

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1480

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committees on Transportation and Culture and the Arts and Energy and Intergovernmental Affairs, to which was referred S.B. No. 1480 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide authority for a county to impose a mileage-based road usage charge;
- (2) Provide for disposition of funds of county mileage-based road usage charge;
- (3) Clarify the disposition of funds of state mileage-based road usage charge;
- (4) Repeal the maximum amount a driver will pay in a state mileage-based road usage charge on June 30, 2028;
- (5) Establish a default state mileage-based road usage charge rate when missing, incomplete, or incorrect odometer reading information that will prevent the state mileage-based road usage charge from being calculated;  
and



- (6) Establish a state mileage-based road usage charge subaccount to allow for the disbursements or reimbursements back to vehicle owner.

Your Committees received testimony in support of this measure from the Department of Transportation, Hawai'i State Energy Office, Office of the Mayor of the County of Kaua'i, one member of the Hawai'i County Council, one member of the Maui County Council, one member of the Honolulu City Council, Department of Customer Services for the City and County of Honolulu, Oahu Metropolitan Planning Organization, Ulupono Initiative, and two individuals.

Your Committees received testimony in opposition to this measure from two individuals.

Your Committees received comments on this measure from the Insurance Division of the Department of Commerce and Consumer Affairs, Tax Foundation of Hawaii, Hawaii Electric Vehicle Association, and Alliance for Automotive Innovation.

Your Committees find that in addition to the state fuel tax, counties rely on their own motor fuel tax to fund the maintenance and repair of county roads and bridges. As county motor fuel tax collection declines due to increasing electric motor vehicle usage, this measure will offset this decline by authorizing the counties to establish a county mileage-based road usage charge for electric vehicles.

Your Committees have amended this measure by:

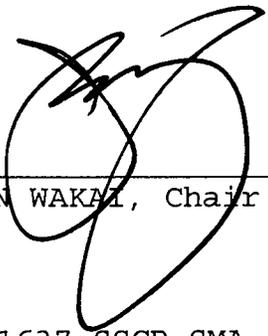
- (1) Allowing the funds in the State Highway Fund to be used for:
  - (A) Infrastructure and related appurtenances for ground transportation facilities;
  - (B) The purposes and functions connected with traffic control and preservation of safety upon the public highways and streets; and
  - (C) Other measures to reduce vehicle miles traveled;



- (2) Deleting language that would have established a state mileage-based road usage charge subaccount within the State Highway Fund;
- (3) Allowing the funds in the Highway Fund to be used for:
  - (A) The acquisition, design, construction, improvement, repair, and maintenance of walkways; and
  - (B) Other measures to reduce vehicle miles traveled;
- (4) Deleting language that would have included motor scooters in the definition of "motor vehicle";
- (5) Changing the appropriations to unspecified amounts;
- (6) Amending section 1 to reflect its amended purpose;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Culture and the Arts and Energy and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1480, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1480, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Transportation and Culture and the Arts and Energy and Intergovernmental Affairs,



---

GLENN WAKAI, Chair



---

CHRIS LEE, Chair



The Senate  
 Thirty-Third Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Transportation and Culture and the Arts**  
**TCA**

Bill / Resolution No.:*	Committee Referral:	Date:		
<b>SB 1480</b>	<b>TCA/EIG, WAM</b>	<b>2/11/25</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUE, Lorraine R. (VC)				✓
ELEFANTE, Brandon J.C.	✓			
KANUHA, Dru Mamo	✓			
DECORTE, Samantha			✓	
<b>TOTAL</b>	<b>3</b>		<b>1</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes

