

STAND. COM. REP. NO.

1227

Honolulu, Hawaii

MAR 16

, 2023

RE: S.B. No. 1534
S.D. 2
H.D. 1

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

Sir:

Your Committee on Transportation, to which was referred S.B. No. 1534, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to help the State adapt to the increased adoption of new modes of transportation by:

- (1) Replacing the \$50 annual vehicle registration surcharge fee with a mileage-based road user charge for electric vehicles beginning July 1, 2025;
- (2) Establishing a state mileage-based road usage charge of \$70;
- (3) Allowing owners of electric vehicles to choose between paying a \$70 registration surcharge in lieu of the state mileage-based road usage charge until June 30, 2028;
- (4) Requiring the Department of Transportation to develop a plan for the implementation of a state mileage-based road usage charge to encompass all passenger vehicles and light duty trucks by December 31, 2033; and

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- (5) Repealing the existing State Highway Safety Council and establishing a new Hawaii Highway Safety and Modernization Council.

Your Committee received testimony in support of this measure from the Hawaii State Energy Office, Ulupono Initiative, Hawaii EV Association, and nine individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Department of Transportation, Tax Foundation of Hawaii, Big Island Electric Vehicle Association, Hawaii Automobile Dealers' Association, Alliance for Automotive Innovation, and two individuals.

Your Committee finds that H.B. No. 1110, H.D. 1 (Regular Session of 2023), a substantially similar measure, was previously passed by the House.

Your Committee has amended this measure by:

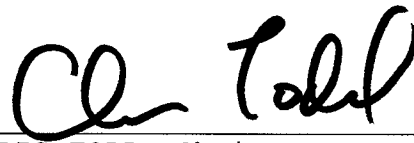
- (1) Deleting its contents and inserting the contents of H.B. No. 1110, H.D. 1, which:
 - (A) Creates a mileage-based road usage charge for electric vehicles beginning July 1, 2025;
 - (B) Repeals the \$50 annual vehicle registration surcharge for electric vehicles;
 - (C) Allows owners of electric vehicles a choice between paying a registration surcharge or per-mile road usage charge until 2028;
 - (D) Requires the Department of Transportation to develop a plan for the deployment of a mileage-based road usage charge program to encompass all passenger vehicles and light duty trucks by December 31, 2033; and
 - (E) Makes an appropriation out of state highway revenue bond funds, to be used with available federal funds, for the initial implementation of the state mileage-based road user charge; and



- (2) Clarifying the definition of electric vehicles as vehicles with three or more wheels;
- (3) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (4) 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 Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1534, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1534, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



CHRIS TODD, Chair



