must be approved by the Commission.

For property carrier: The application entitled "Application for Motor Carrier Certificate or Permit Property Classification" can be obtained on our <u>Submit a Filing</u> page (item #9). You will need to create an online account with PUC before submitting any online applications. On page 2, item 3, of the application, instead of stating that you are going to institute a new operation, check box "b" and state that you wish to change an existing operation.

For passenger carrier: The application entitled "Application for Motor Carrier Certificate or Permit Passenger Classification" can be obtained on our <u>Submit a Filing</u> page (item #8). You will need to create an online account with PUC before submitting any online applications. On page 2, item 3, of the application, instead of stating that you are going institute a new operation, check box "b" and state that you wish to change an existing operation.

Fill out the application completely, including all the exhibits. You are also required to provide a Tax Clearance Certificate issued by the State of Hawaii Department of Taxation.

ADDITIONAL DOCUMENTS NEEDED FOR A MOTOR CARRIER CERTIFICATE

Letters from Prospective Customers

Q9: When are letters from prospective customers needed or necessary?

A: When a motor carrier is applying for a new PUC motor carrier certificate or when there is a request for "change in an existing authority of an operation."

Examples of a change in existing authority of an operation:

- Extension of services to another island
- Addition of another classification
- Transfer of a PUC motor carrier license

Q10: Who would be considered a "prospective customer?"

A: A prospective customer would be any person who would be using and/or referring the motor carrier's services.

Examples of prospective customers:

- Hotel personnel
- Customers who intend to use the motor carrier's service
- Travel agencies, activity desks, other motor carriers, cruise lines
- Hotel concierge staff

Q11: Does the prospective customer need to be located in the State of Hawaii?

A: No. The prospective customer does not need to be located in the State of Hawaii. The letter must state that he/she will use the motor carrier's business and/or refer customers to the motor carrier's business.

Q12: Does a motor carrier need letters of support from prospective customers for each island they plan to operate on?

A: Yes. The letters of support must correspond with each island the motor carrier is applying for a PUC motor carrier certificate.

Q13: If a current motor carrier wants to apply for an extension of services to another island and needs to submit letters from prospective customers, is it acceptable to submit a letter from previous customers?

A: Yes, it is acceptable. The letters of support must indicate that these customers will be utilizing the motor carrier's services on the island that the motor carrier is applying for an extension of services.

Vehicle Inventory List

Q14: What is a Vehicle Inventory List ("VIL")?

A: A Vehicle Inventory List is a PUC form that all motor carriers must submit to the PUC. It provides information about the current vehicles used in regulated service.

The form consists of information about the vehicle(s):

- Make, body type, year of manufacture
- Vehicle Identification Number (VIN)
- License Number
- Vehicle's capacity (for Passenger Vehicles ONLY; don't count the driver as a passenger)
- If the vehicle is "leased" or "owned"

Q15: Where does the motor carrier get the VIL form?

A: The form is Exhibit B in all the applications or it may be obtained from the PUC website at our Vehicle Inventory List page.

Q16: Does the motor carrier need to have a vehicle at the time of the filing of the application?

A: No. However, when the PUC issues its Decision and Order approving the application, the motor carrier will need to provide a VIL and motor vehicle registration(s) within one hundred twenty (120) days.

Tax Clearance Certificate

Q17: What tax form do I need to submit when applying for a PUC motor carrier license?

A: Form A-6.

Q18: Where can I get a tax clearance form?

A: To download a blank or fillable form from the State of Hawaii-Department of Taxation, visit Tax Form a6.

Liability Coverage

Q19: How much insurance coverage does a motor carrier need?

A: The insurance coverages that a motor carrier must have for a PUC motor carrier certificate:

For passenger carriers:

- 1. Liability coverage for bodily injury or death, per person, in an amount no less than \$100,000;
- 2. Liability coverage for bodily injury or death, per accident, in amounts no less than:
 - \$200,000 for a vehicle: 1-7 passenger capacity
 - \$500,000 for a vehicle: 8-25 passenger capacity
 - \$1,000,000 for a vehicle: 25 or over passenger capacity
- 3. Liability coverage for property damage, per accident, in an amount no less than \$50,000

For property carriers:

- 1. Liability coverage for bodily injury or death, per person, in an amount no less than \$250,000;
- 2. Liability coverage for bodily injury or death, per accident, in an amount no less than \$750,000
- 3. Liability coverage for property damage, per accident, in an amount no less than \$250,000

Q20: Does a motor carrier need to have insurance coverage when the application is first submitted?

A: No. A motor carrier does <u>NOT</u> need to have an insurance coverage at the time it files an application. However, when the PUC issues its Decision and Order approving the application, the motor carrier will need to provide proof of insurance within one hundred twenty (120) days.

Motor Carrier Tariff

Q21: What is a motor carrier tariff?

A: A motor carrier tariff states the rates, fares, charges, rules, or conditions the motor carrier wants for its services.

Q22: Does a motor carrier create its own tariff?

A: A motor carrier may create its own tariff or join a tariff bureau and follow that bureau's tariff(s). The tariff bureaus are the (1) Western Motor Tariff Bureau, Inc., (808) 836-5874, and (2) Hawaii State Certified Common Carriers Association, Inc. (for Oahu passenger carriers only), (808) 220-2272.

Q23: Where can a motor carrier find a sample tariff?

A: A motor carrier sample tariff can be found at <u>Hawaii Administrative Rules Chapter 16-603, Motor Carrier Tariffs and Schedules</u> (Appendix D).

The above link also provides the rules that govern the form and content of tariffs and schedules of motor carriers:

ANNUAL FINANCIAL REPORT (AFR)

Q24: What is the Annual Financial Report?

- A: The Annual Financial Report ("AFR") is a PUC form that reports the motor carrier's gross revenue for the previous year. The Gross Revenue Fee ("Fee") is based on the motor carrier's gross revenue for the previous year. There are (2) two AFR forms:
 - The AFR form 03-010 (short form) is 2-pages and is required for ALL motor carriers.
 - If a motor carrier earns a gross revenue of more than \$1,000,000, the motor carrier must <u>ALSO</u> submit the AFR Form 03-020 (long form) to the PUC.

Q25: When is the AFR and Fee due?

A: The AFR Form 03-010 (short form) and Fee are <u>due on or before April 30th</u> and the Form 03-020 (long form) is <u>due by June 1st of each year.</u>

Q26: What if a motor carrier forgets to file the AFR and pay the Fee on time?

A: Penalty and interest fees may be added to the motor carrier's annual gross revenue amount.

Q27: Does the PUC send an AFR reminder notice to the motor carrier before it's due?

A: No. The PUC does NOT send a reminder notice to the motor carrier.

Q28: Does a motor carrier need to pay and file the AFR even though the motor carrier did not make any revenue?

A: Yes. A motor carrier is <u>required to pay and file an AFR every year,</u> regardless of the motor carrier's gross revenue amount. The Fee amount is the motor carrier's gross revenue amount multiplied by .0025. If the Fee amount is less than \$20.00, the <u>minimum Fee payment will be \$20.00.</u>

INACTIVE STATUS

Q29: What does a motor carrier need to do to be placed on inactive status?

A: Please <u>eFile</u> a letter (do not mail it—email it or FAX it) requesting that your PUC certificate be placed on inactive status and state the reason. For information regarding eFiling, visit <u>Filing Information</u>. You are also required to file an Annual Financial Report ("AFR") and Gross Revenue Fee ("Fee") for the period January 1 to the date of your request for inactive status. If you had no gross revenues during this period, there is a minimum Fee of \$20.00. In addition, you are required to file an AFR and Fee for any prior year for which you have not yet submitted an AFR and Fee. Submit the AFRs and Fees via the <u>AFR of Motor Carriers Long Form</u> or <u>AFR of Motor Carriers Short Form</u>.

Q30: How does a motor carrier reactivate his/her inactive status?

A: To reactivate a PUC certificate, eFile a written request to reactivate your license. Do not mail, email, or fax this request. The request must be eFiled. For information regarding eFiling, visit Filing Information. In addition, submit the following: (1) a certificate of insurance indicating that you have the required liability insurance coverage (and cargo insurance, if applicable); (2) a tariff that conforms to the provisions of Hawaii Administrative Rules, Chapter 16-603, or evidence that you have joined a tariff bureau; (3) a vehicle inventory list; and (4) a copy of the current Certificate of Registration or ownership document for all vehicles listed on the vehicle inventory list.

SURRENDERING A PUC CERTIFICATE

Q31: How does a motor carrier surrender its PUC certificate?

A: Please <u>eFile</u> a letter (do not mail it—email it or FAX it) requesting that your PUC license be surrendered and state the reason. For information regarding eFiling, visit <u>Filing Information</u>. You are also required to file an Annual Financial Report ("AFR") and Gross Revenue Fee ("Fee") for the period January 1 to the date of your request to surrender your certificate. If you had no gross revenues during this period, there is a minimum Fee of \$20.00. In addition, you are required to file an AFR and Fee for any prior year for which you have not yet submitted an AFR and Fee. Submit the AFRs and Fees via the AFR of Motor Carriers Long Form or AFR of Motor Carriers Short Form.

MISCELLANEOUS FAQs

Motor Vehicle Safety Check

Q32: Does the PUC provide motor vehicle safety inspections?

A: No. The PUC does <u>NOT</u> provide the safety check inspection. Please contact:

Department of Transportation Motor Vehicle Safety Office 98-339 Ponohana Place Aiea, HI 96701

Office Hours: 8:00 AM to 4:00 PM

Phone: (808) 692-7661

Website: https://hidot.hawaii.gov/highways/library/motor-vehicle-safety-office/

Vehicle Identification Card ("VIC")

Q33: Does the PUC issue vehicle identification cards?

A: No. The PUC does <u>NOT</u> issue vehicle identification cards. Please contact:

Department of Transportation Motor Vehicle Safety Office 98-339 Ponohana Place

Aiea, HI 96701

Office Hours: 8:00 AM to 4:00 PM

Phone: (808) 692-7654

Website: https://hidot.hawaii.gov/highways/library/motor-vehicle-safety-office/

Medical Certification for Commercial Driver's License Holders

Q34: Does the PUC issue the medical certification for commercial driver's license ("CDL") holders?

A: No. The PUC does NOT issue the medical certification for CDL holders. Please contact:

Department of Transportation Motor Vehicle Safety Office 98-339 Ponohana Place

Aiea, HI 96701

Office Hours: 8:00 AM to 4:00 PM

Phone: (808) 692-7661

Website

https://hidot.hawaii.gov/highways/library/motor-vehicle-safety-office/medical-certification/

Business Permit/License

Q35: How can I get a permit/license to rent vehicles, start a food truck business, etc.?

A: Please contact:

Department of Commerce and Consumer Affairs King Kalakaua Building 335 Merchant Street, Room 201

Honolulu, HI 96813

Office Hours: 7:45 AM to 4:30 PM

Phone: (808) 586-2545

Website: https://hbe.ehawaii.gov/BizEx/home.eb