

STAND. COM. REP. NO.

746

Honolulu, Hawaii

FEB 17 , 2023

RE: H.B. No. 1110
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1110, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ROAD USAGE CHARGE PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Create a mileage-based road usage charge to replace state motor fuel taxes for electric vehicles, to be developed by the Department of Transportation;
- (2) Eliminate the annual state vehicle registration surcharge for electric vehicles;
- (3) Allow electric vehicle owners a choice of paying a registration surcharge or a per-mile road usage charge until 2033;
- (4) Amend certain requirements for motor vehicle registration applications and certificates of inspection; and
- (5) Appropriate funds for the initial implementation of the mileage-based road usage charge.

2023-1809 HB1110 HD2 HSCR HMSO



Your Committee received testimony in support of this measure from the Climate Protectors Hawaii, AAA Hawaii, Ulupono Initiative and six individuals. Your Committee received testimony in opposition to this measure from four individuals. Your Committee received comments on this measure from the Department of Transportation, Hawaii State Energy Office, Hawaii Automobile Dealers' Association, Tax Foundation of Hawaii, and Big Island Electric Vehicle Association.

Your Committee finds that the majority of the funding for the State's maintenance and improvements to roadways derives from the fuel tax. However, because of increasing vehicle fuel efficiency and the increasing adoption of electric vehicles, fuel tax revenue has trended downward and is expected to continue to decline in the coming years. This measure provides a mechanism to require vehicles that do not contribute to the fuel tax revenues to contribute to the maintenance of the roadways in the State.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1110, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1110, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



MARK M. NAKASHIMA, Chair



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Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: <i>HB 1110, HD1</i>	Committee Referral: <i>TRN, CPC, FIN</i>	Date: <i>02-15-23</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	/			
2. SAYAMA, Jackson D. (VC)	/			
3. AMATO, Terez	/			
4. BELATTI, Della Au	/			
5. HASHEM, Mark J.	/			
6. HUSSEY-BURDICK, Natalia	/			
7. GATES, Cedric Asuega				/
8. LOWEN, Nicole E.	/			
9. ONISHI, Richard H.K.	/			
10. TAM, Adrian K.	/			
11. PIERICK, Elijah	/			
TOTAL (11)	10			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <i>John Ryan</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				