

JAN 26 2022

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that as fuel tax revenues
2 decrease, the department of transportation has recommended the
3 adoption of a per-mile road usage charge system to provide
4 sustainable funding for the State's road infrastructure. The
5 legislature further finds that with its existing vehicle
6 inspection program, Hawaii is well-positioned to transition to a
7 per-mile road usage charge system at low administrative costs.
8 The legislature also finds that replacing the registration
9 surcharge on electric vehicles with a mileage-based road user
10 fee is a minimally disruptive first step to transition the State
11 to a per-mile road usage charge system as recommended by the
12 department of transportation. With the increase in public
13 support for fuel-efficient electric and alternative fuel
14 vehicles, the shift to fees based on vehicle miles traveled is
15 fair to all drivers within the State and ensures that the owners
16 of alternative fuel vehicles pay a fair share of Hawaii's
17 roadway maintenance costs.



SECTION 2. Chapter 249, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§249- State mileage-based road user fee. (a) All electric vehicles in the State, except for vehicles that qualify for any of the exemptions in sections 249-4, 249-5.5, 249-6, and 249-6.5, in addition to all other fees and taxes levied by this chapter, shall be subject to an annual state mileage-based road user fee. The fee shall be levied by the county director of finance at the rate of cents per mile traveled during the year, based on a comparison of the electric vehicle's current odometer reading with the odometer reading of the previous year, as noted on the electric vehicle's certificate of inspection pursuant to section 286-26(e). The fee shall be capped at the amount that the average non-electric vehicle in the State paid in fuel tax for the previous year.

The fee shall be paid each year together with all other taxes and fees levied by this chapter on a staggered basis as established by each county as authorized by section 286-51, and the state mileage-based road user fee shall likewise be staggered so that the state mileage-based road user fee is due



1 and payable at the same time and shall be collected together
2 with the county registration fee. The state mileage-based road
3 user fee shall be deemed delinquent if not paid with the county
4 registration fee. The respective counties shall collect this
5 fee together with the vehicle registration tax collected for the
6 county and shall transfer the moneys collected under this
7 section to the state director of finance for deposit into the
8 state highway fund established under section 248-8.

9 (b) For the purposes of this section, "electric vehicle"
10 means a vehicle, with four or more wheels, that draws propulsion
11 energy from a battery with at least four kilowatt hours of
12 energy storage capacity that can be recharged from an external
13 source of electricity."

14 SECTION 3. Section 249-31, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

16 "(a) All vehicles and motor vehicles in the State as
17 defined in section 249-1, including antique motor vehicles,
18 except as otherwise provided in sections 249-4, 249-6, and
19 249-31.5, shall be subject to a \$45 annual vehicle registration
20 fee; provided that ~~[electric vehicles and]~~ alternative fuel
21 vehicles shall pay an annual vehicle registration surcharge fee



1 of \$50, which shall be assessed and collected beginning with the
2 first registration renewal for every ~~[electric vehicle and]~~
3 alternative fuel vehicle and shall be deposited into the state
4 highway fund established under section 248-8. The fee shall be
5 paid each year together with all other taxes and fees levied by
6 this chapter on a staggered basis as established by each county
7 as authorized by section 286-51, and the state registration for
8 that county shall likewise be staggered so that the state
9 registration fee is due and payable at the same time and shall
10 be collected together with the county fee. The state
11 registration fee shall be deemed delinquent if not paid with the
12 county registration fee. The respective counties shall collect
13 this fee together with the vehicle registration tax collected
14 for the county and shall transfer the moneys collected under
15 this section to the State.

16 For the purposes of this section, "alternative fuel
17 vehicle" means a vehicle equipped to be powered by a non-
18 petroleum-based fuel, but excludes an electric, electricity-
19 recharged, or hybrid electric motor vehicle."

20 SECTION 4. Section 286-26, Hawaii Revised Statutes, is
21 amended by amending subsection (e) to read as follows:



1 "(e) Upon application for a certificate of inspection to
2 be issued for a vehicle or moped, an inspection as prescribed by
3 the director under subsection (g) shall be conducted on the
4 vehicle or moped, and if the vehicle or moped is found to be in
5 a safe operating condition, a certificate of inspection shall be
6 issued upon payment of a fee to be determined by the director.
7 The certificate shall state the effective date, the termination
8 date, the name of the issuing insurance carrier, and the policy
9 number of the motor vehicle insurance identification card for
10 the inspected motor vehicle as specified by section 431:10C-107
11 or state the information contained in the proof of insurance
12 card as specified by section 431:10G-106. For an electric
13 vehicle, the certificate shall also state the odometer reading
14 of the vehicle on the date that the vehicle was inspected. A
15 sticker, authorized by the director, shall be affixed to the
16 vehicle or moped at the time a certificate of inspection is
17 issued. An inspection sticker which has been lost, stolen, or
18 destroyed shall be replaced without reinspection by the
19 inspection station that issued the original inspection sticker
20 upon presentation of the current certificate of inspection;
21 provided that the current certificate of inspection and



1 inspection sticker shall not have expired at the time the
2 replacement is requested. The director shall adopt rules to
3 determine the fee for replacement of lost, stolen, or destroyed
4 inspection stickers.

5 As used in this subsection, "electric vehicle" means a
6 vehicle that draws propulsion energy from a battery with at
7 least four kilowatt hours of energy storage capacity that can be
8 recharged from an external source of electricity."

9 SECTION 5. Section 286-41, Hawaii Revised Statutes, is
10 amended by amending subsection (b) to read as follows:

11 "(b) Application for the registration of a vehicle shall
12 be made upon the appropriate form furnished by the director of
13 finance and shall contain the name, occupation, and address of
14 the owner and legal owner; and, if the applicant is a member of
15 the United States naval or military forces, the applicant shall
16 give the organization and station. All applications shall also
17 contain a description of the vehicle, including the name of the
18 maker; the type of fuel for the use of which it is adapted, such
19 as gasoline, diesel oil, liquefied petroleum gas[+], or
20 electricity; the serial or motor number; the date first sold by
21 the manufacturer or dealer; a further description of the vehicle



1 as is called for in the form; and other information as may be
2 required by the director of finance, to establish legal
3 ownership. A person applying for initial registration of a
4 neighborhood electric vehicle shall certify in writing that a
5 notice of the operational restrictions applying to the vehicle
6 as provided in section 291C-134 are contained on a permanent
7 notice attached to or painted on the vehicle in a location that
8 is in clear view of the driver."

9 SECTION 6. There is appropriated out of the funds received
10 by the State from the American Rescue Plan Act, Public Law 117-2,
11 Section 9901, the sum of \$ or so much thereof as may
12 be necessary for fiscal year 2022-2023 for the initial
13 implementation of the state mileage-based road user fee
14 beginning with electric vehicles.

15 The sum appropriated shall be expended by the highways
16 division of the department of transportation for the purposes of
17 this Act.

18 SECTION 7. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

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1 SECTION 8. This Act shall take effect on January 1, 2023;
2 provided that section 6 of this Act shall take effect on July 1,
3 2022.

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INTRODUCED BY: _____

A handwritten signature in black ink, appearing to be 'C. Chen', written over a horizontal line.

Report Title:

Department of Transportation; Electric Vehicles; Alternative Fuel Vehicle; Surcharge on Annual Vehicle Registration Fee; Road Usage Charge System; Mileage-Based Road User Fees; Appropriation

Description:

Establishes a mileage-based road user fee with a cap for electric vehicles. Requires motor vehicle registration application to specify whether the type of fuel for which the vehicle is adapted is electricity. Requires certificates of inspection to state the odometer reading of electric vehicles. Defines alternative fuel vehicle. Makes an appropriation.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

