

STAND. COM. REP. NO.

786

Honolulu, Hawaii

FEB 11, 2025

RE: H.B. No. 670
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred H.B. No. 670 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the existing Electric Bicycle and Moped Rebate Program to further encourage the purchase and use of adaptive electric bicycles, electric bicycles, electric mopeds, and other electric mobility devices; and
- (2) Update the definitions of "electric mobility device" and "electric bicycle" to align with federal and state policies and programs.

Your Committee received testimony in support of this measure from the Department of Transportation; Oahu Metropolitan Planning Organization; Hawaii Appleseed Center for Law & Economic Justice; Hawai'i Bicycling League; and Ulupono Initiative.

Your Committee finds that electric bicycles, electric mopeds, and other electric mobility devices offer a more affordable, environmentally friendly alternative to gas-powered vehicles. Your Committee believes that enhancing the electric mobility

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device rebate program by increasing the rebate amount and expanding eligibility will further alleviate transportation costs and foster the adoption of more sustainable transportation options for residents.

While your Committee acknowledges the good faith intent of this measure, your Committee realizes that this measure will require significant funding during a time of uncertainty of federal funds and its impact on the State's budget. Your Committee, however, believes that there is merit in advancing this measure to continue the discussion.

Your Committee has amended this measure by:

- (1) Amending the definitions of "electric bicycle" and "electric micro-mobility device";
- (2) Amending the class 3 classification of an electric bicycle by requiring it to be equipped with a speedometer;
- (3) Defining "high-speed electric device";
- (4) Changing all dollar amounts to unspecified amounts;
- (5) Deleting language that would have authorized the Department of Transportation to establish a retailer application portal and to provide rebates directly at the point of sale;
- (6) Repealing language that prohibited a third-party administrator from expending a ten percent of the amounts appropriated for the rebate program for administration, promotion, and reporting of the rebate program;
- (7) Specifying that any modification or alteration to an electric bicycle or electric micro-mobility device after purchase will result in the disqualification of the rebate and requiring the recipient to repay the rebate received;



- (8) Requiring the Department of Transportation to establish a process to verify and enforce if a modification or alteration was made after purchase;
- (9) Appropriating unspecified amounts into and out of the Electric Mobility Subaccount in the Highway Development Special Fund;
- (10) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to take into consideration the suggested amendments made by the Oahu Metropolitan Planning Organization and Hawai'i Appleseed Center for Law & Economic Justice in their testimony.

Your Committee also respectfully requests your Committee on Finance, should it deliberate on this measure, to consider the following amounts:

- (1) \$750 for an initial rebate under the program and an additional assistance rebate of \$750, under certain circumstances;
- (2) \$1,500 in total amount of rebates an individual can receive in each fiscal year;
- (3) \$10,000 in total amount of rebates a non-profit organization can receive in each fiscal year;
- (4) \$2,000,000 in total rebates the Department of Transportation can issue in each fiscal year; and
- (5) \$500,000 for fiscal year 2025-2026 and \$700,000 for fiscal year 2026-2027 out of the Electric Mobility Subaccount in the Highway Development Special Fund for the rebate program.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your



Committee is in accord with the intent and purpose of H.B. No. 670, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 670, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,



DARIUS KILA, Chair



