

Honolulu, Hawaii

**FEB 09**, 2026

RE: H.B. No. 1797  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred H.B. No. 1797 entitled:

"A BILL FOR AN ACT RELATING TO AUTONOMOUS VEHICLES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require an automated vehicle used by a motor carrier to transport passengers commercially to have a human supervisor present in the vehicle; and
- (2) Establish an income tax credit to incentivize the training of supervisors for autonomous vehicles.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Chamber of Progress; Alliance for Automotive Innovation; and one individual. Your Committee received comments on this measure from the Department of Taxation; Department of Transportation; Tax Foundation of Hawaii; and International Union of Operating Engineers Local 3.

Your Committee finds that autonomous vehicle technology is rapidly evolving and holds the potential to transform passenger transportation. However, public safety concerns remain,



particularly in the commercial transport sector. Requiring a human supervisor on board autonomous vehicles used by motor carriers ensures a critical safeguard while the technology matures. This measure also supports workforce development by establishing a tax credit to incentivize training programs for supervisors, thereby enhancing operational safety and public confidence in automated transportation systems.

Your Committee has amended this measure by:

- (1) Specifying the amount of the motor carrier automated vehicle supervisor program tax credit, including a cap per taxpayer and total aggregate amount per taxable year;
- (2) Authorizing the Department of Taxation to designate a third-party administrator to certify qualified training expenses and monitor compliance with the aggregate annual cap of the tax credit;
- (3) Specifying that the tax credit may be claimed not more than five consecutive taxable years after the credit was earned;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion;
- (5) Making the tax credit applicable to taxable years beginning after December 31, 2026, rather than December 31, 2025;
- (6) Changing the repeal date to December 31, 2036; and
- (7) 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 H.B. No. 1797, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1797, 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,



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DARIUS KILA, Chair



