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**STATE OF HAWAII | KA MOKU'ĀINA O HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
**KA 'OIHANA HO'OMŌHALA LIMAHANA**  
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Statement of  
**BRENN H. HASHIMOTO**  
Director, Department of Human Resources Development

Before the  
**HOUSE COMMITTEE ON TRANSPORTATION**  
Thursday, January 30, 2025  
10:00 a.m.  
State Capitol, Conference Room 430

In consideration of  
**HB 1302, RELATING TO TRANSPORTATION DEMAND MANAGEMENT**

Chair Kila, Vice Chair Grandinetti, and the members of the committee.

The Department of Human Resources Development (HRD) offers the following comments for HB 1302.

The purpose of HB 1302 is to require HRD to create and implement a comprehensive transportation demand management program for all state employees with the goal of reducing vehicle emissions and single-occupancy vehicle commutes by adding a new section to chapter 78 of the Hawai'i Revised Statutes designated to establish a transportation demand management program that would require:

- Each state department and/or agency designate a volunteer employee transportation coordinator to assist with the distribution of educational materials and provide guidance on encouraging employees to participate in the program;
- Fully subsidized public transit and bikeshare passes;
- Transit passes to be integrated into employee badges in accordance with existing transit pass badging programs; and
- HRD, in coordination with the Department of Accounting and General Services, to develop a parking opt-out program to receive a financial incentive.

Our comments with the specific approach suggested by this bill, in its current form, are as follows:

- Although the bill would require HRD to implement a comprehensive transportation demand management program for all state employees, only the executive branch departments are under the purview of HRD. HRD does not have jurisdiction over the Judiciary and Legislative branches and therefore, does not have employee data/information from those jurisdictions. All cost analyses below are based on data

from the personnel systems of HRD, Department of Education, the University of Hawai'i and Hawai'i Health Systems Corporation as reported in the Workforce Profile.

- Existing roles and responsibilities in the administration of benefits within each state department and/or agency are not within the purview of HRD. Departments will need to make an assessment to determine the appropriate individual to serve as the department's volunteer employee transportation coordinator.
- Currently, mass transit passes for O'ahu employees are funded by employee payroll contributions that have the benefit of being deducted on a pre-tax basis through the State's pre-tax transportation benefit pilot program (PTBP) authorized under section 132(f) of the Internal Revenue Code of 1986, as amended. A subsidized program providing partial or full coverage would be at no cost to the employee and so would have to be funded by the employer.

Based upon data as of June 30, 2024, there were 260 employees participating in the bus pass program. If the passes were to be fully subsidized by the State for those participants, the annual cost would be \$249,600.00 (260 x \$80/month x 12 months). If we were to offer fully subsidized passes to approximately fifty-four percent (based upon the focus group study) of the 47,143 employees (Workforce Profile data as of June 30, 2024), the cost would be approximately \$24.5 million annually.

If the State offers fully subsidized bikeshare passes utilizing the Biki recommended pass at \$30 per month, the percentage from the focus group study that would opt to walk, bike, or roll to work (forty-eight percent), and the total number of employees indicated in the Workforce Profile report, the cost would be approximately \$8.1 million annually.

- The cost of having the transit passes integrated into employee badges in accordance with existing transit pass badging programs is currently unknown. However, if implemented, at the very least, it would require each department to be equipped with a badging system software, equipment, and a supply of ID cards.
- As of June 30, 2024, there were 4,111 employees participating in the pre-tax parking program, or Flex-Park, and 228 employees paying for their parking fees on an after-tax basis. If the State were to offer a parking opt-out program and instead were to provide a subsidized transit pass at \$80 per month to all participants, the cost would be approximately \$4.1 million annually.

HRD appreciates the intent to encourage alternative modes of transportation; however, we are concerned with the impact it will have on state finances and whether the program can be sustained.



## Testimony of the Oahu Metropolitan Planning Organization

### Committee on Transportation

January 30, 2025 at 10:00AM

Conference Room 224

HB 1302

### Relating to Transportation Demand Management

Dear Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports HB 1302**, which would require the Department of Human Resources Development, in collaboration with various state and county agencies, to establish a Transportation Demand Management Program and appropriates funds.

This bill is aligned with the high priority recommendations<sup>1</sup> identified in the State Government Employee Transportation Demand Management Study, which OahuMPO conducted in partnership with the Hawaii State Energy Office, and in collaboration with the Department of Human Resources Development and the Department of Accounting and General Services.

As part of the Study, the OahuMPO conducted an employee survey, employee focus groups, an origin-destination analysis, and other spatial analyses to understand what employee transportation challenges are, and to identify potential opportunities. Challenges include high drive alone commute rates, highly subsidized employee parking, but no subsidy for employees walking, rolling, biking, using transit, carpooling, and vanpooling. Opportunities include high employee interest in changing commute modes if incentivized, with many State employees living close to their offices, living near other State employees, and many employees making zero stops on their way to and from work.

Part of this study also included developing cost estimates for the implementation of these strategies, which can be made available to legislators upon request.

More information about the study and its findings can be viewed on the study website: <https://engage.oahumpo.org/transportation-demand-management-tdm-study>

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning

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<sup>1</sup> [https://oahumpo.org/?wpfb\\_dl=3428](https://oahumpo.org/?wpfb_dl=3428) (starting on page 50)

process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP), which encourages and promotes a safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution ([23 CFR 450.300](#)).

This bill is consistent with several goals of the Oahu Regional Transportation Plan including support for active and public transportation, promoting an equitable transportation system, and improving air quality and protecting environmental and cultural assets.<sup>2</sup> Providing more robust and equitable employee transportation benefits can help more employees save on their transportation costs, reduce transportation emissions and traffic congestion, and improve employee transportation choices.

Thank you for the opportunity to provide testimony on this measure. We'd be happy to answer any questions about the Study.

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<sup>2</sup> [https://oahumpo.org/?wpfb\\_dl=2215](https://oahumpo.org/?wpfb_dl=2215)



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## HOUSE COMMITTEE ON TRANSPORTATION

Thursday, January 30, 2025 – 10:00 A.M.

### Get Fit Kauai Supports HB 1302

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Dear Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members,

Get Fit Kauai is strongly in support of HB 1302, which would require the Department of Human Resources Development, in collaboration with state and county agencies, to establish a comprehensive Transportation Demand Management (TDM) Program and appropriate the necessary funding.

This initiative is critical for promoting sustainable, environmentally-friendly transportation options and directly aligns with our community's goals of reducing greenhouse gas emissions and alleviating traffic congestion. By incentivizing state employees to choose alternative transportation modes, HB 1302 can play a pivotal role in advancing Hawaii's climate and transportation objectives.

Subsidizing transit and bikeshare passes for state employees, along with offering a parking cash-out program, would greatly expand the limited commuter benefits currently available. This program would not only provide more affordable and accessible options for state employees but also make the program more equitable by ensuring that all employees, regardless of their commute preferences or income level, can participate. Furthermore, by reducing single-occupancy vehicle use, we can significantly decrease the number of cars on the road, cutting traffic congestion and improving air quality across the state.

Incentivizing state employees to adopt sustainable transportation options also sets a positive example for the broader community, encouraging more people to consider alternatives to driving. By making these transportation options more affordable and accessible, we can create a ripple effect that promotes long-term, positive change in our transportation habits.

Thank you for the opportunity to testify on this important measure. We strongly support HB 1302 and encourage its passage as an essential step toward a more sustainable, equitable, and healthier future for Hawaii.

**Mahalo,**

*BBrody*

**Bev Brody**

**Get Fit Kauai – Director**

H.E.A.L. (Healthy Eating Active Living)

Community Coalition of Kauai County

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Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON TRANSPORTATION**

Thursday, January 30, 2025  
10 AM  
State Capitol, Conference Room 430 and Videoconference

In Support of  
**HB 1302**

## **RELATING TO TRANSPORTATION DEMAND MANAGEMENT.**

Chair Kila, Vice Chair Grandinetti, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 1302, which seeks to reduce single-occupancy vehicle commutes and vehicle emissions by establishing a comprehensive transportation demand management (TDM) program for state employees.

Emissions from transportation account for more than half of energy-related emissions and of those 36% come from ground transportation, as reported in the Greenhouse Gas Emissions Report for 2021<sup>1</sup>. For Hawai'i to meet its statutory target "to sequester more greenhouse gases than emitted as soon as practicable but no later than 2045," significant reductions in emissions from ground transportation will need to be made in the near to medium term. Achieving these reductions will require addressing all market segments in Hawai'i, including state employees.

As one of the largest employers in the state, the government has an opportunity—and a responsibility—to lead by example in reducing vehicle miles traveled (VMT). The Hawai'i Pathways to Decarbonization report<sup>2</sup>, submitted to the Legislature in December 2023 pursuant to Act 238 (2022), highlights the importance of reducing VMT

<sup>1</sup> [https://health.hawaii.gov/cab/files/2024/05/2020-and-2021-Inventory\\_Final-Report\\_5-29-24.pdf](https://health.hawaii.gov/cab/files/2024/05/2020-and-2021-Inventory_Final-Report_5-29-24.pdf)

<sup>2</sup> <https://energy.hawaii.gov/what-we-do/clean-energy-vision/decarbonization-strategy/>

alongside vehicle electrification to meet the state's net-negative emissions target.

HB1302 directly supports this recommendation by establishing policies that encourage state employees to shift toward sustainable commuting options.

HB 1302 also aligns with the recommendations of the State Government Transportation Demand Management (SGTDM) Study, which HSEO is conducting in partnership with the O'ahu Metropolitan Planning Organization (O'ahuMPO). This study emphasizes the need for state agencies to implement strategies that reduce single-occupancy vehicle commutes and improve access to sustainable transportation options. By adopting TDM strategies, such as those suggested by this study and included in HB 1302, the state can help set an example for employers across Hawai'i while also addressing congestion, emissions, and employee transportation costs.

The SGTDM study revealed that many state employees would take advantage of transit subsidies or active transportation incentives if available. Specifically, 60% of the 3,537 respondents indicated that a free/fully subsidized transit pass as one of the most influential strategies in encouraging them to change their commuting behavior, and 24% stated they would bike, walk, with a financial subsidy<sup>3</sup>. The proposed bill addresses these findings by implementing measures that encourage employees to shift toward lower-emission commuting options.

Additionally, the bill introduces an employee parking opt-out program, which has been successfully implemented in other jurisdictions<sup>4</sup> and shown to reduce employee vehicle miles traveled by as much as 12%<sup>5</sup>. By providing financial incentives for employees to forgo subsidized parking in favor of sustainable transportation modes, the State can create a more balanced and equitable approach to commuter benefits.

While the SGTDM study did not specify agency responsibilities or budget allocations, it demonstrated the effectiveness of these strategies in reducing emissions and enhancing employee transportation choices. The provisions in HB 1302 are a necessary step toward operationalizing these recommendations and ensuring that state employees have access to meaningful commuter benefits. Implementing a robust TDM

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<sup>3</sup> <https://engage.oahumpo.org/transportation-demand-management-tdm-study>

<sup>4</sup> <https://www.ncdot.gov/initiatives-policies/environmental/climate-change/Documents/vehicle-miles-traveled-reduction-study.pdf>

<sup>5</sup> [bestpractice209.pdf](#)

program will not only reduce emissions but also save employees on commuting costs and improve their overall well-being.

HSEO is available to provide technical assistance to impacted agencies to address implementation challenges and identify potential solutions to lower costs. Strategies to mitigate cost impacts of activities identified in HB 1302 have been assessed in HSEO's report with O'ahuMPO including negotiated flat rates for The BUS for government employees.

The HSEO supports HB 1302 as long as its passage does not replace or adversely impact priorities indicated in the Executive Budget.

Thank you for the opportunity to testify.



Dear Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members,

My name is Kiana Otsuka and I am a state employee. I am writing in **support of HB 1302**, which would require the Department of Human Resources Development, in collaboration with various state and county agencies, to establish a Transportation Demand Management Program and appropriate funds.

I've been a long-time transit rider, and have either paid for my transit fare via the pre-tax option, or have paid out of pocket. Last year, I spent more than \$450 on transit fares to get to/from work. This is a huge expense for me. On the other hand, I could choose to drive my car to downtown Honolulu, and pay \$35/month for parking at a state lot. Driving is much more convenient and much quicker for me (1 hour on two different buses vs. 15-20 minutes to drive), but I choose to ride transit because it's important to me to reduce my greenhouse gas emissions and not contribute further to traffic.

We should be rewarding state employees who choose commute modes that are less impactful to our traffic congestion and environment. This is why I feel it's important to fund the improved benefits outlined in this bill: fully subsidized transit and bikeshare passes and a parking cashout program.

Mahalo,

Kiana Otsuka

**HB-1302**

Submitted on: 1/28/2025 10:19:34 PM

Testimony for TRN on 1/30/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Molly Mamaril	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members,

My name is Molly Mamaril and I am writing in support of HB 1302, which would require the Department of Human Resources Development, in collaboration with various state and county agencies, to establish a Transportation Demand Management Program and appropriate funds.

I feel it's important to incentivize state employees to use transportation modes that will reduce greenhouse gas emissions and traffic congestion. Providing state employees fully subsidized transit and bikeshare passes and a parking cashout program expands the limited commuter benefits employees have now, and would make the program more equitable.

Mahalo for your consideration,

Molly Mamaril

**HB-1302**

Submitted on: 1/29/2025 6:51:02 AM

Testimony for TRN on 1/30/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nathan Dube	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members,

My name is Nathan Dube and I am writing as a community member in strong support of HB 1302 "Relating to Transportation Demand Management," which would require the Department of Human Resources Development to establish and appropriate funds for a Transportation Demand Management Program in collaborations with various State and County agencies.

Incentivizing State employees to use transportation modes that will reduce greenhouse gas emissions and traffic congestion will important for our community. If the State can provide employees with fully subsidized transit and bikeshare passes, as well as a parking cashout program, the State could expand and make more equitable the limited commuter benefits for employees. This expansion of benefits will directly impact the reduction of key factors that contribute to climate change, thereby reducing future impacts related to climate change, while simultaneously reducing the traffic congestion that plagues our islands.

Thank you for your time and consideration on this matter and thank you for all of the hard work from this committee and their staff!

Sincerely,

Nathan Dube

Dear Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members,

My name is Justin Menina. I am writing in **support of HB 1302**, which would require the Department of Human Resources Development, in collaboration with various state and county agencies, to establish a Transportation Demand Management Program and appropriate funds.

As a former government employee for the City and County of Honolulu and having worked in transportation policy for over five years, I firmly think it's important to incentivize state employees to use transportation modes that will reduce greenhouse gas emissions and traffic congestion. Providing state employees fully subsidized transit and bikeshare passes and a parking cashout program expands the limited commuter benefits employees have now, and would make the program more equitable.

Thank you for the opportunity to testify.

Mahalo,

Justin Menina

**HB-1302**

Submitted on: 1/29/2025 11:27:15 AM

Testimony for TRN on 1/30/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nicole Shintani	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Kia, Vice Chair Nakada Grandinetti, and committee members

My name is Nicole Shintani, I am writing in support of HB1302 which would require the Department of Human Resources Development to establish a Transportation Demand Management Program. I believe it is long overdue for the state to incentivize low-carbon and carbon efficient transportation modes to reduce our emissions and improve our horrible traffic that our citizens must navigate day after day.

If we are to be an environmentally responsible community we must practice what we preach, and to help do that we must make it easy for our government employees to make better choices. Being able to provide fully subsidized transit and bikeshare passes would be very encouraging.

Thank you for the opportunity to testify,

Mahalo,

Nicole

**HB-1302**

Submitted on: 1/29/2025 4:36:51 PM

Testimony for TRN on 1/30/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandon Soo	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Kila, Vice Chair Nakada Gradinetti, and Committee Members:

My name is Brandon Soo and I'm writing in strong support of HB 1302, which would require the Department of Human Resources Development, in collaboration with various state and county agencies, to establish a Transportation Demand Management Program and appropriate funds.

I joined the State after several years of service with the City and County, where I witnessed firsthand the implementation of free transit passes for those who relinquished their parking spaces. Leaving my position was a difficult decision, particularly as it meant forgoing valuable benefits, including an \$880 annual transit pass and the option to work from home. Many private sector employers, as well as county and federal agencies, offer similar incentives—benefits that are not currently available to State employees. The initiatives proposed in this bill are critical to ensuring that the State remains competitive in attracting and retaining a skilled workforce. It also incentivizes state employees to take more responsible modes of transportation to commute to work.

Thank you for the opportunity to testify.