

STAND. COM. REP. NO. **982**

Honolulu, Hawaii

MAR 03 , 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 Finance, to which was referred H.B. No. 1110, H.D. 2, 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) Beginning July 1, 2025, create a mileage-based road usage charge to replace state motor fuel taxes, for electric vehicles;
- (2) Eliminate the \$50 annual state vehicle registration surcharge for electric vehicles;
- (3) Temporarily allow electric vehicles a choice of paying a registration surcharge or a per-mile road usage charge;
- (4) Require certificates of inspection to state the odometer reading;
- (5) Require the Department of Transportation to plan for the deployment of a state mileage-based road user charge program by 2033 and submit a report to the Legislature; and

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(6) Appropriate funds.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1110, H.D. 2, and recommends that it pass Third Reading.

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



KYLE T. YAMASHITA, Chair



