

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 3158, S.D. 1

February 24, 2022
10:00 a.m.
Room 211 and Videoconference

RELATING TO TRANSPORTATION

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill (S.B.) No. 3158, S.D. 1, establishes the Electric Vehicle, Electric Bicycle, Moped and Motorcycle Rebate (EVEBMMR) Special Fund within the Department of Transportation to administer a rebate program that incentivizes the purchase of electric motor vehicles, bicycles, mopeds and motorcycles. This bill allocates an unspecified portion of the Environmental Response, Energy, and Food Security Tax (Barrel Tax) to be deposited into the EVEBMMR Special Fund. This bill also appropriates an unspecified amount in FY 23 from the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law, for the electric vehicle, electric bicycle, moped and motorcycle program.

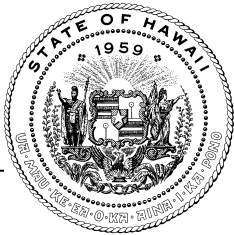
B&F has concerns with the deposit of a portion of the Barrel Tax to the EVEBMMR Special Fund since the reallocation of funding would result in a general fund revenue loss.

Additionally, B&F notes that the federal government has not issued any guidance on how the IIJA funds can be spent; therefore, it is unclear if this is an appropriate or allowable use of funding.

Further, there is no special fund appropriation to support the program as envisioned in the bill.

Finally, as a matter of general policy, the department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. In regards to S.B. No. 3158, S.D. 1, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Thursday, February 24, 2022
Time 10:00 AM
State Capitol, Conference Room 211 & Videoconference

**SUPPORT
SB 3158 SD1
RELATING TO TRANSPORTATION.**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports SB 3158 SD1, which establishes the Electric Vehicle, Electric Bicycle, Moped, and Motorcycle Rebate Program and special fund to encourage the purchase and use of electric motor vehicles, bicycles, mopeds, and motorcycles.

Emissions from ground transportation account for more than half of energy emissions as reported in the Greenhouse Gas Emissions Report for 2017¹. Ground transportation accounted for forty seven percent of the reported transportation emissions. For Hawaii 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. For significant reductions to be made all market segments in Hawaii need to be addressed. SB 3158 SD1 supports the proliferation of zero-emission transportation options, including micro mobility options, which can reduce fossil-fuel powered vehicle miles traveled and related transportation emissions.

¹ State of Hawai'i. Department of Health. Hawai'i Greenhouse Gas Program, Emissions Report for 2017. https://health.hawaii.gov/cab/files/2021/04/2017-Inventory_Final-Report_April-2021.pdf

Neighborhoods with higher percentages of low-to-moderate income (LMI) households generally have a significantly lower adoption rate of electric vehicles (EVs) as a percentage of total vehicles in that neighborhood. The percentage of registered EVs relative to total registered vehicles in zip codes where LMI households make up greater than sixty percent of households is less than half the percentage of registered EVs in zip codes where LMI households make up less than sixty percent of households. This is a telling data point when considering where Hawaii currently stands on the equitable transition to a decarbonized ground transportation sector.

HSEO supports the amendments incorporated by the Senate Committee on Transportation in SD1 which include: inserting language to establish the electric vehicle, electric bicycle, moped, and motorcycle rebate program and electric vehicle and electric bicycle rebate special fund within the Department of Transportation to provide rebates up to a to be determined amount to individuals for the purchase of an electric vehicle, electric bicycle, moped, or motorcycle and authorizing the Department of Transportation to contract with a third-party administrator to manage the rebate program, specifying that the rebate program prioritize low-income applicants. HSEO is ready to work with the Legislature, state agencies, and stakeholders to address any issues in order to advance the decarbonization of ground transportation through both support of transportation powered by renewable fuels and decreasing the energy intensity of mobility through alternative forms of transportation.

HSEO supports this bill provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget. HSEO defers to the appropriate agencies regarding administrative and fiscal impacts.

Thank you for the opportunity to testify.



SENATE COMMITTEE ON WAYS AND MEANS

February 24, 2022, 10:00 A.M.

Video Conference

TESTIMONY IN SUPPORT OF SB 3158 SD1

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee members:

Blue Planet Foundation **supports SB 3158 SD1**, which establishes a rebate program to expand access and affordability for more Hawai'i residents to purchase electric motor vehicles and bicycles and be part of our clean transportation future.

Although Hawai'i has made substantial progress on policies, programs, and actions to reduce burning fossil fuels in the electricity sector, we are falling short on decarbonizing our ground transportation sector. Just under 2% of all registered vehicles in Hawai'i are electric vehicles.¹ This number is expected to rise exponentially as more electric vehicles come to market, vehicle ranges increase, and the cost of electric vehicles decreases. The number of registered electric vehicles in Hawai'i increased more than 30% during 2021, while the number of registered gasoline-powered vehicles has decreased.²

Yet purchasing an electric vehicle—or any new car in general—is financially out of reach for many Hawai'i residents. According to Aloha United Way, nearly half of Hawai'i's families were living paycheck to paycheck even before the COVID-19 pandemic.³ Senate Bill 3158 can expand access to the benefits of a clean transportation future to more working families. Unlike a dozen other states that offer financial incentives to make EVs more affordable to a wider range of residents, Hawai'i offers no such incentives.

Blue Planet supports funding the program through Hawai'i's existing barrel tax. It makes sense to tap the source of our problem—imported fossil fuels—to help fund clean transportation solutions.

Thank you for the opportunity to provide testimony.

¹ DBEDT Monthly Energy Trends, December 2021 (<http://dbedt.hawaii.gov/economic/energy-trends-2/>).

² Ibid.

³ ALICE: A Study of Financial Hardship in Hawai'i, Aloha United Way, <https://www.auw.org/alice>.



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Thursday, February 24, 2022 — 10:00 a.m.

Ulupono Initiative supports SB 3158 SD 1, Relating to Transportation.

Dear Chair Dela Cruz and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono supports SB 3158 SD 1, which establishes the Electric Vehicle, Electric Bicycle, Moped, and Motorcycle Rebate Program and special fund to encourage the purchase and use of electric motor vehicles, bicycles, mopeds, and motorcycles and allocates a portion of the Barrel Tax for the rebate program.

Ulupono supports Hawai'i's reduction of fossil fuel use as we strive to meet the State's 100% renewable goal by 2045. Ulupono finds that electric vehicles (EVs) of all kinds are an important avenue to address Hawai'i's pressing climate issues and align with the State's energy and environmental goals. EVs currently offer an effective option to advance clean, renewable ground transportation and provide immediate benefits to Hawai'i.

This bill is an important measure for the State to push for the decarbonization of our economy and support for the LMI community while showing the world that Hawai'i is a clean energy leader. However, we strongly encourage the Committee to consider adjusting the bill to support, or prefer, a point-of-sale rebate program such as those in Vermont and Oregon. Though such implementation may increase complexity, point-of-sale rebate programs directly reduce the initial purchase price paid and have shown to be much more effective at influencing purchasing decisions for EVs.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

Investing in a Sustainable Hawai'i



**Hawaiian
Electric**

**TESTIMONY BEFORE THE SENATE COMMITTEE ON
WAYS AND MEANS**

SB 3158, SD1

Relating to Transportation

February 24, 2022
10:00 AM, Agenda Item #54
State Capitol, VIDEO CONFERENCE

June Chee
Program Manager, Electrification of Transportation
Hawaiian Electric Company

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members,

My name is June Chee, and I am testifying on behalf of Hawaiian Electric Company **in support of SB 3158 SD1**, as it seeks to enable families in our community greater access to zero-emission vehicles by establishing a low- to moderate-income electric vehicle, electric bicycle, moped, and motorcycle rebate program.

Hawaiian Electric Company has a focused support and momentum for the electrification of transportation by providing programs and initiatives such as the Charge Up eBus make ready pilot, electric vehicle (EV) specific rates to encourage daytime charging, a proposal to expand our public charging network, and our recently approved Charge Ready Hawaii pilot that will provide make ready infrastructure for EV charging systems to publicly available commercial properties, fleet owners, and multi-unit dwellings. These programs were designed to provide products, offerings, and benefits to all our customers and anticipate the charging needs for future EV drivers and riders

such as low- to moderate-income families and families in rural communities across our service territory.

As the largest provider of EV fast charging in the state, Hawaiian Electric Company remains committed to EV strategies that are sustainable and help create a bridge to a cleaner, more equitable future. Hawaiian Electric Company is in strong support of this bill as it is pivotal for the continued progress already achieved in decarbonizing Hawaii's ground transportation. Thank you for this opportunity to testify.

SB-3158-SD-1

Submitted on: 2/22/2022 9:00:23 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ted Bohlen	Testifying for Climate Protectors Hawai'i	Support	No

Comments:

To: The Honorable Donovan Dela Cruz, Chair, The Honorable Gilbert Keith-Agaran, Vice Chair, and Members of the Senate Committee on Ways and Means

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing: SB3158 SD1 **RELATING TO TRANSPORTATION.**

Hearing: Thursday, February 24, 2022, 10:00 a.m., Rm. 211 and by videoconference

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

The Climate Protectors Hawai'i is a group focused on reversing the climate crisis and encouraging Hawai'i to lead the world towards a safe and sustainable climate and future.

THE CLIMATE PROTECTORS STRONGLY SUPPORTS SB3158 SD1 because its rebates will encourage the transition we need to electric vehicles, bicycles, mopeds, and motorcycles, which will reduce costs to the owners and reduce greenhouse gas emissions.

Please pass this bill!

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



KauaiEV

Kauai Electric Vehicle Association
302 Makani Rd, Kapaa, HI 96746
808-652-0591

2022/02/22

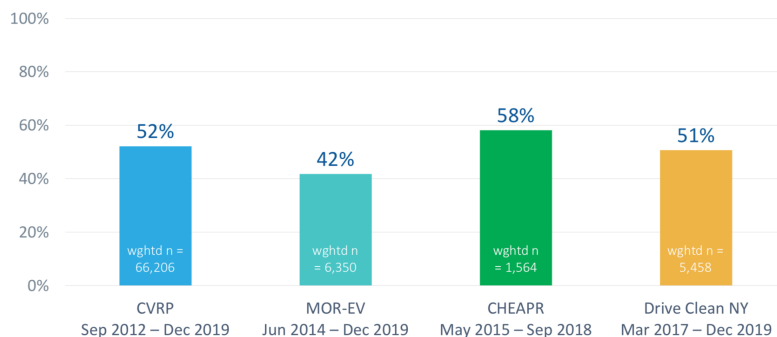
Support of SB3158

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee on Ways and Means members,

I am writing on behalf of KauaiEV, a grassroots organization with over 100 members on Kauai. Our members are electric vehicle drivers and we believe that EVs are the personal transportation of the future. We are in **strong support of HB3158**.

Purchase rebates for low- and moderate-income buyers are a great strategy for EV market transformation, and will also help struggling families to lower their transportation costs, as EVs are cheaper to maintain and to fuel.

Would **not** have purchased/leased their clean vehicle **without rebate**



Weighted n values are question-specific.
Overall datasets: 80,557 total survey respondents weighted to represent 380,700 rebate recipients.

Rebates work. 42% to 58% of the rebate recipients in California and other states would not have purchased their clean vehicle without the rebate. This screenshot is from the Center for Sustainable Energy's presentation "[Data from Statewide Electric Vehicle Rebate Programs: Vehicles, Consumers, Impacts and Effectiveness](#)".

E-bikes are not only more affordable, they also have a smaller environmental and carbon footprint in production, fueling and recycling and are preferable to a larger vehicle.

Purchase rebates are preferable because they ensure equitable access and eliminate a buyer's uncertainty over whether they will qualify for a tax credit and eliminate the wait.

We suggest that the rebates also apply to used vehicles, because low income households tend towards purchasing used vehicles, as they are more affordable.

Mahalo for your consideration,

Sonja Kass, President KauaiEV

SB-3158-SD-1

Submitted on: 2/22/2022 10:18:59 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Noel Morin	Testifying for Big Island Electric Vehicle Association	Support	No

Comments:

Dear Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the Ways and Means Committee,

Big Island Electric Vehicle Association (BIEVA) supports SB3158 SD1 as it will establish an electric vehicle purchase rebate program that will focus on low-income individuals. This will allow for a more equitable transition to clean transportation.

Thank you for this opportunity to testify.

Noel Morin

Big Island EV Association



February 23, 2022

SUPPORT FOR SB3158 SD1 RELATING TO TRANSPORTATION

Dear Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the Ways and Means Committee,

Hawaii Electric Vehicle Association (Hawaii EV) supports SB3158 SD1, which “Establishes the Electric Vehicle, Electric Bicycle, Moped, and Motorcycle Rebate Program and special fund to encourage the purchase and use of electric motor vehicles, bicycles, mopeds, and motorcycles. Allocates a portion of the barrel tax for the rebate program. Makes an appropriation.”

This measure will introduce purchase incentives that will help further accelerate our transition to clean transportation. **Focusing the incentive benefit on low-income individuals is critical - it will help make the transition more equitable.**

While implied by omission, we would like to **ensure that the incentive can be applied to the purchase of used vehicles**. This will further enhance the ability of our low-moderate income households to afford electric vehicles.

Thank you for this opportunity to testify.

Sincerely,

Noel Morin
President
Hawaii EV Association

Hawaii EV Association is a grassroots non-profit group representing electric vehicle owners in Hawaii. Our mission is to accelerate the electrification of transportation through consumer education, policy advocacy, and electric vehicle charging infrastructure expansion. For more information, please visit hawaiiev.org.

Hawaii EV Board

Noel Morin, President
Nanette Vinton, Secretary, and Treasurer
Bill Bugbee – Director
Tam Hunt - Director
Sonja Kass – Director
Rob Weltman – Director

Hawaii EV Clubs

Big Island EV Association
Kauai EV
Maui Nui EV
Tesla Hawaii Club



To: The Senate Committee on Ways and Means
From: Sherry Pollack, Co-Founder, 350Hawaii.org
Date: Thursday, February 24, 2022, 10:00 am

In strong support of SB3158 SD1

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee members of Ways and Means,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org is in **strong support of SB3158 SD1**.

This bill will establish a purchase rebate program for the purchase of electric vehicles, including cars, bicycles, and mopeds, with priority given to low-income households. Rebate programs, especially those with equity-focused components, can help overcome financial barriers and expand EV access for lower-income consumers. This will serve to further accelerate our transition to clean transportation.

The 'Decade of Action' calls for accelerating sustainable solutions to confront the climate crisis. Ensuring equitable EV access will accelerate Hawaii towards our clean transportation future. Prioritizing these rebates for low-income households is one very effective strategy to accomplish that.

Thank you for the opportunity to testify on this very important legislation.

Sherry Pollack
Co-Founder, 350Hawaii.org



Heather Cutter, President
Dave Rolf, Executive Director

Written Testimony by
David H. Rolf, Executive Director, Hawaii Automobile Dealers Association

for the
Committee on Ways and Means
Wednesday, February 24, 2022
Time 10:05 a.m.
State Capitol, via Videoconference
providing testimony **WITH COMMENTS on SB3158 SD1**

RELATING TO TRANSPORTATION

Chair Dela Cruz, Vice Chair Keith-Agaran and members of the committee:

HADA supports the transition to electric vehicles and in the interest of avoiding some of the pitfalls other states have encountered in the process of awarding EV rebates, we offer our COMMENTS.

The bill addresses the objective of assisting low income individuals in purchasing electric vehicles, including electric motor vehicles, and electric bicycles, electric motorcycles, and electric mopeds, with 50 percent of funding allocated to electric motor vehicles and the remaining 50 percent to the remaining categories.

New Jersey's EV incentive program ended up generally rewarding higher income individuals

New Jersey's EV rebate program was set up on a first-come, first serve basis, with a maximum incentive of \$5,000. Of the 6,914 applications approved in Year One of the Program, 5,735 (83%) represented just one manufacturer—an electric vehicle generally purchased by higher

income individuals. All other auto manufacturers accounted for the other 17% of Year One Incentive funds.

California's EV rebate program had repeated changes to eligibility

The California Vehicle Rebate Program has been around for about a decade, designed as a tool to encourage consumers to purchase EVs.

However, CVRP's limited usefulness has been characterized by repeated changes to eligibility (including income limitations). Moreover, CVRP operates as a post-sale rebate, and funds have repeatedly been exhausted, causing addition confusion.

This confusion on CVRP has led to stalls in the program.

California's newer Clean Fuel Reward (CFR) program may be a better model. Although the rebate amount is much less (currently \$750) the amount is applied during the sales transaction, reducing a customer's monthly payments and/or down payment obligations.

Georgia's EV rebate was suddenly reduced causing market disruption

Georgia's EV rebate program was one of the first in the country and immediately caused EV sales to jump to 1,100 per month, but when it was suddenly discontinued, the sales dropped to 100 per month, causing considerable disruption for dealerships which had designed highly-trained EV selling divisions in their sales departments.

The focus on "low income" purchasers of vehicles

A first consideration with regard to SB3158 SD1 should be the establishment of an income level considered "low income." It should be noted, though, that low income purchasers generally do not purchase new motor vehicles, which nationally averaged \$47,000 in purchase price in December of 2021.

The EV rebate thus would have to be substantial to incentivize low income electric motor vehicle purchasers, and that is one of the pitfalls.

Today's car market for the first time, resembles the housing market. Because of the current low supply of new cars, used car prices, in some cases, have exceeded new car prices.

And therein lies one of the pitfalls....

If the rebate is too small....it has little to no effect.

If the rebate is too large... it will quickly result in massive "flipping" of the purchased vehicles.

The "flipping" possibility.

If, for example, the cost of the new electric motor vehicle is \$50,000,

And if, the EV rebate is \$10,000.

And, if the customer also qualified for a \$7,500 federal EV rebate,

Then, a customer could buy a vehicle, and RESELL the vehicle immediately for \$50,000 and make \$17,500 on the instant "flip."

There is a need to define the bill's vague reference to "low-income" purchasers

The accompanying chart shows the 2022 Poverty Guidelines in Hawaii

The yellow bar shows the level of income at 100% of the Poverty Level.

It should be noted that if 400% of the poverty level were to define "qualifying purchasers" then the extreme righthand column representing qualifying 400% of poverty-level income amounts would apply.

2022 Poverty Guidelines: Hawaii

Household /Family Size	Per Year																			
	25%	50%	75%	100%	125%	133%	135%	138%	150%	175%	185%	200%	225%	250%	275%	300%	325%	350%	375%	400%
1	\$3,908	\$7,815	\$11,723	\$15,630	\$19,538	\$20,788	\$21,101	\$21,569	\$23,445	\$27,353	\$28,916	\$31,260	\$35,168	\$39,075	\$42,983	\$46,890	\$50,798	\$54,705	\$58,613	\$62,520
2	\$5,265	\$10,530	\$15,795	\$21,060	\$26,325	\$28,010	\$28,431	\$29,063	\$31,590	\$36,855	\$38,961	\$42,120	\$47,385	\$52,650	\$57,915	\$63,180	\$68,445	\$73,710	\$78,975	\$84,240
3	\$6,623	\$13,245	\$19,868	\$26,490	\$33,113	\$35,232	\$35,762	\$36,556	\$39,735	\$46,358	\$49,007	\$52,980	\$59,603	\$66,225	\$72,848	\$79,470	\$86,093	\$92,715	\$99,338	\$105,960
4	\$7,980	\$15,960	\$23,940	\$31,920	\$39,900	\$42,454	\$43,092	\$44,050	\$47,880	\$55,860	\$59,052	\$63,840	\$71,820	\$79,800	\$87,780	\$95,760	\$103,740	\$111,720	\$119,700	\$127,680
5	\$9,338	\$18,675	\$28,013	\$37,350	\$46,688	\$49,676	\$50,423	\$51,543	\$56,025	\$65,363	\$69,098	\$74,700	\$84,038	\$93,375	\$102,713	\$112,050	\$121,388	\$130,725	\$140,063	\$149,400
6	\$10,695	\$21,390	\$32,085	\$42,780	\$53,475	\$56,897	\$57,753	\$59,036	\$64,170	\$74,865	\$79,143	\$85,560	\$96,255	\$106,950	\$117,645	\$128,340	\$139,035	\$149,730	\$160,425	\$171,120
7	\$12,053	\$24,105	\$36,158	\$48,210	\$60,263	\$64,119	\$65,084	\$66,530	\$72,315	\$84,368	\$89,189	\$96,420	\$108,473	\$120,525	\$132,578	\$144,630	\$156,683	\$168,735	\$180,788	\$192,840
8	\$13,410	\$26,820	\$40,230	\$53,640	\$67,050	\$71,341	\$72,414	\$74,023	\$80,460	\$93,870	\$99,234	\$107,280	\$120,690	\$134,100	\$147,510	\$160,920	\$174,330	\$187,740	\$201,150	\$214,560
9	\$14,768	\$29,535	\$44,303	\$59,070	\$73,838	\$78,563	\$79,745	\$81,517	\$88,605	\$103,373	\$109,280	\$118,140	\$132,908	\$147,675	\$162,443	\$177,210	\$191,978	\$206,745	\$221,513	\$236,280
10	\$16,125	\$32,250	\$48,375	\$64,500	\$80,625	\$85,785	\$87,075	\$89,010	\$96,750	\$112,875	\$119,325	\$129,000	\$145,125	\$161,250	\$177,375	\$193,500	\$209,625	\$225,750	\$241,875	\$258,000
11	\$17,483	\$34,965	\$52,448	\$69,930	\$87,413	\$93,007	\$94,406	\$96,503	\$104,895	\$122,378	\$129,371	\$139,860	\$157,343	\$174,825	\$192,308	\$209,790	\$227,273	\$244,755	\$262,238	\$279,720
12	\$18,840	\$37,680	\$56,520	\$75,360	\$94,200	\$100,229	\$101,736	\$103,997	\$113,040	\$131,880	\$139,416	\$150,720	\$169,560	\$188,400	\$207,240	\$226,080	\$244,920	\$263,760	\$282,600	\$301,440
13	\$20,198	\$40,395	\$60,593	\$80,790	\$100,988	\$107,451	\$109,067	\$111,490	\$121,185	\$141,383	\$149,462	\$161,580	\$181,778	\$201,975	\$222,173	\$242,370	\$262,568	\$282,765	\$302,963	\$323,160
14	\$21,555	\$43,110	\$64,665	\$86,220	\$107,775	\$114,673	\$116,397	\$118,984	\$129,330	\$150,885	\$159,507	\$172,440	\$193,995	\$215,550	\$237,105	\$258,660	\$280,215	\$301,770	\$323,325	\$344,880

Household/ Family Size	Per Month																			
	25%	50%	75%	100%	125%	133%	135%	138%	150%	175%	185%	200%	225%	250%	275%	300%	325%	350%	375%	400%
1	\$326	\$651	\$977	\$1,303	\$1,628	\$1,732	\$1,758	\$1,797	\$1,954	\$2,279	\$2,410	\$2,605	\$2,931	\$3,256	\$3,582	\$3,908	\$4,233	\$4,559	\$4,884	\$5,210
2	\$439	\$878	\$1,316	\$1,755	\$2,194	\$2,334	\$2,369	\$2,422	\$2,633	\$3,071	\$3,247	\$3,510	\$3,949	\$4,388	\$4,826	\$5,265	\$5,704	\$6,143	\$6,581	\$7,020
3	\$552	\$1,104	\$1,656	\$2,208	\$2,759	\$2,936	\$2,980	\$3,046	\$3,311	\$3,863	\$4,084	\$4,415	\$4,967	\$5,519	\$6,071	\$6,623	\$7,174	\$7,726	\$8,278	\$8,830
4	\$665	\$1,330	\$1,995	\$2,660	\$3,325	\$3,538	\$3,591	\$3,671	\$3,990	\$4,655	\$4,921	\$5,320	\$5,985	\$6,650	\$7,315	\$7,980	\$8,645	\$9,310	\$9,975	\$10,640
5	\$778	\$1,556	\$2,334	\$3,113	\$3,891	\$4,140	\$4,202	\$4,295	\$4,669	\$5,447	\$5,758	\$6,225	\$7,003	\$7,781	\$8,559	\$9,338	\$10,116	\$10,894	\$11,672	\$12,450
6	\$891	\$1,783	\$2,674	\$3,565	\$4,456	\$4,741	\$4,813	\$4,920	\$5,348	\$6,239	\$6,595	\$7,130	\$8,021	\$8,913	\$9,804	\$10,695	\$11,586	\$12,478	\$13,369	\$14,260
7	\$1,004	\$2,009	\$3,013	\$4,018	\$5,022	\$5,343	\$5,424	\$5,544	\$6,026	\$7,031	\$7,432	\$8,035	\$9,039	\$10,044	\$11,048	\$12,053	\$13,057	\$14,061	\$15,066	\$16,070
8	\$1,118	\$2,235	\$3,353	\$4,470	\$5,588	\$5,945	\$6,035	\$6,169	\$6,705	\$7,823	\$8,270	\$8,940	\$10,058	\$11,175	\$12,293	\$13,410	\$14,528	\$15,645	\$16,763	\$17,880
9	\$1,231	\$2,461	\$3,692	\$4,923	\$6,153	\$6,547	\$6,645	\$6,793	\$7,384	\$8,614	\$9,107	\$9,845	\$11,076	\$12,306	\$13,537	\$14,768	\$15,998	\$17,229	\$18,459	\$19,690
10	\$1,344	\$2,688	\$4,031	\$5,375	\$6,719	\$7,149	\$7,256	\$7,418	\$8,063	\$9,406	\$9,944	\$10,750	\$12,094	\$13,438	\$14,781	\$16,125	\$17,469	\$18,813	\$20,156	\$21,500
11	\$1,457	\$2,914	\$4,371	\$5,828	\$7,284	\$7,751	\$7,867	\$8,042	\$8,741	\$10,198	\$10,781	\$11,655	\$13,112	\$14,569	\$16,026	\$17,483	\$18,939	\$20,396	\$21,853	\$23,310
12	\$1,570	\$3,140	\$4,710	\$6,280	\$7,850	\$8,352	\$8,478	\$8,666	\$9,420	\$10,990	\$11,618	\$12,560	\$14,130	\$15,700	\$17,270	\$18,840	\$20,410	\$21,980	\$23,550	\$25,120
13	\$1,683	\$3,366	\$5,049	\$6,733	\$8,416	\$8,954	\$9,089	\$9,291	\$10,099	\$11,782	\$12,455	\$13,465	\$15,148	\$16,831	\$18,514	\$20,198	\$21,881	\$23,564	\$25,247	\$26,930
14	\$1,796	\$3,593	\$5,389	\$7,185	\$8,981	\$9,556	\$9,700	\$9,915	\$10,778	\$12,574	\$13,292	\$14,370	\$16,166	\$17,963	\$19,759	\$21,555	\$23,351	\$25,148	\$26,944	\$28,740

There is also a need to define the qualifying electric vehicles.

If the standard relating to the price of the qualifying electric motor vehicles is based on Manufacturer Suggested Retail Price (MSRP), then the term “original” would be needed, since USED vehicles do not carry a MSRP.

Also, if “up to \$50,000 original MSRP” were to be listed as the price for a vehicle to qualify for the program, many of the current battery electric and hydrogen fuel cell electric vehicles will not qualify. Many of the vehicles with “original MSRP of greater than \$50,000” would NOT qualify in the USED category for purchase under this program even though their current used vehicle sale price would be \$40,000, for example.

In conclusion....

While there are many questions and concerns that have been raised about SB3158 SD1, HADA believes that working together on the larger question of the transition to renewable fuel vehicles, involves issues that all can be resolved.

We appreciate the opportunity to testify expressing our COMMENTS about this bill. There are many pitfalls to be avoided for such a measure to be effective.

And that is why, HADA requests the establishment of a ground transportation working group to resolve the many issues raised by this measure.

68 new car dealerships, 4,383 direct jobs, \$5.8 billion total sales, \$269 million State Gross Excise Tax paid



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 22, 2022

TO: Senator Donovan Dela Cruz
Chair, Committee on Ways and Means

FROM: Tiffany Yajima

RE: **S.B. 3158, S.D.1 – Relating to Transportation**
Hearing Date: Thursday, February 24, 2022 at 10:00 a.m.
Conference Room: 211

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of Committee on Ways and Means:

On behalf of the Alliance for Automotive Innovation (“Auto Innovators”) we submit these comments **supporting the intent** of S.B. 3158, S.D.1, which establishes an electric vehicle, bicycle, moped and motorcycle rebate program under the Department of Transportation.

The Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. Members include motor vehicle manufacturers, original equipment suppliers, technology, and other automotive-related companies and trade associations.

Hawaii has one of the highest rates of adoption of passenger electric vehicles in the nation with more than 17,700 passenger electric vehicles registered in the state. This number, however, represents only a small percentage of the total number of registered vehicles in Hawaii. In addition to charging infrastructure, some of the hurdles facing greater adoption of electric vehicles include consumer hesitancy to embrace new technology and the higher price of an EV. Because electric vehicles can cost \$12,000 more than the gasoline equivalent vehicle, EV rebate programs are an effective way to encourage consumer purchases of electric vehicles by bringing down the relatively higher price of an EV.

There are 14 states that provide consumer rebates on the purchase or lease of electric vehicles, including California, Massachusetts, Connecticut, New York, New Jersey and Oregon. In California, EV purchasers largely indicate that they would not have purchased an electric vehicle without the state rebate. In addition, data from these states indicate that most EV rebates go to consumers with moderate incomes and are used toward the purchase of moderately-priced vehicles. For these reasons, automakers support the intent of this measure to establish a vehicle purchase incentive in the form of a rebate that prioritizes low- to moderate-income individuals.

We are concerned, however, that the S.D.1 allocates 50 percent of the fund for EV rebates and reserves the remaining 50 percent of the fund for electric bicycle, electric moped, or electric motorcycle rebates. If the intent of this measure is to shift consumers away from higher carbon-emitting transportation toward cleaner transportation, we believe the fund should consider the current state of the consumer market.

Bicycles use no fossil fuels and mopeds and motorcycles use less fossil fuels than passenger cars. There are also more cars on the road and more miles driven by cars than motorcycles and mopeds. Furthermore, vehicles cost significantly more than mopeds, motorcycles and bikes and need to be incentivized more to shift consumer preferences in favor of the higher priced electric alternative. Limiting the rebate for EVs to only 50% of the fund does not take these considerations into account. To maximize the impact of the rebate program, we believe that a more market-based approach is appropriate rather than arbitrarily limiting the fund.

The Auto Innovators look forward to the opportunity to work with the legislature and government agencies as this measure moves forward. Thank you for the opportunity to submit these comments supporting the intent of S.B. 3158, SD1.

SB-3158-SD-1

Submitted on: 2/23/2022 9:49:19 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lori McCarney	Testifying for Hawaii Bicycling League	Support	No

Comments:

Aloha Members of the Senate Ways and Means Committee,

Hawaii Bicycling League is in support of SB 3158 SD1. Providing a rebate incentive for the purchase of electronically powered vehicles is important in helping the State achieve its sustainability goals.

We are most supportive of incentives for the purchase of individual mobility options, particularly electric bicycles. Bicycles and other personal/individual modes of transportation are more affordable electric options than an electric car. We expect they can become an important personal transportation choice for many, and reduce the need for households to purchase and maintain multiple cars. Further, electric bicycles still require pedaling, which supports a healthier community; bicycles take up much less space than cars; and they require less energy to charge.

Thank you for allowing us to submit testimony in support of SB 3158 SD1.

Sincerely,

Lori McCarney

Executive Director

SB-3158-SD-1

Submitted on: 2/21/2022 9:45:42 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Stephanie Hall Morin	Individual	Support	No

Comments:

Yes! We need to encourage adoption to ALL residents of the islands.

SB-3158-SD-1

Submitted on: 2/21/2022 1:31:53 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Scott Kidd	Individual	Support	No

Comments:

Incentivize the transition to renewable energy transportation, additional rebates and government subsidies will help to do so. Cleaning up our environment starts with improved energy usage and transportation methods. This bill helps us get closer to that reality.

SB-3158-SD-1

Submitted on: 2/21/2022 6:06:08 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Sherryl Royce	Individual	Support	No

Comments:

To Chair Lee, Vice Chair Inouye, and Committee members:

I support SB 3158 which provides subsidies for those of low and moderate income to purchase EV cars and bikes. Since the cost of living is very high here in Hawai'i, it makes good sense to support citizens who have less disposable income in buying climate friendly EVs. People who would not otherwise have the opportunity, would have the option to help our islands by using low carbon emission vehicles.

Sherryl Royce

SB-3158-SD-1

Submitted on: 2/21/2022 7:01:18 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ruta Jordans	Individual	Support	No

Comments:

Strongly support. The sooner we have the majority of vehicles be electric the better for our environment and mitigating climate change.

SB-3158-SD-1

Submitted on: 2/21/2022 10:38:00 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Andrea Nandoskar	Individual	Support	No

Comments:

Support.

SB-3158-SD-1

Submitted on: 2/21/2022 10:42:06 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lorn Douglas	Individual	Support	No

Comments:

ALoha,

with the state moving to its environmental goals, its time for you to help those people interested in like values to afford these vehicles. Years ago the state had a tax credit but that was exhausted in a very short period of time. The time is now, please support this. Your consideration is greatly appreciated...

Lorn Douglas

ps I actually bought an electric car today!

SB-3158-SD-1

Submitted on: 2/21/2022 7:48:30 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Diane Ware	Individual	Support	No

Comments:

Dear Chair and Committee Members,

This measure needs to become law. This will serve to further accelerate our transition to clean transportation. The focus on low-income individuals will help to make the transition more equitable.

Respectfully,

Diane Ware, 99-7815 Kapoha Pl, Volcano Hi 96785

SB-3158-SD-1

Submitted on: 2/22/2022 8:05:26 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Ron Reilly	Individual	Support	No

Comments:

Aloha Chair Senator Dela Cruz, Vice Chair Keith-Agaran and Members of the Senate Ways and Means Committee,

I support to SB 3158 and urge you to please vote YES on this measure.

Establishment of an EV rebate program, with preference to low income individuals, will be especially helpful for those who own older model, fuel inefficient, gas and diesel vehicles and help get these vehicles retired and out of circulation. In the future a direct “cash for clunkers” program may also be needed.

This rebate program will compliment other legislation, currently being considered, such as SB 2570 (increasing public EV charging infrastructure) which helps renters and those who cannot afford roof top solar, and HB2278 (carbon fee and cash-cash back) which also disproportionately helps middle and low income groups, financially, as we transition to clean energy transportation systems.

Thank you for your consideration,

Ron Reilly, Volcano Hawaii

Member of Big Island EV Association

Member of Citizens' Climate Lobby – Hawaii Island Chapter

SB-3158-SD-1

Submitted on: 2/22/2022 8:08:45 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Virginia Tincher	Individual	Support	No

Comments:

Aloha,

I support SB 3158 SD 1 Electric Vehicle, Electric Bicycle, Moped and Motorcycle Rebate Program: Special Fund: Barrel Tax: Appropriation.

Supporting the purchase of electric transportation is an investment in Hawaii's future. It's one of the most impactful solutions to reduce emissions.

Electric transportation has the added advantages of lower overall vehicle cost, cheaper "fueling" using electricity and reduce local air pollution.

Mahalo,

Virginia Tincher

SB-3158-SD-1

Submitted on: 2/22/2022 9:31:52 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Francine Roby	Individual	Support	No

Comments:

I urge your support to pass SB3158 to speed up our transition in Hawaii to clean energy. I benefited from a rebate program to get our electric vehicle in 2018 and I support equitable programs to promote EVs of all kinds for low income individuals as a priority.

Mahalo.

Francine Roby

Ahualoa, Hawaii County

SB-3158-SD-1

Submitted on: 2/22/2022 10:17:11 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Darren David	Individual	Support	No

Comments:

I strongly support this measure. Hawaii has a unique opportunity to lead in terms of becoming sustainable from renewable energy, and this initiative is a significant step towards making that happen.

SB-3158-SD-1

Submitted on: 2/22/2022 12:14:10 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Cara Oba	Individual	Support	No

Comments:

I'm all for electrifying transportation to reduce particulate pollution (ever notice how black things next to roadways get?), greenhouse gas emissions, and noise! Not everyone needs/wants cars.
Thank you!

SB 3158 SD 1 TESTIMONY

To: Senate Committee on Ways and Means
Decision Making on Feb. 24, 2022 at 10:00 a.m.

From: John Kawamoto

Position: Support

Climate change is bearing down upon us even faster than we thought it was. The Legislature recognized the urgency of taking immediate action by adopting SCR 44 last year, which declares a climate emergency. By providing rebates for the purchase of electric vehicles, this bill accelerates the transition from fossil fuel vehicles to vehicle powered by clean, renewable energy. We need more bills like this.

SB-3158-SD-1

Submitted on: 2/22/2022 9:43:49 PM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Nanette Vinton	Individual	Support	No

Comments:

Dear Chair Dela Cruz, Vice-Chair Keith-Aragan and Committee Members,

I am writing in **support** of SB3158 which establishes a rebate program and special fund to encourage the purchase and use of electric motor vehicles, bicycles, mopeds, and motorcycles.

As a long-time EV owner, I am happy to see the significant EV growth in our state over the past few years. But even with that growth, electric vehicles only amount to about 2.0% of the total vehicle population. This bill would enable more people to afford an electric vehicle or purchase other forms of clean transportation such as electric bikes, mopeds and motorcycles and help the state reach their zero-emission vehicle goals.

Respectfully submitted,

Nanette Vinton

Mililani, HI

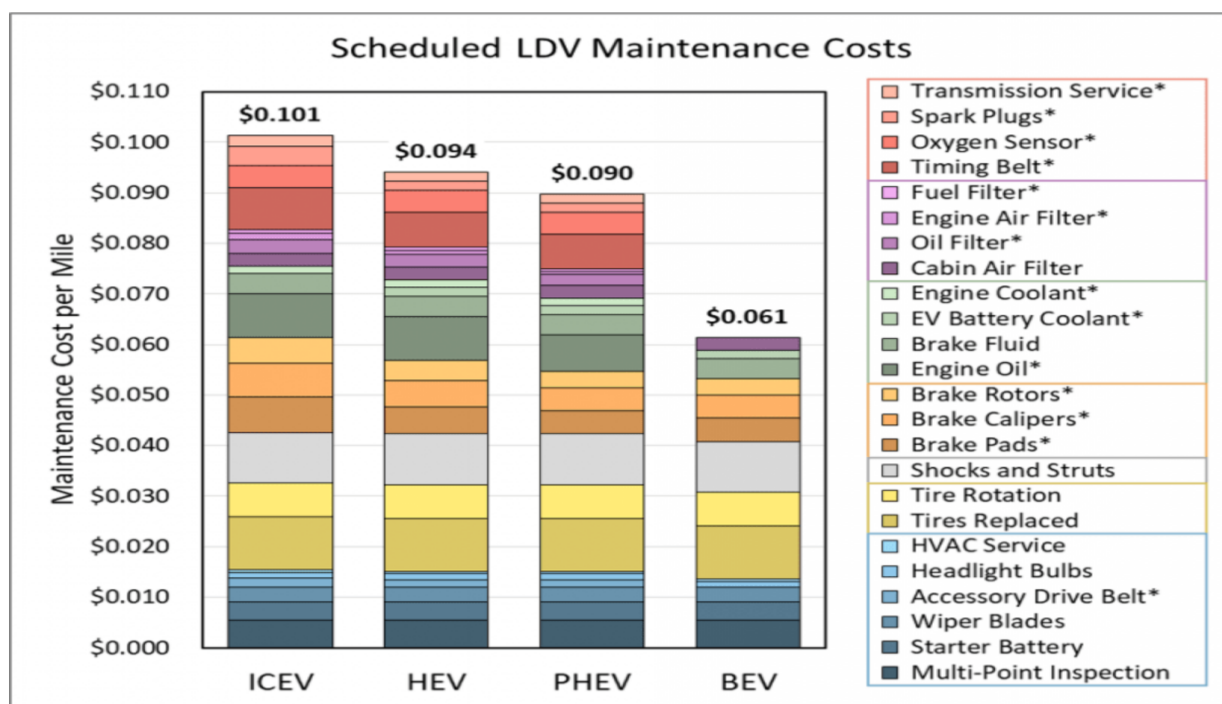
Dear Legislators,

February 22, 2022

I support SB3158 to establish the Electric Vehicle, Electric Bicycle, Moped, and Motorcycle Rebate Program and special fund to encourage the purchase and use of electric motor vehicles, bicycles, mopeds, and motorcycles.

Electric transportation is not only better for the environment, it will also help lower transportation costs, so rebates for low income families will be doubly efficient. It is important that used EVs are included, because those are the most affordable.

A study from the U.S. Department of Energy has shown that in maintenance alone, EVs are 4-cents per mile cheaper than gas-powered cars. This is a savings of \$8,000 over an expected vehicle life of 200,000 miles. No oil changes and no engine maintenance means less bills.



Credit: <https://www.energy.gov/eere/vehicles/articles/fotw-1190-june-14-2021-battery-electric-vehicles-have-lower-scheduled>

Electric transportation is also cheaper because electric vehicles are more efficient than their gasoline counterparts. For the same cost in “fuel,” my electric Nissan Leaf can go twice as far as an equivalent Nissan Versa (gasoline). That’s like paying half-price for gasoline, and I can charge up overnight with a cable plugged into a dryer outlet in my garage.

And thank you for including electric bicycles, electric mopeds, and electric motorcycles, as they are even more efficient, reduce congestion, and are especially fun to ride.

Thank you for your consideration,

Andrew Kass - 302 Makani Rd, Kapā’a, Kaua’i - 808-822-1794

SB-3158-SD-1

Submitted on: 2/23/2022 9:09:04 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Rob Weltman	Individual	Support	No

Comments:

Expanding the use of electric vehicles, bicycles, mopeds and motorcycles will reduce Hawai'i's greenhouse gas emissions and get us closer to our zero emission goals. Including bicycles and mopeds is a smart move that also helps reduce congestion.

SB-3158-SD-1

Submitted on: 2/23/2022 9:54:18 AM

Testimony for WAM on 2/24/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Douglas Perrine	Individual	Support	No

Comments:

Passage of SB3158 should contribute to our efforts to de-carbonize our transportation sector. I support SB3158