

Honolulu, Hawaii

**FEB 18 2022**RE: S.B. No. 3313  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B.  
No. 3313 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for a mileage-based road user fee with a cap for electric vehicles;
- (2) Require motor vehicle registration applications to specify whether the type of fuel for which the vehicle is adapted is electricity;
- (3) Require certificates of inspection to state the odometer reading of electric vehicles;
- (4) Defines "alternative fuel vehicle"; and
- (5) Appropriates an unspecified amount of funds for the implementation of a state mileage-based road user fee, beginning with electric vehicles.

Your Committee received testimony in support of this measure from the Department of Transportation and two individuals. Your Committee received testimony in opposition to this measure from



Our Revolution Hawaii, 350 Hawaii, Hawaii Electric Vehicle Association, Kauai Electric Vehicle Association, and five individuals. Your Committee received comments on this measure from the Hawaii State Energy Office, Tax Foundation of Hawaii, Ulupono Initiative, Tesla, and six individuals.

Your Committee finds that as fuel tax revenues decrease, the Department of Transportation (DOT) has recommended the adoption of a per-mile road usage charge system to provide sustainable funding for the State's road infrastructure. Replacing the registration surcharge on electric vehicles with a mileage-based road user fee is a minimally disruptive first step to transition the State to a per-mile road usage charge system. This measure ensures that the owners of alternative fuel vehicles pay a fair share of Hawaii's roadway maintenance costs.

Your Committee notes that a number of testimonies was submitted in opposition to this measure as the description of this measure did not indicate that the capped mileage-based road user fee for electric vehicles established in this measure replaces the existing \$50 annual vehicle registration surcharge for electric vehicles.

Your Committee further finds that it is important to not incentivize increasing in overall commuting and vehicle miles travelled to boost road usage charge revenue. Your Committee further notes that a mileage-based road user fee should eventually apply to all road users to ensure that all drivers pay a fair share of Hawaii's roadway maintenance costs.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the capped mileage-based road user fee for electric vehicles established in this measure replaces the existing \$50 annual vehicle registration surcharge for electric vehicles;
- (2) Requiring DOT to plan for the deployment of a statewide mileage-based road user fee program by 2025 and submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2024;



- (3) Requiring DOT, in collaboration with the Hawaii State Energy Office, Hawaii Climate Change Mitigation and Adaptation Commission, and the Office of Planning and Sustainable Development, to establish a working group to:
  - (A) Develop metrics, benchmark targets, and plans to reduce the overall miles travelled in the State, using the total miles traveled in 2019 as a beginning year; and
  - (B) Annually report its progress and recommendations to the Legislature;
- (4) Amending section 1 to reflect its amended purpose;
- (5) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 3313, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3313, S.D. 1, and be referred to your Committee on Ways and Means.

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



---

CHRIS LEE, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Transportation**  
**TRS**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 3313</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">TRS, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-9-2022</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUE, Lorraine R. (VC)		✓		
DECOITE, Lynn		✓		
SHIMABUKURO, Maile S.L.	✓			✓
FEVELLA, Kurt		✓		
<b>TOTAL</b>	2	3		
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <div style="font-size: 1.2em; font-family: cursive; margin-top: 10px;">Lorraine R. Inoue</div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: 0.8em; margin-top: 5px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

\*Only one measure per Record of Votes