

JAN 17 2025

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# A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that the single greatest  
2 recent factor contributing to the increasing cost of living in  
3 Hawaii is the rising cost of transportation. Due to  
4 increasingly expensive fossil fuels and a lack of cheaper  
5 transit options, Hawaii residents pay among the highest costs to  
6 commute in the country. In January 2022, the United States  
7 Bureau of Labor Statistics reported that auto-related costs were  
8 an astonishing twenty-three per cent higher than the year  
9 before.

10       The legislature also finds that electric bicycles are  
11 significantly more cost effective for local families, better for  
12 the environment than gas-powered motor vehicles, and can  
13 effectively get many Hawaii residents to locations as  
14 conveniently as gas-powered motor vehicles. The current  
15 electric bicycle and moped rebate program, even with minimal  
16 promotion and low subsidy, has helped almost three hundred  
17 people access electric bikes since its inception. However, its



1 reach has been limited by age restrictions and a lower rebate  
2 than other similar programs that does not afford access to many  
3 lower-income families.

4 In 2022, Denver's electric bike rebate program, which  
5 provided families with up to a \$1,200 rebate, led to  
6 considerable cost savings for Denver families, helped reduce  
7 vehicular traffic on crowded roads, and ultimately replaced many  
8 trips by car with trips by bike. This meant twenty-two miles a  
9 week on average per user, collectively displacing one hundred  
10 thousand miles weekly. Ninety-six per cent of users surveyed  
11 said the availability of the rebate made the difference when  
12 deciding to buy an electric bike.

13 The purpose of this Act is to:

14 (1) Help reduce the cost of transportation, the cost of  
15 living, and traffic on Hawaii's roads by improving the  
16 existing electric bicycle and moped rebate program to  
17 further encourage the purchase and use of adaptive  
18 electric bicycles, electric bicycles, electric mopeds,  
19 and other electric mobility devices; and



(2) Update the definitions of "electric mobility device" and "electric bicycle" to align with federal and state policies and programs.

SECTION 2. Section 196-2, Hawaii Revised Statutes, is amended by adding four new definitions to be appropriately inserted and to read as follows:

"Adaptive electric bicycle" means any bicycle that is modified to fit the needs of an individual rider who is unable to use a standard electric bicycle.

"Electric bicycle" means a bicycle equipped with fully operable pedals, a saddle or seat for the rider, and an electric motor of seven hundred fifty watts or less that meets the requirements of one of the following three classes:

(1) Class 1 electric bicycle, which is an electric bicycle equipped with a motor that provides assistance only when the rider is pedaling, and that ceases to provide assistance when the bicycle reaches the speed of twenty miles per hour;

(2) Class 2 electric bicycle, which is an electric bicycle equipped with a motor that may be used exclusively to propel the bicycle, and that is not capable of



1           providing assistance when the bicycle reaches the  
2           speed of twenty miles per hour; or

3       (3) Class 3 electric bicycle, which is an electric bicycle  
4           equipped with a motor that provides assistance only  
5           when the rider is pedaling, and that ceases to provide  
6           assistance when the bicycle reaches the speed of  
7           twenty-eight miles per hour.

8       "Electric micro-mobility device" means any ground  
9       transportation device, such as a standing scooter, skateboard,  
10       board riding on a single or double wheels, or similar device,  
11       that is powered either exclusively by electricity from a battery  
12       charged from an external source, or by electricity from a  
13       battery charged from an external source in addition to human  
14       power, which is designed to transport a single person, with a  
15       range no less than twelve miles and maximum speed of twenty-  
16       eight miles per hour, on which a person may reasonably commute  
17       to and from regular destinations.

18       "Electric mobility device" means an adaptive electric  
19       bicycle, electric bicycle, electric micro-mobility device, or  
20       electric mopeds."



SECTION 3. Section 196-7.8, Hawaii Revised Statutes, is amended to read as follows:

"[~~§~~196-7.8~~§~~] **Electric [~~bicycle and electric moped~~ mobility device rebate program; third-party administrator; special fund.** (a) The department of transportation shall administer a rebate program that incentivizes the purchase of new electric [~~bicycles and new electric mopeds~~] mobility devices and may contract with a third-party administrator pursuant to subsection [~~(i)~~] (k) to operate and manage the rebate program.

(b) Each eligible purchase of a new electric bicycle [~~or new~~], electric moped, adaptive electric bicycle, or electric micro-mobility device shall receive a rebate of [~~either twenty per cent of the retail cost or \$500, whichever amount is lower;~~] \$750; provided that no individual shall receive more than [~~\$500~~] \$750 in total rebates each fiscal year~~[-]~~ unless also qualifying for the additional assistance rebate pursuant to subsection (j), in which case no individual shall receive more than \$1,500 in total rebates each fiscal year. No non-profit organization shall receive more than \$10,000 in total rebates each fiscal year.



1 (c) The department of transportation shall not issue more  
2 than [~~\$700,000~~] \$2,000,000 in total rebates under this section  
3 each fiscal year; provided that the electric [~~bicycle and~~  
4 ~~electric moped~~] mobility device subaccount within the highway  
5 development special fund pursuant to section 264-122(d) contains  
6 sufficient funds to pay the rebates. The department of  
7 transportation shall not be liable to pay any refund if  
8 sufficient funds are unavailable. The department of  
9 transportation shall allow valid claims filed by eligible  
10 applicants for whom sufficient funds may not be immediately  
11 available to receive a rebate as funds may be available in a  
12 subsequent year.

13 (d) The department of transportation shall:

14 (1) Prepare any forms that may be necessary for an  
15 applicant to claim a rebate pursuant to this section;  
16 and

17 (2) Require each applicant to furnish reasonable  
18 information to ascertain the validity of the claim,  
19 including but not limited to [~~the signature of the~~  
20 ~~buyer and individual responsible for the sale on~~  
21 ~~behalf of a retail store at the time of sale,~~] a copy



1 of valid government issued photo identification of the  
2 buyer at the time of the sale, receipt of purchase,  
3 name and address of the retail store, verification of  
4 eligibility, and any other documentation necessary to  
5 demonstrate the legitimate purchase of a new electric  
6 ~~[bicycle or new electric moped.]~~ mobility device.

7 (e) The department of transportation may establish a  
8 retailer application and portal to provide rebates directly at  
9 the point of sale to expedite the rebate process.

10 ~~[(e)]~~ (f) This section shall apply to new:

11 (1) Electric bicycles ~~[capable of speeds of no more than~~  
12 ~~twenty-eight miles per hour; and]~~;

13 (2) Electric mopeds~~[r]~~;

14 (3) Adaptive electric bicycles; and

15 (4) Electric micro-mobility devices,

16 purchased at a retail store after July 1, 2022.

17 ~~[(f)]~~ (g) Applicants shall submit an application to the  
18 department of transportation within twelve months of the date of  
19 purchase to claim a rebate from the electric ~~[bicycle and~~  
20 ~~electric moped]~~ mobility device rebate program. Failure to



1 apply within twelve months of the date of purchase shall  
2 constitute a waiver of the right to claim the rebate.

3 ~~[(g)]~~ (h) Nothing in this section shall alter taxes due on  
4 the original purchase. Any rebate received pursuant to this  
5 section shall not be considered income for the purposes of state  
6 or county taxes.

7 (i) In administering the electric mobility device rebate  
8 program, the department of transportation shall provide rebates  
9 to:

10 (1) Persons who are residents of the State and fifteen  
11 years or older, who purchase a new qualifying electric  
12 bicycle, electric moped, adaptive electric bicycle, or  
13 electric micro-mobility device; and

14 (2) Non-profit organizations who are registered in the  
15 State who purchase one or more new qualifying electric  
16 bicycles, electric mopeds, or electric micro-mobility  
17 devices.

18 ~~[(h)]~~ (j) In administering the electric ~~[bicycle and~~  
19 ~~electric moped]~~ mobility device rebate program, the department  
20 of transportation shall provide ~~[rebates]~~ an assistance rebate  
21 in addition to the rebate in subsection (b). The additional





1 assistance rebate shall be \$750 or the full retail amount,  
2 whichever amount is lower, to persons [~~eighteen~~] fifteen years  
3 or older who:

4 (1) Are eligible for:

5 (A) The Supplemental Nutrition Assistance Program;

6 (B) The free and reduced price lunch program;

7 (C) Section 8 of the United States Housing Act of  
8 1937, as amended; or

9 (D) Similar low-income assistance programs identified  
10 by the department of transportation;

11 (2) Do not own a registered motor vehicle with four or  
12 more wheels, as demonstrated by an affidavit signed by  
13 the applicant at the time of sale of the new electric  
14 bicycle [~~or~~], electric moped, adaptive electric  
15 bicycle, or electric micro-mobility device, which may  
16 be audited by the department of transportation; or

17 (3) Are enrolled in school, community college, or  
18 university.

19 [~~(i)~~] (k) The department of transportation may contract  
20 with a third-party administrator to operate and manage the  
21 electric [~~bicycle and electric moped~~] mobility device rebate



1 program. The third-party administrator may pay rebates to each  
2 rebate applicant from moneys transferred pursuant to subsection  
3 (k) from the electric mobility device subaccount within the  
4 highway development special fund. The third-party administrator  
5 shall not be deemed to be a "governmental body" as defined in  
6 section 103D-104; provided that all moneys transferred to the  
7 third-party administrator shall have been appropriated by the  
8 legislature or shall be from moneys provided by the federal  
9 government or private funding sources. The third-party  
10 administrator shall not expend more than ten per cent of the  
11 amounts appropriated for the rebate program, or any other  
12 reasonable percentage determined by the department of  
13 transportation, for administration, promotion, and reporting of  
14 the electric [~~bicycle and electric moped~~] mobility device rebate  
15 program.

16 (1) The department of transportation shall provide an  
17 annual report to the legislature no later than twenty days prior  
18 to the convening of each regular session that shall detail the  
19 rebates provided by zip code, amount received, and type of  
20 rebate."



1 SECTION 4. Section 264-122, Hawaii Revised Statutes, is  
2 amended by amending subsection (d) to read as follows:

3 "(d) There is established within the highway development  
4 special fund an electric [~~bicycle and electric moped~~] mobility  
5 device subaccount. The department shall expend moneys in the  
6 subaccount for the purposes of funding the electric [~~bicycle and~~  
7 ~~electric moped~~] mobility device rebate program established  
8 pursuant to section 196-7.8."

9 SECTION 5. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect on July 1, 2025.

12  
INTRODUCED BY: 



# S.B. NO. 484

**Report Title:**

Department of Transportation; Rebate; Electric Mobility  
Subaccount; Electric Mobility Device Rebate Program

**Description:**

Renames the Electric Bicycle and Electric Moped Rebate Program to the Electric Mobility Device Rebate Program. Expands eligibility and amends the maximum rebate amount.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

