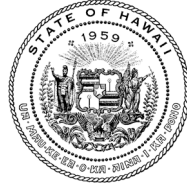


JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau

P.O. BOX 259

HONOLULU, HAWAII 96809

PHONE NO: (808) 587-1540

FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 2030, H.D.2, Relating to Transportation Affordability

BEFORE THE:

Senate Committee on Transportation

DATE: Tuesday, March 24, 2026

TIME: 3:02 p.m.

LOCATION: State Capitol, Room 229

Chair Inouye, Vice-Chair Elefante, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 2030, H.D.2 for your consideration.

Section 2 of H.B. 2030, H.D.2, creates a new section 196-A, Hawaii Revised Statutes (HRS), which establishes a clean vehicle rebate program to be administered by the Department of Transportation (HDOT). Subsection (h), on page 11, provides that any rebate received shall not be considered income for purposes of state or county taxes.

Section 2 of the bill, on page 13, creates a new section 196-B, HRS, which establishes a clean vehicle special fund that will be partially funded with revenue from the transportation affordability and energy security tax established under section 3 of the bill.

Section 3 of the bill, on page 14, creates a new section in chapter 237, HRS, establishing a transportation affordability and energy security tax that shall apply in addition to the 4 percent general excise tax (GET) levied on the sale of tangible personal property, upon the gross proceeds of the sale of light-duty motor vehicles powered solely by gasoline, diesel, or gasoline or diesel blends, with or without a

battery. The transportation affordability and energy security tax will be levied at three different rates, which are currently unspecified, based on the unspecified miles per gallon of the vehicle based on federal Environmental Protection Agency ratings. The tax will not apply to vehicles with a final sales price less than an unspecified amount.

Revenue from the transportation affordability and energy security tax is to be deposited into the new clean vehicle special fund and used to provide rebates under the clean vehicle rebate program established under section 196-A, HRS.

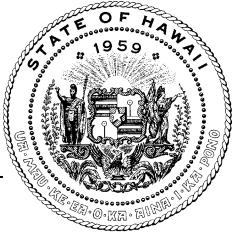
The bill has a defective effective date of July 1, 3000.

DOTAX notes that the provision requiring an allocation of revenues from the transportation affordability and energy security tax into the clean vehicle special fund would require a fundamental change in the way that DOTAX accounts for and reports on GET revenues. This bill would create administrative difficulties, as DOTAX will need to reconcile the amounts reported from the additional tax with actual amounts collected. Discrepancies will arise because the amount of tax collected often does not match the amount of tax reported for various reasons, including errors in payment or reporting or intentional underpayment.

Additionally, many taxpayers report multiple categories of business activities on a single GET return, which complicates the accurate determination of amounts to be allocated. DOTAX therefore requests that the allocation of revenue to the special fund be replaced with an appropriation of a set dollar amount.

DOTAX further requests that the effective date be amended to January 1, 2027, to allow sufficient time to make the necessary form, instruction, and system changes.

Thank you for the opportunity to provide comments on this measure.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 451-6648
Web: energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON TRANSPORTATION

Tuesday, March 24, 2026
3:02 PM
State Capitol, Conference Room 229 and Videoconference

**In Support of
HOUSE BILL NO. 2030, HD2**

RELATING TO TRANSPORTATION AFFORDABILITY.

Chair Inouye, Vice Chair Elefante, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports House Bill No. 2030, HD2, which requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles, establishes the clean vehicle special fund and establishes a transportation affordability and energy security tax.

There is no dispute that meeting Hawai'i's decarbonization goals will require significant emissions reductions from ground transportation with Zero Emission Vehicles (ZEVs) as a key strategy as reported in HSEO's *Hawai'i Pathways to Decarbonization* report¹ submitted to the Legislature in December 2023 pursuant to Act 238 (2022). To achieve those ends significant penetration in all segments of the ZEV ground transportation market will need to be achieved. All three mitigation scenarios in the *Hawai'i Pathways to Decarbonization* report assume Hawai'i will achieve 100% ZEV light-duty vehicle sales by 2035, with 21% of registered light-duty passenger vehicles needing to be ZEVs by 2030.

¹ <https://energy.hawaii.gov/what-we-do/clean-energy-vision/decarbonization-strategy/>

HSEO is currently working on a data-driven statewide electric vehicle (EV) charging infrastructure roadmap to guide efficient investments and address market gaps. Access to market data helps to refine assumptions, improve data resolution, incorporate evolving vehicle adoption trends, and measure effectiveness of EV adoption policies and programs by evaluating adoption of ZEVs by region, housing type, and demographic information. HSEO appreciates provisions in the bill to provide the chief energy officer relevant data from the proposed program to fulfill the duties under sections 225P-8 and 196-71.

While achieving these goals requires policies that remove barriers to ZEV adoption, including a market-based clean vehicle rebate program targeted at lower-income households, HSEO emphasizes that any such program should be cost-neutral to the State Budget and defers to the Department of Budget and Finance as to the best way to impose a tax and rebate in such a manner at this time.

Thank you for the opportunity to testify.



Chair Inouye
Vice Chair Elefante
Senate Committee on Transportation

Tuesday, March 24, 2026
3:02 PM

**TESTIMONY IN STRONG SUPPORT OF HB2030 HD2 RELATING TO
TRANSPORTATION AFFORDABILITY**

Aloha Members of the Senate Committee on Transportation,

The Hawai‘i State Youth Commission was first created through Act 106 in 2018, “to advise the governor and legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the State.” The Hawai‘i State Youth Commission’s Education legislative committee is in **strong support** of **HB1653 HD1**.

Hawai‘i, already vulnerable to natural disasters, has witnessed the detrimental effects of climate change firsthand. With the additional burden of high living costs and increasing bus fares, the residents of Hawai‘i are heavily burdened by the climate crisis in their everyday lives. Amidst rising maintenance costs, Honolulu County was propelled to pass Bill 54, increasing the one-way transportation fee by 25 cents; annual and monthly rates will increase accordingly. Evidently, the pertinence of climate mitigation and affordability is intertwined in the State’s public transportation system. As mentioned in HB2030 HD2, a transition to cleaner energy is necessary, and economic access to cleaner transportation alternatives ameliorates the issue. The clean vehicle special fund and clean vehicle rebate initiatives would create a sustainable economic

cycle for Hawai'i's residents, especially those who are low-income. To achieve the State's zero-emissions goal by 2045, active measures must be taken to promote reduced fossil fuel utilization and increased public transportation usage; passing HB2030 HD2 is a necessary step to achieve this goal.

The Hawai'i State Youth Commission recognizes the significance of public transportation and affordable fares in creating a cleaner environment for the next generation of thinkers, innovators, and leaders. Moreover, extending fare-free access to the broader community paves the way for a future where our community is less vulnerable to economic and climatic struggles. Therefore, the Hawai'i State Youth Commission strongly urges the committee to **PASS HB2030 HD2**.

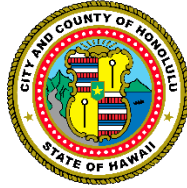
Mahalo for the opportunity to testify,

The Hawai'i State Youth Commission
hawaiiistateyc@gmail.com

OFFICE OF CLIMATE CHANGE SUSTAINABILITY AND RESILIENCY
KE KE'ENA LOLI ANIAU MĀLAMA 'ĀINA A ME KE OLA LOA
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR
MEIA



KEALOHA FOX, Ph. D.
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER
PO'O HO'OKŌ & KAHU OLA LOA

VACANT
DEPUTY DIRECTOR &
DEPUTY CHIEF RESILIENCE OFFICER
HOPE PO'O & HOPE KAHU OLA LOA

TESTIMONY OF KEALOHA FOX, PH.D.
EXECUTIVE DIRECTOR OF CLIMATE CHANGE, SUSTAINABILITY AND
RESILIENCY AND CHIEF RESILIENCE OFFICER

BEFORE THE SENATE COMMITTEE ON TRANSPORTATION
Tuesday, March 24, 2026, 3:02 PM
Conference RM 229 and Via Videoconference

TO: Sen. Lorraine Inouye, Chair, Sen. Brandon Elefante, Vice Chair, and Members of the Committee on Transportation

RE: SUPPORT OF HOUSE BILL 2030, HD2, RELATING TO TRANSPORTATION AFFORDABILITY

The City and County of Honolulu's ("City") Office of Climate Change, Sustainability, and Resiliency ("Resilience Office") **supports** House Bill 2030, HD2, which establishes a clean vehicle rebate program funded through a transportation affordability and energy security tax.

Transportation costs and gasoline expenditures place a disproportionate burden on rural and lower-income households, while also contributing substantially to climate pollution. Ground transportation emissions account for nearly a fifth of greenhouse gas (GHG) emissions on O'ahu. The City's Climate Action Plan identifies transportation decarbonization, including accelerated adoption of zero-emission vehicles, as essential to meeting our community-wide GHG reduction targets. This measure provides a practical, market-based and revenue neutral tool to reduce both emissions and the cost of living by lowering the upfront cost barrier to cleaner vehicles.

As clean transportation programs are implemented, it will remain important to ensure affordability and equitable outcomes for our communities. We appreciate the provisions of the bill intended to protect affordability for low- and moderate-income (LMI) households, including expanded access to rebates and an exemption from the transportation affordability tax for vehicle sales under a certain price limit. These provisions align with the City's commitment to ensuring that the benefits of the clean energy transition are shared broadly, while helping safeguard affordability for households already facing high transportation cost burdens.

Mahalo for the opportunity to testify in **support** of HB2030, HD2.

OFFICE OF ECONOMIC DEVELOPMENT

NALANI BRUN, DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
REIKO MATSUYAMA, MANAGING DIRECTOR

Testimony of Christina Kaser

Energy Coordinator, Office of Economic Development
County of Kaua'i

Before the

Senate Committee on Transportation

March 24, 2026; 3:02 p.m.
Conference Room 229 & Via Videoconference

In consideration of

House Bill 2030 HD2

Relating to Transportation Affordability

Honorable Chair Inouye, Vice Chair Elefante, and Members of the Committee:

The County of Kaua'i is in **support** of House Bill 2030 HD2, which requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles; Establishes the clean vehicle special fund; Establishes a transportation affordability and energy security tax.

The County is committed to working towards Hawai'i's state-wide goal of 100% carbon neutrality by 2045, noting the significance of contributions from transportation. Citing the most recently completed County greenhouse gas inventory from 2017, emissions from the transportation sector accounted for over 65% of Kaua'i's greenhouse gas emissions, with roughly 35% of transportation emissions from ground transportation. Tackling ground transportation emissions will require state-wide intervention, including investment in creating spaces for multi-modal mobility options to thrive, as well as transitioning to electrified transportation.

Upfront costs and access are a barrier to transitioning to EVs, and we recognize that since our island first saw EVs on our roads in 2012, not everyone has been in a position where they can purchase a new, or even used, electric car.

In 2022, we witnessed California commit to banning gas-powered vehicle sales by 2035, prompting many car manufacturers to follow in similar commitments considering California has the largest car market in the US and drives the national auto industry. In the last few years, we have also seen upfront EV prices fall and become more comparable to conventional gas-powered vehicles. With Kaua'i County Council's passing of EV-ready and EVSE-installed requirements for new construction and retrofits in 2022, and the County's commitment to expanding EV charging infrastructure in public spaces, we expect to see more EV adoption on Kaua'i across all income brackets.

The County suggests that there is great value in developing localized programs to incentivize electric vehicle adoption, especially as support for EVs has lapsed at the federal level. We anticipate the

proposed state-wide funding would provide ease of participation and increased EV uptake among those individuals who have had barriers to early adoption.

EVs are often cheaper to power and yield significant savings in maintenance compared to conventional fuel-powered vehicles. The County supports these efforts to provide more opportunities for our community to enjoy the benefits of EVs and overall contribute to increased electrification.

Thank you for the opportunity to testify in **support** of HB 2030 HD2.



March 24, 2026

Hawai'i State Legislature
Senate Committee on Transportation

Re: Testimony in OPPOSITION for HB2030, HD2, Relating to Transportation Affordability

Aloha Chair Inouye, Vice Chair Elefante, and members of the committee,

On behalf of the Hawai'i Automobile Dealers Association (HADA), we are writing to respectfully oppose HB 2030, HD2, relating to transportation affordability. This measure requires the Department of Transportation to establish a clean vehicle rebate program and establishes a transportation affordability and energy security tax.

HADA supports the State's transition to renewable energy and shares the Legislature's commitment to reducing emissions and accelerating the adoption of cleaner vehicles statewide. At first glance, it may appear that rebate programs lower upfront costs and encourage electric vehicle adoption. On closer examination, HADA has concerns regarding the proposed transportation affordability and energy security tax as a funding mechanism for this program. While the intent is to improve affordability for clean vehicles, artificially increasing the cost of traditional vehicles to reduce the effective price of electric vehicles may have unintended consequences. Many Hawai'i residents, particularly those with lower incomes, those who live in rural communities, or those who must drive long distances, may not yet be able to rely on electric vehicles due to cost, charging availability, or practical use considerations. For these individuals and families, increased vehicle costs could result in a disproportionate financial burden.

Transportation affordability must be considered holistically. Policies intended to accelerate EV adoption should avoid penalizing consumers who have limited alternatives today. HADA is concerned that increasing the cost of internal combustion vehicles could make vehicle ownership less affordable for those who can least afford it, without meaningfully expanding near-term access to EVs for those same households. We also encourage careful consideration of funding mechanisms that minimize unintended impacts on working families and small businesses, along with clear public communication regarding program eligibility and the use of special fund revenues. For these reasons, HADA respectfully urges the committee to oppose HB2030, HD2.

Mahalo for the opportunity to testify.

The Hawai'i Automobile Dealers Association is the voice of 71 new car dealerships across the islands, accounting for over 4,000 direct jobs, \$6 billion total sales and more than \$250 million in general excise taxes paid.



MARCH 24, 2026

HOUSE BILL 2030 HD2

CURRENT REFERRAL: TRS

808-679-7454
kris@imuaalliance.org
www.imuaalliance.org
@imuaalliance

Kris Coffield,
President

David Negaard,
Director

Mireille Ellsworth,
Director

Justin Salisbury,
Director

Eileen Roco,
Director

Beatrice DeRego,
Director

Corey Rosenlee,
Director

Amy Zhao,
*Policy and Partnerships
Strategist*

POSITION: SUPPORT

Imua Alliance supports HB 2030 HD2, relating to transportation affordability, which requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles; establishes the clean vehicle special fund; and beginning 1/1/2027, establishes a transportation affordability and energy security tax.

Transportation is the largest source of greenhouse gas emissions in Hawai'i, accounting for nearly 50% of statewide emissions, with light-duty vehicles representing most of that share. Electric vehicles offer a proven pathway to reduce these emissions. According to the U.S. Department of Energy, EVs produce significantly lower lifetime emissions than comparable gasoline vehicles when charged on cleaner grids, a benefit that grows as electricity systems decarbonize and aligns with our state's carbon reduction, climate mitigation, and clean economy goals.

Hawai'i's grid is rapidly becoming cleaner, with renewable sources like wind, solar, and geothermal exceeding 40% of generation and planned increases under the state's 100% renewable portfolio goals. This means each EV on Hawai'i roads displaces more carbon emissions per mile traveled than in many other states. To meet statutory greenhouse gas reduction targets, accelerating EV adoption is essential.

Historically, federal tax credits—up to \$7,500 under the Inflation Reduction Act (IRA)—have been a critical incentive for EV purchases. Recent federal budget legislation (commonly referenced as H.R. 1, enacted in late 2025) substantially reduced the availability and value of EV tax credits effective January 1, 2026. H.R. 1 eliminated the new clean vehicle tax credit and capped or removed incentives for used EVs, which were previously essential for low- and moderate-income families to access EVs.

Regressive federal actions have heightened the need to enact state policies to safeguard these programs at the local level. According to a white paper published by Harvard University's Salata Institute for Climate and Sustainability in March of 2025, federal efforts to cut electric vehicle tax credits will likely reduce zero-emissions vehicle adoption rates by at least 6%, while increasing carbon emissions by 20.3 million metric tons over baseline projections for 2030.

These federal changes are expected to slow EV adoption nationwide and reduce the affordability of cleaner vehicles in markets already challenged by high purchase prices. In Hawai'i, where financial insecurity is high and vehicle costs are elevated due in part to import costs, the federal rollback magnifies equity challenges and slows progress toward climate goals. This proposal would create a state EV purchase rebate that fills the gap left by federal changes and restores financial incentives for Hawai'i residents to adopt clean transportation alternatives.

State rebates have been shown to significantly influence consumer decisions. A 2023 analysis by the International Council on Clean Transportation found that combining federal and state incentives can increase EV market share by 2–8 percentage points within five years, particularly among moderate-income buyers. Further, states such as New Jersey, Colorado, and California that implemented robust state EV incentives saw accelerated EV adoption rates compared to states without such incentives, with low-income rebate tiers helping to broaden access.

In Hawai'i specifically, EV market share has grown steadily but lags national leaders. According to Hawai'i Energy data from 2025, EVs account for a small, but increasing percentage of registered passenger vehicles, driven largely by early adopters and public fleets. A state rebate would broaden adoption into communities that are currently excluded from the EV market because of economic precarity, thereby building a sorely needed foundation of equity into our electrification transition.

With aloha,

Kris Coffield

President, Imua Alliance

HB-2030-HD-2

Submitted on: 3/23/2026 5:40:09 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Abigail Ramsden	Testifying for Rivian Automotive	Support	In Person

Comments:

Good afternoon, my name is Abigail Ramsden, director of state policy for Rivian Automotive. As a manufacturer of electric vehicles and charging infrastructure, Rivian is pleased to support HB 2030. A clean vehicle rebate program is a proven policy that can catalyze adoption of clean transportation and provide funding to support consumers without burdening the state budget.

The State has identified vehicle fuel use among rural and low-income families as a financial and environmental burden. This program would take an important step forward facilitating the State’s transition to clean vehicles and lowering the cost of living for Hawaii residents.

As a manufacturer actively selling and servicing vehicles in Hawai’i, Rivian urges the legislature to continue moving this important legislation. Based on our experience in other states, this simple program, offered directly to customers with few administrative burdens, can successfully drive electric vehicle adoption across consumer segments.

This summer, Rivian will release a mid-size SUV that would qualify for this program as written. But we also want to facilitate electric vehicle adoption broadly and across brands. Hawaii is in a position to show other states and the nation what leadership in electrification and a just clean energy transition looks like. We respectfully urge your support. Thank you.



**Testimony for Hawai'i Appleseed Center for Law and Economic Justice
Support for HB2030 HD2 - Relating to Transportation Affordability
Committee on Transportation (TRS)
Tuesday, March 24, 2026 at 3:02PM**

Dear Chair Inouye, Vice Chair Elefante, and members of the TRS committee, Mahalo for the opportunity to testify in **STRONG SUPPORT of HB2030 HD2**. This measure would establish a clean vehicle rebate program and the Clean Vehicle Special Fund, providing a vital pathway for Hawai'i residents, particularly those in rural and low-to-moderate income households, to transition away from expensive fossil fuels toward more affordable, zero-emission transportation.

This measure represents a pragmatic and equitable step toward reducing Hawai'i's dependency on imported fossil fuels. As noted in the bill's findings, Hawai'i residents spent over \$2.3 billion on imported gasoline and diesel in 2024 alone.

A recent study by the Ulupono Initiative revealed that households with the highest reliance on gasoline spend an average of \$13,700 on their gasoline bills each year, accounting for 14 percent of their incomes.¹ Of those who consume and spend the most on gasoline are rural and lower-income households, who are disproportionately represented according to the study. Thus, switching to electric vehicles could save these households \$5,300 annually, relieving financial burdens.² This further promotes affordability and equity by expanding access to clean vehicles and unlocking opportunities to save on gas bills and reduce harmful pollution from transportation.

While electric vehicles (EVs) offer significantly lower total costs of ownership, the upfront investment remains a major barrier for many families. This bill addresses that barrier directly by providing meaningful rebates, prioritizing equity, and creating a used vehicle market.

Establishing a state-level rebate program is a proven strategy for accelerating clean energy adoption while supporting economic and environmental goals.

- **Oregon's Clean Vehicle Rebate Program** has demonstrated strong public demand, with over 33,000 rebates having been issued as of April 2025. The program is sustainably funded by a portion of Oregon's Vehicle Privilege Tax, providing at least \$12 million annually.³

¹ Ulupono Initiative, Power Pivot: Transitioning Hawai'i Gasoline Superusers to EVs (Honolulu: Ulupono Initiative, 2024), <https://ulupono.com/media/yfnlqx5v/power-pivot-transitioning-hawai-i-gasoline-superusers-to-evs.pdf>.

² Ibid.

³ Oregon Department of Environmental Quality, "Clean Vehicle Rebate Program," accessed March 12, 2026, <https://www.oregon.gov/deq/eq/programs/Pages/About-EV-Rebate.aspx>.

- **The California Clean Cars 4 All Program** serves as a successful model by replacing nearly 30,000 older vehicles with cleaner alternatives, resulting in a reduction of over 221,000 metric tons of CO2 equivalent emissions.⁴ The initiative prioritizes equity by directing \$88.8 million in funding to disadvantaged and low-income residents, significantly improving their access to reliable transportation and employment opportunities.⁵

By establishing a state-level support system for consumer EV adoption, HB2030 offers a commonsense reform that aligns with Hawai'i's climate mandates while remaining a revenue-neutral, market-based solution that does not require taxpayer appropriations or state government revenues. This measure represents a direct investment in Hawai'i's working families, improving equity and providing meaningful financial relief by reducing the high cost of transportation—a critical step toward creating a transportation system that truly works for everyone.

Mahalo for the opportunity to testify on this important measure.

⁴ California Air Resources Board, "Annual Performance Goals for the Enhanced Fleet Modernization Program and Clean Cars 4 All," accessed March 12, 2026, <https://ww2.arb.ca.gov/resources/documents/annual-performance-goals-enhanced-fleet-modernization-program-and-clean-cars-4>.

⁵ Ibid.

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GENERAL EXCISE, Transportation Affordability and Energy Security Tax with Clean Vehicle Rebate

BILL NUMBER: HB 2030 HD2

INTRODUCED BY: INOUYE, FUKUNAGA, LEE, C., RHOADS, SAN BUENAVENTURA, Elefante, Lamosao

EXECUTIVE SUMMARY: Requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles. Establishes the clean vehicle special fund. Beginning 1/1/2027, establishes a transportation affordability and energy security tax. Effective 7/1/3000 (HD2)

SYNOPSIS: Adds two new sections to chapter 196, HRS, to establish a clean vehicle rebate program. Rebates shall be distributed for purchases or leases of eligible clean vehicles as follows:

- (1) Each eligible purchase or lease of a new zero-emission vehicle shall receive a rebate of \$5,000;
- (2) Each eligible purchase or lease of a new plug-in hybrid electric vehicle shall receive a rebate of \$3,000;
- (3) Each eligible purchase or lease of a used zero-emission vehicle shall receive a rebate of \$2,000; and
- (4) Each eligible purchase or lease of a used plug-in hybrid electric vehicle shall receive a rebate of \$2,000.

The rebate shall be applied at the point of sale or lease by participating dealers on the final sale price.

But:

- (1) Rebates shall be offered to applicants with household incomes of up to two hundred per cent of the area median income as determined by the United States Department of Housing and Urban Development and subject to availability, may expand eligibility to households earning up to three hundred per cent;
- (2) Rebates for new vehicles shall be offered for vehicles that have a final sales price of not more than \$60,000;

(3) Rebates for used vehicles shall be offered for vehicles that:

- (A) Are purchased from a dealer;
- (B) Have a sale price of not less than \$3,000 and not more than \$25,000 before the application of the rebate but after any trade-in value;
- (C) Have not received a rebate for a new vehicle purchase under this section in the past thirty-six months prior to the purchase as a used vehicle;
- (D) Have not previously received a rebate for a used vehicle purchase or lease under this section; and
- (E) Meet minimum reliability metrics developed by the department of transportation in implementing the clean vehicle rebate program;

(4) Rebates for leased vehicles shall be offered for vehicles that:

- (A) Are leased by dealers to consumers; and
 - (B) Have not previously received a rebate for a vehicle lease under this section;
- provided that the dealer shall clearly show the calculated lease price before and after the application of the rebate; and

(5) Rebates for plug-in hybrid vehicles shall be offered for vehicles that have an electric range of not less than forty miles.

An additional rebate of \$2,000, in addition to the rebate for eligible clean vehicle types in subsection (b), shall be offered to purchasers and lessees in low- and moderate-income households. The department shall provide outreach to low- and moderate-income households and communities to increase consumer awareness of the rebate program.

Establishes a clean vehicle special fund out of which the rebates will be paid.

Beginning January 1, 2027, amends section 237-13, HRS, to impose (through the general excise tax system) an additional tax on the sale of a light-duty motor vehicle that is powered solely by gasoline, diesel, or gasoline or diesel blends, with or without a battery, as follows:

Tax Rate	Vehicle MPG
___%	Less than _____
___%	_____ or more, but less than _____
___%	More than _____

This tax shall not apply to vehicles with a final sales price of \$ _____ or less.

Tax collections are to be deposited into the clean vehicle special fund.

Defines “light-duty motor vehicle” by cross-reference to section 196-9, HRS.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: The new tax proposed appears to be a Hawaii analog to the federal gas guzzler tax.

In the late 1970s, the U.S. Congress, in an effort to conserve fossil fuels, passed the 1978 Energy Tax Act. It awarded tax breaks to citizens and businesses employing specific renewable energy solutions to reduce the use of fossil fuels like oil and natural gas. Also included in the legislation was a blueprint to tax cars falling below the regulation's 22.5 miles per gallon (mpg) standard. Today, we know it as the Gas Guzzler Tax (GGT). It is still in effect today.

According to the Kelley Blue Book, the tax appears to have had minimal effectiveness:

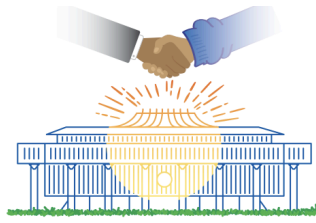
A relic of the response to oil embargoes and gas shortages of the 1970s, the Gas Guzzler Tax was a somewhat mildly effective tool raised against fuel-slurping land yachts and high-horsepower performance cars. Although the goal was to discourage consumers from buying fuel-inefficient cars, in reality, it had little impact on purchase decisions. Had it been effective, the government would surely have expanded the GGT to, in some way, cover SUVs and pickups, too. What has been effective for reducing the number of gasoline-thirsty vehicle sales is government pressure on carmakers to meet ever-higher average mileage requirements. This has curbed V8 and higher cylinder-count engines from new car showrooms.

Heaps, R., Gas Guzzler Tax: What You Need to Know (May 30, 2025), available at [Gas Guzzler Tax: What You Need to Know - Kelley Blue Book](#)

As written, the new tax may be subject to the same loophole that the gas guzzler tax has: it is only to apply to a "light-duty motor vehicle," so would that exclude pickup trucks, vans, or SUVs? The definition in the bill refers to section 196-9, HRS, which defines the term by cross-reference to 10 CFR part 490. 10 CFR section 490.2 defines the term as "a light duty truck or light duty vehicle, as such terms are defined under section 216(7) of the Clean Air Act ([42 U.S.C. § 7550\(7\)](#)), having a gross vehicle weight rating of 8,500 pounds or less, before any after-market conversion to alternative fuel operation." The Clean Air Act defines "light-duty vehicle," among similar terms, by cross-reference to regulations promulgated by the Administrator [of the EPA] and in effect as of November 15, 1990. The regulation referenced is apparently 40 CFR section 86.082-2, which defines "light-duty vehicle" as a passenger car or passenger car derivative capable of seating 12 passengers or less. *(Jeez! Just say that without having to go through all of these cross-references!)* Taxpayers could avoid the tax by buying certain pickup trucks or vans.

Next, the rebates are withdrawn if the recipient makes 200% of area median income. That indicates the income limit could vary by county, adding to its complexity. Also, is it a good idea to cut off the rebate with an income limit if the desired social behavior is buying fuel efficient vehicles?

Digested: 3/21/2026



CLIMATE FUTURE FORUM

Date: March 22, 2026
To: Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair
Members of the Senate Committee on Transportation (TRS)
From: Climate Future Forum
Re: **SUPPORT for HB2030**
Hearing: 03/24/2026, Tuesday, 3:02 PM

As a youth leader of Climate Future Forum (CFF), I thank you for the opportunity to testify in **support of HB2030**, on behalf of CFF. The Climate Future Forum empowers youth (ages 14-26) to actively engage in shaping and advocating for climate policy and legislation. This bill represents a crucial step toward meeting Hawaii's clean economy goals while ensuring the transition is equitable and economically sound.

As a 16-year-old resident, this bill is deeply personal to me because climate change is directly threatening my future and has already impacted my life. Growing up in California, I experienced firsthand how the climate crisis is making natural disasters more severe and frequent. The increasing temperatures and prolonged droughts have created dangerously dry conditions, turning chaparrals into tinderboxes. Dead vegetation accumulates while living plants lose moisture, creating perfect conditions for fires to ignite and spread rapidly. In 2021, my family had to evacuate our home due to an approaching wildfire, an experience that brought the reality of climate change into sharp focus. Now living in Hawaii, I see different but equally concerning impacts of climate change, from coral bleaching to coastal erosion. This isn't just about abstract future threats: climate change is already reshaping my life and the lives of young people everywhere. We need bold action like HB2030 to ensure my generation has the opportunity for a stable and sustainable future.

HB2030 establishes a statewide clean vehicle rebate program to incentivize the purchase or lease of electric vehicles and plug-in hybrid electric vehicles, which directly addresses Hawaii's largest source of greenhouse gas emissions: transportation. The incentives detailed in the bill will help make clean transportation more affordable and accessible.

Equity is a central strength of this legislation. By offering an additional \$1000 rebate to low- and moderate-income households, the bill ensures that the transition to clean energy is inclusive and that families who may otherwise be unable to afford cleaner vehicles are not left behind.

The bill also establishes a sustainable funding structure through a transportation affordability and energy security tax on gasoline- and diesel-powered vehicles. This approach both encourages cleaner transportation choices and generates dedicated revenue to support the rebate program, ensuring its long-term viability.

Beyond environmental benefits, this policy will help families save money by reducing the typical fuel and maintenance costs that they would face with a gas-powered vehicle, and strengthen our state's energy security by reducing our reliance on fossil fuels.

By bringing together youth, educators, policymakers, and nonprofits, the Climate Future Forum fosters meaningful dialogue on climate action priorities and provides actionable steps to address climate change in Hawai'i. Through discussions involving over 100 youth, the forum has identified key high-priority areas, including regenerative food systems, climate and the economy, clean energy and transportation, climate justice and equity, and sustainable infrastructure.

Thank you very much for your support of youth engagement in climate policy. We respectfully urge the Committee to pass this bill.

Sincerely,
Sophia Park
Youth Leader of Hawai'i Climate Future Forum



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: March 20, 2026

TO: Senator Lorraine Inouye
Chair, Committee on Transportation

FROM: Tiffany Yajima

RE: **H.B. 2030, HD 2 - Relating to Transportation Affordability**
Hearing Date: Tuesday, March 24, 2026 at 3:02 p.m.
Conference Room: 229

Dear Chair Inouye, Vice Chair Elefante, and Members of the Committee:

On behalf of the Alliance for Automotive Innovation (“Auto Innovators”) we submit this testimony in **opposition** of H.B. 2030, HD 2, Relating to Transportation Affordability, which levies an additional tax on the gross proceeds of the sale of light-duty motor vehicles powered solely by gasoline, diesel, or gasoline or diesel blends based on miles per gallon.

The Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – the association is committed to a cleaner, safer and smarter personal transportation future.

By 2026, the auto industry will have invested more than \$330 billion in research and development of electric vehicles to reach the goal of an electrified future.

Feebates, however, are designed to tilt the competitive marketplace by rewarding certain vehicles and penalizing others. When the state decides which products “win” or “lose,” it inevitably reshapes consumer behavior. The effect of this measure shifts the cost burden of more expensive EVs to gasoline or diesel-powered car owners.

Feebates can worsen the vehicle affordability crisis. Vehicle prices are already at record highs due to tariffs, supply chain disruptions, and rising material costs. Gas prices are up 30% due to international conflicts. On the other hand, the recent severe weather storms in Hawaii that caused widespread power outages highlighted the vulnerability of EVs for owners who were unable to charge their cars during and after the storm.

The few countries that did have a feebate have since repealed their failed programs and several states have considered similar programs and rejected them, including

California three times. Hawaii would be the only state to pass a feebate, distorting the consumer choice and pushing new gasoline vehicles further out of reach for middle-income families.

Families and businesses that rely on pickup trucks, vans, SUVs, and other “disfavored” vehicles would face new fees. These vehicles are not “luxury” items - they are essentially tools for daily life and work. Small businesses in construction, landscaping, plumbing, and other trades depend on heavier, more rugged vehicles to tow and haul. A feebate effectively becomes a new tax on the vehicles these businesses and workers purchase to do their work in order to subsize owners of EVs who can afford this new technology and have the means to charge these vehicles.

Some proposals include fees up to 4% of the vehicle’s price – 1,600 on a \$40,000 car. Real-world examples show the impact:

Vehicle	Typical MSRP	Estimated Fee
Toyota Tacoma	varies	\$640–\$2,280
Ford F-150	~\$60,000	~\$2,400

A fee on new trucks and SUVs pushes consumers toward the used-vehicle market, where cars are typically less fuel-efficient, less safe, and higher-emitting. Instead of accelerating vehicle turnover toward cleaner technology, feebates risk keeping older, dirtier vehicles on the road longer thereby undermining the very emissions goals this measure intends to support.

Lower-income households are far more likely to drive older, more economical gasoline or diesel vehicles, live farther from work, and have no access to alternative modes of transportation or EV charging facilities. Because EVs in general cost more than their fuel equivalent vehicles, this bill shifts the tax burden from those who can most afford electric vehicles to those who can only afford gasoline or diesel vehicles.

Higher-income households, who are more likely to buy new EVs and can afford them, not only avoid the tax but are subsidized by those who can least afford it. Rural residents and residents with longer commutes still lack access to charging infrastructure and cannot practically switch to EVs.

Incentives for cleaner technologies, infrastructure investment, and modernization programs can drive meaningful emissions reductions without punishing behavior or raising costs for residents. For that reason, Auto Innovators supports EV rebates as an effective, consumer-friendly way to accelerate EV adoption without penalizing people and businesses who may not be able to transition yet.

Based on the above, we urge the committee to defer this bill.

Thank you for the opportunity to submit this testimony.



HAWAI'I YOUTH TRANSPORTATION COUNCIL

HYTC Testimony for the Senate Committee on
TRANSPORTATION

HB 2030 | Tuesday, March 24, 2026

IN STRONG SUPPORT

Aloha Chair Inouye, Vice Chair Elefante, and Committee Members,

Mahalo for the chance to testify at today's hearing. **The Hawai'i Youth Transportation Council (HYTC) strongly supports HB 2030.** This bill will allow for families across Hawai'i to buy a **zero-emission or plug-in hybrid vehicle at an affordable price.** This has the benefit of bringing more affordable transportation options to our state while reducing carbon emissions, both core tenets of the HYTC.

Many working-class residents across Hawai'i want to afford these ZEVs and plug-in hybrids, **but prices have not come down enough to make them affordable.** While the youth council would prefer people use public transportation, the reality is that, according to the 2020 census, **13.9% of Hawai'i residents live in rural areas that public transit may not reach. Or they have a line of work that requires the use of heavy-duty vehicles.** These residents need a renewable and affordable vehicle option.

Additionally, the HYTC finds that the use of ZEVs and plug-in hybrids, compared to conventional combustion engine vehicles, **produces far less carbon emissions, especially when bought used, which this bill allows.** HB 2030 aligns with our **Energy Security and Waste Reduction proposal, specifically in transitioning the state from internal combustion engine vehicles to more sustainable, low-emission alternatives.**

In conclusion, HB 2030 provides affordable transportation options for Hawai'i's working residents and reduces our state's carbon emissions, **aligning with the council's Energy Security and Waste Reduction Proposal. We urge the committee to pass HB 2030.**

Mahalo,

Mia Nishiguchi
Council Chair
O'ahu Honolulu Representative

Luke Gee
Council Vice-Chair
West Side Hawai'i Representative

Moss Kuon
Press Secretary
Central Maui Representative

Derek Takeno
Outreach Chair
Central Maui Representative

Luca Zev Cuniberti
Policy and Legislation Chair
O'ahu North Shore Representative

Connor Ulene
Policy and Legislation Vice Chair
Central Maui Representative



SENATE COMMITTEE ON TRANSPORTATION

Senator Lorraine K. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair

TESTIMONY IN **SUPPORT** OF HOUSE BILL 2030 HD2

Tuesday, March 24, 2026, 3:02 p.m.
Conference Room 229 & Videoconference
State Capitol
415 South Beretania Street

Aloha Chair Inouye, Vice Chair Elefante, and Committee Members:

The Institute of Transportation Studies at the University of California, Davis, strongly supports House Bill 2030 HD2, “Relating to Transportation Affordability”, which promotes affordability and equity, energy and economic security, and climate safety by establishing a market-based, self-funding, and revenue-neutral clean vehicle rebate program to be administered by the Hawai’i Department of Transportation (HDOT).

Transportation is critical to Hawai’i’s environmental and economic security. Road transportation makes up 23% of statewide GHG emissions, and fossil fuel expenditure by Hawai’i households for transportation alone exceeds \$2 billion annually. Hawai’i households can spend as high as \$13,700 per year on gasoline, ranging from 14% to 25% of household income compared to the national average of about \$2,500. In contrast, such a household could save about \$5,300 per year by switching to an electric vehicle (EV), a 38% reduction in household transportation expenditure, also avoiding 10.8 metric tons of CO₂ per year. Further, volatility in gasoline prices due to global uncertainties further exacerbate the risks to consumers, whereas shifting to EVs can support greater demand and reliability for both the consumers and the utilities in the State.

Over 70% of Hawai’i new internal combustion engine sales have a fuel efficiency of less than 30 MPG, and cost at least 20% more to purchase than more efficient ICE vehicles. Hawai’i reached 14% EV share of new sales in 2025, but in the absence of federal incentives, risks having vehicle electrification goals in line with its climate goals.

A self-financing Clean Vehicle Rebate Fund with point-of-sale rebates for EVs can support market growth to 30% EV sales by 2032, while ensuring equity through dedicated rebates for low-income households. Further, combustion-engine vehicle buyers below a threshold price will be exempted from any fees, ensuring that over half of the households primarily, low and middle income, will not have any adverse economic impacts, but will still be able to benefit from the EV rebates to switch, or at the very least, shift to more fuel efficient gas cars. 100% of all low and middle-income households in Hawai’i benefit with low-income households eligible for EV rebates as high as \$7,000 making EVs affordable and accessible.

HB 2030 draws on its proposed clean vehicle rebate program on successful models such as the federal EV tax credit, EV rebate programs in numerous states including California, and EV incentive programs across the world including the European Union and others.

We also reference the testimony provided by Earthjustice on HB 2030. We have also attached a memo and additional material along with this testimony for the consideration of this Committee.

Thank you for the opportunity to testify in support of this key building block for transportation affordability and a cleaner and safer transportation future for all of Hawai'i's people. Please do not hesitate to contact us with any questions or for further information.

Dr. Aditya Ramji
Research Director
Institute of Transportation Studies
University of California, Davis

Clean Vehicle Rebate Program for Hawai'i

Dr. Aditya Ramji, Jameel Jamhar

Issue

Transportation is critical to Hawai'i's environmental and economic security. Road transportation makes up 23% of statewide GHG emissions, and fossil fuel expenditure by Hawai'i households for transportation alone exceeds \$2 billion annually.¹ In addition, unabated climate change is estimated to cost the state over \$19 billion in loss of structures due to sea-level rise.²

Fuel expenditures make up a larger share of household expenditures than the US average. Hawai'i households can spend as high as \$13,700 per year on gasoline, which ranges from 14% to 25% of household income depending on economic status compared to the national average of about \$2,500. In contrast, such a household could save about \$5,300 per year by switching to an electric vehicle (EV), a 38% reduction in household transportation expenditure, while also avoiding 10.8 metric tons of CO₂ per year.³ While EVs can lead to significant fuel cost savings and reduce GHG emissions, upfront purchase price remains a key barrier especially for low- and moderate-income households.

Unfortunately, in the absence of federal EV incentives which ended in September 2025, Hawai'i currently lacks a durable, dedicated consumer support program to scale EV access across the state.⁴

Proposal for a Clean Vehicle Rebate program

This proposal creates a self-financing Clean Vehicle Rebate Fund that pairs fees based on MPG on new internal combustion engine (ICE) light duty vehicle sales with point-of-sale rebates for clean vehicles (both new and used battery electric vehicles and plug-in hybrid electric vehicles). The goal is to increase EV sales in the state, lower GHG pollution, reduce Hawai'i's cost-of-living exposure to imported fuel, while limiting the fiscal burden on the state budget.

Hawai'i vehicle sales data (2025) shows that less fuel-efficient ICE vehicles are more expensive – average MSRP of vehicles with less than 22 MPG is \$39,882, while average MSRP of vehicles between 22 – 30 MPG is \$35,432, and average MSRP of vehicles more than 30 MPG is \$28,871. Over 70% of vehicle sales in 2025 were rated less than 30 MPG, and this lower fuel efficiency combined with higher fuel prices lead to higher economic costs for households.

To ensure that the program does not impose disproportionate burden on lower income households, the fee design can include an MSRP exemption threshold for ICE vehicle purchases. Approximately 50% of new ICE vehicle sales fall below the \$32,000 MSRP threshold and are considered exempt from any fees. The proposed fees for vehicles with MSRP greater than \$32,000 are on a sliding scale with more polluting, less fuel-efficient ICE vehicles having higher fees: 4% of sales price for vehicles with MPG < 22, 2% for MPG 22 – 30, and 1% for MPG > 30. This fee structure generates \$117 million in revenue for the Clean Vehicle Rebate Fund, which will be used to deliver point-of-sale rebates for light duty EV purchases.

¹ Hawai'i Department of Health, Clean Air Branch, *Hawai'i Greenhouse Gas Emissions Report for 2022*.

² Coffman, Makena; Hayashida, Sherilyn; Bernstein, Paul; Schjervheim, Maja; La Croix, Sumner, *Carbon Pricing Assessment for Hawai'i: Economic and Greenhouse Gas Impacts*.

³ Coltura, *Hawaii State Superuser Mini Report*.

⁴ Metz, Matthew; Barzilay, Ron; Rooney, Kathleen, *Transitioning Hawai'i Gasoline Superusers to Electric Vehicles*.

It is currently proposed that the EV rebates be structured as follows: \$5,000 for new BEVs, \$3,000 for new PHEVs, \$2,000 for used BEVs and PHEVs. To ensure benefits reach households facing the steepest affordability barriers, the program includes an explicit equity design: 20% of funded rebates each year are projected to be reserved for low-income households, who receive an additional \$2,000 over the base rebate, irrespective of new or used purchases.

The overall program is designed to be revenue-neutral each year over a five-year period, including a 5% program administration cost, with the balance being provided as rebates. The table below provides an overview of the potential impact on EV sales in Hawai'i. The proposed program supports Hawai'i to go from 13% EV sales share in 2025 to 30% by 2032. The subsidy program supports about one-third of total EV sales expected over the same period.

Table 1: Five-year rebate program outcome and rebate coverage

	Program with ICE purchase price threshold of \$32,000
<i>Total EV rebates</i>	23,025
<i>New EV rebates</i>	20,932
<i>Used EV Rebates</i>	2,093
<i>Share of Low-income EV rebates</i>	20%
<i>Total Fund Created</i>	\$117.4 million

In the proposed program design, the Clean Vehicle Rebate Fund can accrue \$117.4M in fee revenue, supporting 23,025 rebates in total, over the five-year period. Within that, 4,605 rebates are directed towards low-income households, with \$29.7M in low-income rebate spend and \$9.2M dedicated to the low-income extra rebate. The program fully deploys available fee revenue to maximize rebate delivery over the five-year period, while maintaining fiscal balance and equity.

Hawai'i has one of the highest shares of energy related CO₂ emissions from transportation among U.S. states, which makes vehicle electrification a high-leverage strategy. As Hawai'i advances toward 100% renewable electricity by 2045, targeted consumer EV rebates can help households access EV operating cost savings sooner. The program design ensures equity and affordability, while recognizing the unique circumstances of Hawai'i and aims to deliver enhanced economic security coupled with environmental stewardship.

Key Highlights:

- A self-financing Clean Vehicle Rebate Fund that pairs fees based on MPG with point-of-sale rebates for EVs can support market growth to 30% EV sales share by 2032, while ensuring equity.
- **Who benefits?** 100% of all low and middle-income households in Hawai'i benefit, with lower-income households eligible for EV rebates as high as \$7,000, making EVs affordable and accessible.
- **Who contributes?** Only new ICE vehicle buyers of the more expensive half of vehicle purchases above a MSRP threshold of \$32,000 would be levied a one-time fee ranging from 1 – 4%, with higher-fuel efficiency options attracting lower fees, further limiting any burden on lower-income households.
- Over 70% of Hawai'i new internal combustion engine (ICE) sales have a fuel efficiency of less than 30 MPG, and cost at least 20% more to purchase than more efficient ICE vehicles.
- Hawai'i reached 13% EV share of new sales in 2025, but in the absence of federal incentives, risks lagging on vehicle electrification goals necessary to meet its climate goals.



UCDAVIS

Institute of Transportation Studies

Clean Vehicle Rebate Program for Hawai'i

Aditya Ramji, PhD

adiramji@ucdavis.edu

University of California, Davis

Hawai'i faces a dual climate and cost-of-living crisis

23%

Share of statewide GHG emissions driven directly by road transportation.

Context: Unabated climate change threatens over \$19 billion in structural losses due to sea-level rise.

\$13,700

Amount Hawai'i households can spend annually on gasoline.

Context: This consumes 14% to 25% of household income, eclipsing the \$2,500 national average. Fossil fuel expenditures for transport bleed over \$2 billion annually from the state.

The Cliff Edge: Federal EV incentives expired in September 2025. Hawai'i currently lacks a durable, dedicated consumer support program to scale EV access and lower these household burdens.

Electrification offers immediate economic relief and environmental progress

\$5,300

Annual household savings unlocked by switching to an Electric Vehicle (EV).

Context: This represents a massive 38% reduction in household transportation expenditures, directly combating Hawai'i's high cost-of-living exposure to imported fuel.

10.8 Metric Tons

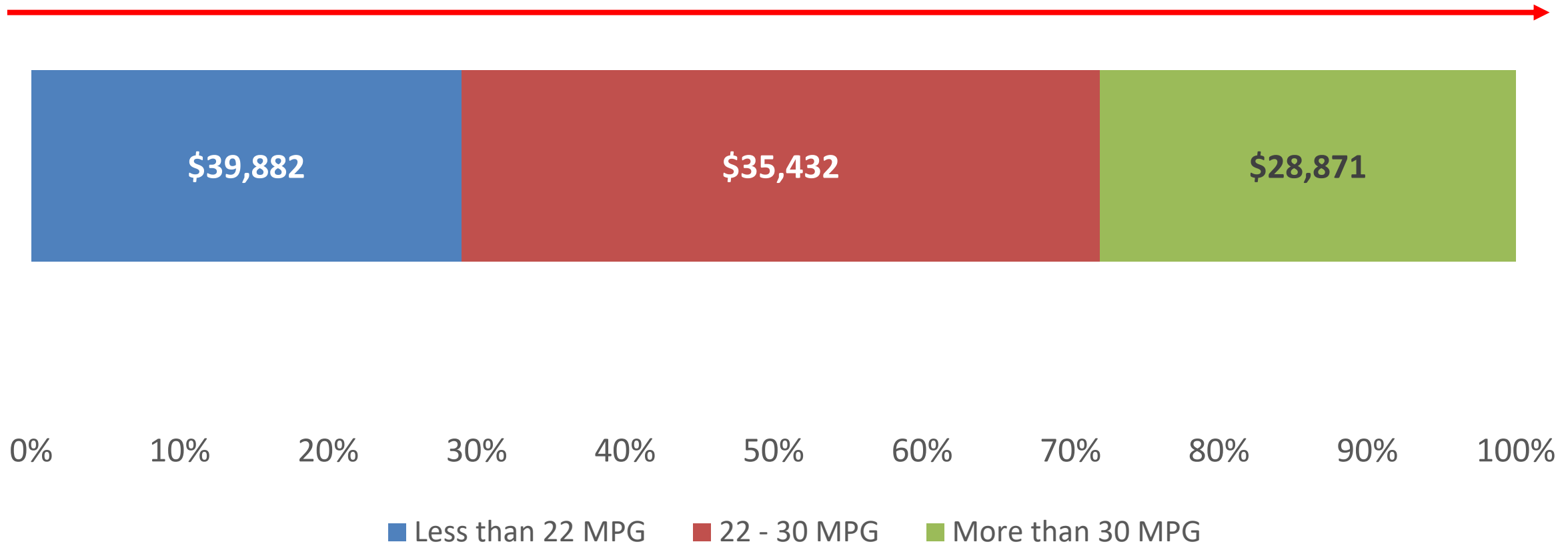
Volume of CO₂ avoided per household, per year, by making the switch.

While EVs deliver significant operational savings and advance Hawai'i toward its climate and clean transportation goals, the upfront purchase price remains a critical barrier – especially for low and middle-income households.

What vehicles does Hawai'i purchase?

Sales of Combustion-Engine Cars in Hawai'i

More efficient gas cars are cheaper; EVs will deliver even greater savings



A self-sustaining market-based model to achieve clean transportation goals

Targeted Revenue Generation

A one-time fee applied only to new, less fuel-efficient ICE vehicles with an MSRP over \$32,000.

Proposed

4% fee | Under 22 MPG (Avg. MSRP \$39,882)

2% fee | 22–30 MPG (Avg. MSRP \$35,432)

1% fee | Over 30 MPG

Note: Over 70% of Hawai'i's new ICE sales in 2025 had a fuel efficiency of less than 30 MPG and cost at least 20% more than efficient alternatives.

Point-of-Sale EV Rebates

Direct financial support delivered at the dealership for clean vehicles.

\$5,000 | New Battery Electric Vehicles (BEVs)

\$3,000 | New Plug-in Hybrid Electric Vehicles (PHEVs)

\$2,000 | Used BEVs and PHEVs

\$2,000 | Additional rebate for low-income households

Built-in safeguards protect everyday families and ensure equity

50% of new ICE vehicles are entirely exempt.



Any internal combustion vehicle priced below the \$32,000 MSRP threshold pays **absolutely no fee**. Only buyers of the more expensive half of new polluting vehicles contribute.

\$7,000

Maximum Rebate



- Low-income households receive an additional \$2,000 over the base rebate, for both new and used EVs.
- 20% of the entire Clean Vehicle Rebate Fund is strictly reserved for low-income households.

The Bottom Line: 100% of all low- and middle-income households in Hawai'i stand to benefit from the program, ensuring the EV transition is accessible to those facing the steepest affordability barriers.

Driving Hawai'i towards a 30% EV adoption share by 2032

The 5-Year Financial Outlook

\$117.4 Million

Total fee revenue generated for the Clean Vehicle Rebate Fund.

Efficiency: The program is fully revenue-neutral, deploying all available fee revenue to maximize rebate delivery with only a 5% cap on program administration costs.

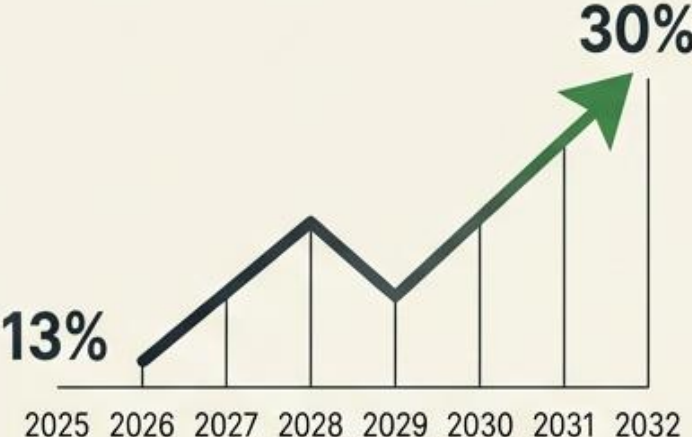
The 5-Year Deployment Impact

23,025 Total EV Rebates

20,932 New EV Rebates
2,093 Used EV Rebates

4,605 Low-Income Rebates secured (representing the 20% reserved allocation, totaling \$38.9M in dedicated low-income spending).

The Strategic Goal



This targeted consumer intervention rescues Hawai'i from its 13% EV stagnation (2025) and subsidizes one-third of all expected EV sales—securing both economic resilience and environmental stewardship.

Ready Toolkit for decision-makers

Outputs

Hawaii Clean Vehicle Rebate Fund – 5-Year Outlook

Fee Revenue
\$117.37M

Subsidy Cost
\$117.37M

Threshold applied
\$32,000

50% of vehicles fall below the threshold (exempt from)

Auto-size rebates
Enabled

Reserve: \$0.0M | Spend cap: 100%

Rebates Issued

Base: 20,522

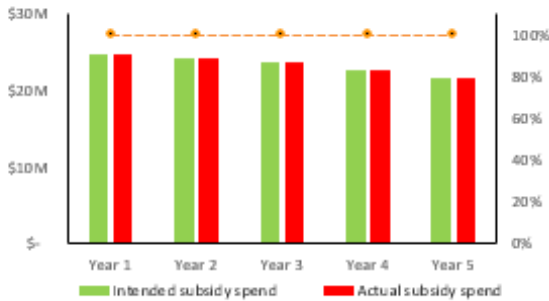
Optimized: 23,025 (+12%)

EV Sales

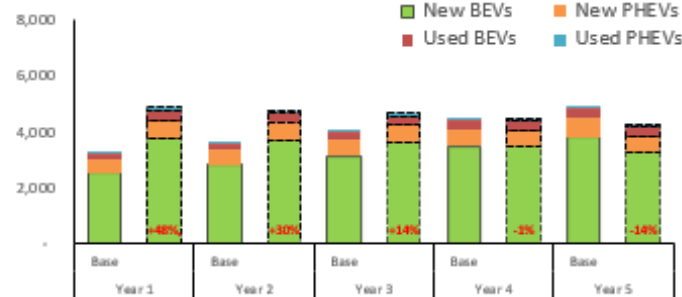
54,639

Year 5 EV share: 30%

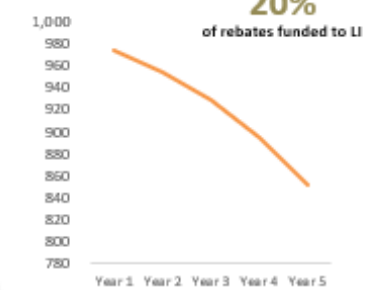
Subsidy Budget vs Actual Spend



Rebates Issued by Vehicle Type



Low-Income (LI) Rebates Issued



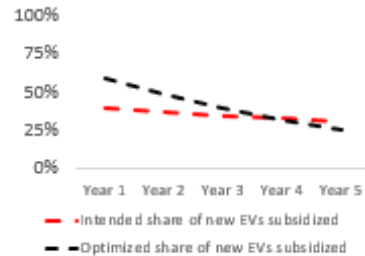
Low-Income Rebates

4,605
Total LI rebates

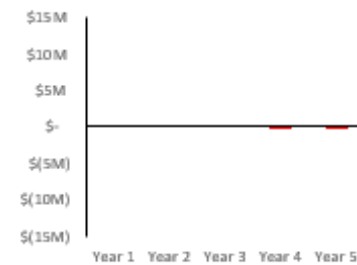
\$29.7M
LI Spend (5-yr)

\$9.2M
Top-up cost (5-yr)
(+\$2,000 × 4,605 LI rebates)

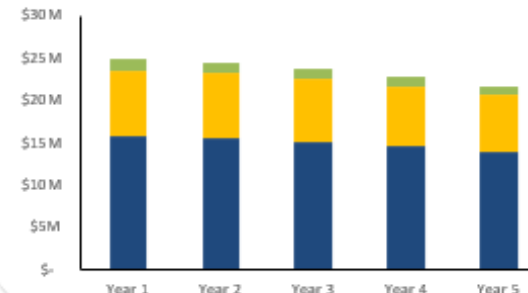
Rebate Coverage: Intended vs Optimized



Fund Balance (closing)



Fee Revenue Allocation by Class



Class 1

44.0%
of ICE Sales
MPG < 22

Class 2

40.6%
of ICE Sales
MPG 22–

Class 3

15.4%
of ICE Sales
MPG >

Subsidy

New BEVs: \$5,000
New PHEVs: \$3,000

Used BEVs: \$2,000
Used PHEVs: \$2,000

Low-income top-up: +\$2,000



SENATE COMMITTEE ON TRANSPORTATION

Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair

TESTIMONY IN **STRONG SUPPORT** OF HOUSE BILL 2030 HD2

Tuesday, March 24, 2026, 3:02 p.m.
Conference Room 229 & Videoconference
State Capitol
415 South Beretania Street

Aloha Chair Inouye, Vice Chair Elefante, and Committee Members:

Earthjustice **strongly supports House Bill 2030 HD2**, “Relating to Transportation Affordability,” which promotes affordability and equity, energy and economic security, and climate safety by establishing a market-based, self-funding, and revenue-neutral clean vehicle rebate program administered by the Hawai‘i Department of Transportation (HDOT).

As HB 2030 recognizes, Hawai‘i’s dependency on imported fossil fuels for ground transportation is an affordability and economic security crisis and a climate injustice. Hawai‘i residents spend, and the Hawai‘i economy loses, *billions* of dollars per year on gas and diesel fuel for cars and trucks. But the burdens of this legacy fossil fuel transportation system hit rural and undeserved communities the hardest. A recent report by Ulupono Initiative highlights that households with the highest reliance on gasoline spend thousands of dollars per year on their gas bills, amounting to 14 percent of their incomes. At the same time, rural and disadvantaged communities bear the brunt of the harms and costs of climate change, which are compounded by disparate access to infrastructure and services.

Yet, as HB 2030 further recognizes, existing technology can provide savings today for our local families and advance our state decarbonization commitments to meet the climate emergency. Just by switching the highest 7% of gasoline users to electric vehicles, for example, these households would save almost 40% on their bills, or more than \$5000 per year. This would save the Hawai‘i economy \$220 billion per year and more than 680,000 metric tons of carbon emissions, which is more than the entire commercial sector’s emissions. The upfront investment for electric vehicles, however, remains a main barrier to accessing these savings, especially for lower-income households. HB 2030 seeks to address this barrier head on.

HB 2030 establishes a clean vehicle rebate program to support the shift to zero-emission vehicles and reduce the cost of living for Hawai‘i households. The bill affords particular support and safeguards for lower-income households, by providing an extra rebate for low- and moderate-income (LMI) customers, applying rebates to more affordable clean vehicle options,

and encompassing as many of these options as possible, including plug-in hybrid, leased, and used vehicles. Recognizing the budget challenges the State currently faces, HB 2030 also provides a self-funding mechanism for the program, collecting modest fees on the sale of new fossil fuel vehicles and recirculating the funds back to the market and industry to support clean vehicle options. The program is thus intended and designed to be revenue-neutral for the state budget.

HB 2030 patterns the proposed clean vehicle rebate program on successful models such as the federal EV tax credit, EV rebate programs in numerous states including California, and EV incentive programs across the world including the EU. It incorporates provisions the legislature has adopted for other clean transportation incentive programs including the e-bike rebate program and the EV charging system rebate program. It also builds on the inaugural Energy Security and Waste Reduction Plan that HDOT developed under the landmark settlement agreement in the *Navahine* case, which recommends such a rebate program as part of its comprehensive framework for enabling transportation savings opportunities and pollution reductions.

Based on ongoing discussions with HDOT, we support specific amendments to fix and refine the bill language. We attach key proposed amendments to this testimony, which include filling in updates to the fee provisions based on expert analysis of Hawai'i market data provided by the Hawai'i State Energy Office.

Finally, in response to auto industry representatives like the "Auto Innovators," which supports the rebate, but opposes the fee, we would encourage these organizations and their members to embrace innovation and this historic opportunity to work together toward shared goals of saving consumers money and reducing pollution—and to recognize that the fees collected are returned to the market and industry to promote these goals. The Auto Innovators echo HB2030's recognition that lower-income households "spend a larger share of their income on fuel," which is exactly why HB2030 aims to enable these households to save money through clean vehicle options, while charging a fee on only new purchases of fossil fuel vehicles. The bill also limits the fee to more expensive fossil fuel vehicles, which are also less fuel efficient and more costly to own and operate. This would enhance even further this bill's focus and priority on affordability.

Mahalo for the opportunity to testify in support of this key building block for transportation affordability and a cleaner and safer transportation future for all of Hawai'i's people. Please do not hesitate to contact us with any questions or for further information.

Isaac H. Moriwake, Esq.
Managing Attorney
Earthjustice, Mid-Pacific Office

House Bill 2030 HD2, Relating to Transportation Affordability:
Proposed Amendments

The following summarizes proposed amendments to HB2030 HD2, along with background explanations. These amendments include:

- I. Changing “final sales price” to “manufacturer’s suggested retail price” in several (not all) places, to make clear that determinations of eligibility for the rebate and applicability of the fee are based on the MSRP.
- II. Making clear that the fee in Section 3 applies only to the sale of “new” fossil fuel vehicles.
- III. Filling in the numbers for the fee provision in Section 3, based on detailed analysis of Hawai’i market data.

I. “Manufacturer’s Suggested Retail Price”

- On both page 8, line 2 and page 15, lines 7-8, change “final sales price” to “manufacturer’s suggested retail price.” (Note: the reference to “final sales price” on page 7, line 8 should stay as is.)

Explanation: These specific provisions establishing the eligibility for the rebates and applicability of the fees should be based on MSRP, which provides a clear, standard metric and avoids ambiguity and gaming. (In contrast, the reference to “final sales price” on page 7, line 8, describing how the rebate should be applied at the point of sale, is correct and should remain as currently drafted.)

II. Sale of “New” Fossil Fuel Vehicles

- On page 14, lines 14-15, make clear that the fee on the sale of fossil fuel vehicles applies only to sales of new vehicles, by inserting that word as follows (addition underscored): “sale of a new light-duty motor vehicle.”

Explanation: As the bill’s preamble explains, “A clean vehicle rebate program can be supported by revenues from a fee on purchases of new fossil fuel vehicles,” which enables the program to be “self-financing and revenue-neutral so as not to increase expenditures from or reduce revenues into the general fund.” (Emphasis added.) The fee provision in Section 3 is missing the word “new,” which should be added.

III. Updates to Fee Provision in Section 3

- On pages 14-15, fill in the blanks in subsection (a) as follows (additions underscored; deletions bracketed and stricken):

(1) 4 per cent if the vehicle obtains less than twenty-two miles per gallon based on federal Environmental Protection Agency combined ratings;

(2) 2 per cent if the vehicle obtains at least twenty-two but not more than thirty miles per gallon based on federal Environmental Protection Agency combined ratings; and

(3) 1 per cent if the vehicle obtains more than thirty miles per gallon based on federal Environmental Protection Agency combined ratings;

provided that this tax shall not apply to vehicles with a manufacturer's suggested retail price [~~final sales price~~] of \$ \$32,000 or less.

Explanation: An expert team led by Dr. Aditya Ramji from the U.C. Davis Institute of Transportation Studies has helped provide analysis to inform updates to the fee provision in Section 3 of the bill. Using detailed Hawai'i market data provided by the State Energy Office, Dr. Ramji's team built a modeling tool showing that a modest fee in the range of only 1 to 4 percent on the sale of new fossil fuel vehicles would provide ample funds for the EV rebate program in the amounts proposed in the bill.

Based on this analysis, we recommend the updates above to the fee structure and amounts. These changes also include setting the price threshold for the proposed exemption from the fee at \$32,000, which is the median price for Hawai'i vehicle sales. This exemption for the lower-priced half of the vehicle market (which is also generally more fuel efficient) aims to avoid burdening lower-income consumers' ability to choose these more affordable options. To clarify, this exemption should be based on the MSRP, not the "final sales price" as currently drafted, in order to set a standard metric and avoid ambiguity or gaming.



Testimony in Support of HB2030 HD2

Hearing on March 24, 2026 at 3:02pm | Senate Committee on Transportation

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Senate Transportation Committee,

My name is Doorae Shin, and I am submitting this testimony on behalf of Our Children's Trust **in strong support of HB2030 HD2**, which establishes the Clean Vehicle Rebate Program to make electric vehicles more affordable and reduce pollution from the transportation sector.

We also want to formally support the amendment requests submitted by Earthjustice and the Hawai'i Department of Transportation (HDOT).

HB2030 HD2 is designed intentionally with affordability and equity top of mind to ensure that it does not hurt low and moderate income families and that it benefits those residents most:

- Rebates are accessible only for electric vehicles under a certain MSRP (excludes luxury vehicles).
- Rebates are offered for used electric vehicle sales as well.
- The fee only applies to new gas/diesel vehicle sales over a certain price (excludes sales of affordable new cars, making it simple for most residents to avoid the fee).
- Plug-in hybrids are included in the rebate program, for those with limited access to charging.
- Rebates are only available for those within a certain AMI, ensuring that high-income residents do not receive benefits they do not need and maximizing the rebate amounts for families who need it most.
- There is an additional rebate amount for low- and medium- income households that fall within a certain AMI.

HB2030 HD2 addresses one of the most significant barriers to clean vehicle adoption in Hawai'i: affordability. Transportation is one of the largest household expenses for families across the state, and the upfront cost of electric vehicles remains out of reach for many residents, particularly low- and moderate-income households. By providing **point-of-sale rebates** for eligible clean vehicles, this bill helps more Hawai'i residents access the long-term savings, reliability, and public health benefits of electric transportation.

Expanding access to clean vehicles is also a critical equity issue. Communities that are already overburdened by high energy costs and transportation expenses are often the least able to benefit from the savings of clean transportation technologies. **HB2030 HD2 helps ensure that the transition to electric vehicles is not limited to higher-income households, but instead supports broader participation, especially for families who would benefit most from reduced fuel and maintenance costs.**

In addition to lowering household costs, HB2030 HD2 advances Hawai'i's climate, public

health, and energy security goals. Transportation is the largest source of greenhouse gas emissions in the state and a major contributor to air pollution. Increasing electric vehicle adoption reduces reliance on imported fossil fuels, improves local air quality, and supports healthier communities, particularly for keiki and other vulnerable populations who are disproportionately affected by transportation-related pollution.

HB2030 HD2 is directly aligned with Hawai‘i’s legal and policy obligations to reduce transportation emissions. In 2022, thirteen youth plaintiffs filed *Navahine v. Hawai‘i Department of Transportation*, resulting in a settlement agreement that requires HDOT to take any actions necessary to achieve zero emissions from ground, marine, and inter-island transportation by no later than 2045.

In response, HDOT released its Energy Security and Waste Reduction Plan, which identifies expanded clean vehicle adoption as a critical near-term strategy to meet these obligations. HDOT’s plan indicates that 81% of new vehicle sales must be electric by 2030 to stay on track, far behind the current ~14%. Passing this bill is one practical and important solution toward fulfilling the commitments outlined in the settlement and protecting children’s constitutional rights to a life-sustaining climate system.

HB2030 HD2 is a **revenue-neutral way to give households that need it most access to the savings associated with driving electric**. By expanding access to clean vehicles, this bill helps ensure that the benefits of the clean energy transition are shared more broadly and fairly across Hawai‘i.

For these reasons, Our Children’s Trust strongly urges your support for HB2030 HD2.

Mahalo for the opportunity to submit this testimony and for your leadership on this important issue.

Mahalo;



Doorae Shin
Our Children’s Trust



**TESTIMONY OF TINA YAMAKI, MANAGING DIRECTOR
HAWAII TRANSPORTATION ASSOCIATION**

March 24, 2026

HB 2030 HD2 RELATING TO TRANSPORTATION AFFORDABILITY

Aloha Chair Inouye and members of the Senate Committee on Transportation. I am Tina Yamaki, Managing Director of the Hawaii Transportation Association and I appreciate this opportunity to testify.

The Hawaii Transportation Association (HTA Hawaii) was founded in 1938 and incorporated in 1963, and is a private, non-profit trade organization dedicated to the service and assistance to the commercial ground transportation industry in the State of Hawaii. Our members include family owned small and medium sized businesses, independent owner operators, and national motor carriers range from delivery services to passenger carriers - as well as allied industry partners.

The HTA Hawaii respectfully opposes HB 2030 HD2. This measure requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles; establishes the clean vehicle special fund; beginning 1/1/2027, establishes a transportation affordability and energy security tax; and is effective 7/1/3000.

While the intent is to accelerate adoption of cleaner vehicles and reduce emissions is understood, this measure, as currently structured, imposes significant unintended consequences on commercial transportation operators, particularly small and mid-sized businesses that are essential to Hawaii's economy and supply chain.

The bill establishes a Transportation Affordability and Energy Security Tax beginning January 1, 2027, which will inevitably increase operational costs for commercial fleets. Unlike private consumers, commercial transportation companies operate high-mileage, heavy-duty vehicles, have tight margins tied to fuel, labor, and maintenance costs, and cannot easily pass on increased costs without affecting the price of goods and services statewide. Even a modest increase in fuel or operational taxation could result in (1) Higher delivery costs; (2) Increased prices for groceries, construction materials, and consumer goods and (3) Reduced competitiveness against mainland suppliers.

While this measure focuses heavily on rebates for light-duty zero-emission and plug-in hybrid vehicles, we want to point out that Commercial fleets (trucks, buses, vocational vehicles) have limited zero-emission options currently available. These vehicles are also significantly more expensive (often 2–3x+ diesel equivalents), limited in range and payload capacity and dependent on infrastructure that is not yet widely available in Hawaii. A delivery company attempting to transition to electric box trucks may face vehicle costs that are double or triple per unit vs. a diesel vehicle. Charging infrastructure installation costs in the hundreds of thousands; and operational downtime due to charging constraints. Despite this, the tax structure would still apply broadly effectively penalizing industries that have no viable alternatives yet.

We also want to point out that the rebate program primarily benefits individual consumers purchasing passenger vehicles and higher-income households more capable of affording new EVs even with rebates. Meanwhile, commercial operators may NOT qualify for equivalent incentives proportional to their scale and/or receive no meaningful offset to the increased tax burden. This creates a scenario where commercial operators subsidize the transition for others or essential industries bear costs without proportional benefit.

Furthermore, commercial transportation is the backbone of Hawaii's economy with every product from food to fuel to construction materials and more relies on trucking and logistics. Increased transportation costs directly translate into higher cost of living as food distributors pass costs to retailers that amounts to higher grocery

prices. Construction haulers increase rates that will lead to higher housing and infrastructure costs. And tour and charter operators raise prices would reduce visitor competitiveness.

The success of any clean vehicle transition depends on infrastructure readiness. Our state currently has very limited - if not any on some islands - commercial-scale charging stations, grid capacity constraints in industrial areas and lack of standardized support for heavy-duty EV fleets. Without addressing these first, mandates and taxes create compliance pressure without feasibility.

We support wanting to advance clean transportation goals and we would like to have a more balanced approach that would include but not limited to (1) Exemptions or delayed implementation of the transportation tax for commercial fleets until viable alternatives exist; (2) Dedicated incentives for medium- and heavy-duty commercial vehicles, not just passenger vehicles (3) More infrastructure first including industrial charging hubs and grid upgrades in freight corridors; Pilot programs for commercial fleet electrification before broad mandates; and Public-private partnerships to reduce transition costs for essential industries

We support the long-term goal of reducing emissions and increasing sustainability. However, in its current form places disproportionate financial and operational burdens on an industry that is not yet equipped to transition at scale. Without meaningful adjustments, this measure risks increasing the cost of living in Hawaii; disrupt supply chains; and weaken small and local transportation businesses.

Mahalo for this opportunity to testify.



Carbon Cashback

March 20, 2026

Re: TRS hearing of HB2030 HD2 on March 24, 2026

Position: Support

Aloha e Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

Carbon Cashback Hawai'i advocates for legislation that reduces carbon emissions and strengthens Hawai'i's energy independence while protecting vulnerable kama'āiana families.

Carbon Cashback Hawai'i is in strong support of HB2030 HD2, which establishes a revenue-neutral rebate program for the purchase of new and used zero-emission vehicles and plug-in hybrid electric vehicles.

Transportation is one of Hawai'i's largest sources of greenhouse gas emissions and a major contributor to high household energy costs. This bill directly addresses both challenges by helping residents transition to cleaner, more efficient vehicles that reduce fuel expenses and the reliance on imported fossil fuels.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. This bill sets an eligibility income cap and offers an additional rebate for low- and moderate-income households.

Expanding the adoption of zero emission and plug-in hybrid vehicles will deliver the benefits of improved air quality, reduced noise pollution, and progress toward Hawai'i's climate and clean energy goals. It also will support local economic resilience by keeping more energy dollars in Hawai'i and reducing our vulnerability to volatile global fossil fuel prices.

We urge you to pass this bill out of your committee.



To: The Honorable Lorraine Inouye, Chair, the Honorable Brandon Elefante, Vice Chair, and Members of the Transportation Committee.

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: **Hearing HB2030 HD2 RELATING TO TRANSPORTATION AFFORDABILITY**

Hearing: Tuesday March 24, 2026 3:02 p.m.

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Transportation Committee!

The mission of the Climate Protectors Hawai'i is to educate and engage the local community in climate change action.

The Climate Protectors Hawai'i **STRONGLY SUPPORTS HB2030 HD2!**

In this time of great concern about the cost of living and rapidly increasing gasoline prices, this bill would provide a **clean vehicle rebate program that will reduce the cost of living for many Hawai'i families.**

The bill would achieve these benefits by providing **rebates to incentivize the purchase or lease of new and used clean vehicles.** The rebates shall be applied at the point of sale by participating dealers.

For low- to moderate-income households, the upfront investment for a new vehicle remains a significant barrier to accessing these savings opportunities. **Rebates for the purchase or lease of new and used electric vehicles are needed to expand savings**

opportunities for low- and moderate-income families so they will not be left behind in the transition to a clean and climate-safe transportation system.

Rural communities and lower-income families are particularly overburdened by the high and rising costs of fossil fuel vehicles, especially on the neighbor islands and in rural parts of Oahu. Our State's gasoline prices are among the nation's highest. A recent study found that rural and lower-income households disproportionately consume and spend the most on gasoline. The high gasoline prices with the Iran war only exacerbate this burden

Gasoline consumption by light-duty vehicles alone accounts for almost a quarter of the State's climate pollution. **Current electric vehicle technology can save money for local families while eliminating this pollution.** Now that the federal government has abandoned the federal electric vehicle tax credits, the State must push forward with programs to reduce Hawaii's dependence on expensive imported fossil fuels and mitigate the continual financial drain and oppressive burdens on the local economy and everyday household budgets.

Prices of zero-emission electric vehicles continue to decline. **Many electric vehicles already actually cost thousands of dollars less than fossil-fuel cars over their lifetimes, thanks to lower fuel and maintenance expenses.**

The rebate program is designed to be self-financing and revenue-neutral so as not to increase expenditures from or reduce revenues into the general fund. The program also would reduce climate-heating emissions from fossil fuels.

Please pass this bill to help reduce ground transportation costs for rural communities and lower-income families! Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)

Aloha Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

Kauai Climate Action Coalition, a group of more than 150 Kauai residents, strongly supports HB2030 HD2. It will expand access to clean vehicles and help meet our climate and energy goals.

The bill's focus on equity is especially important. As an EV owner, I recognize both the substantial economic and social benefits of owning an EV, especially with the current rising gas prices, and the barrier that the upfront purchase price presents to many families. Providing rebates for used as well as new vehicles will enable more families to be able to reduce transportation costs by purchasing EVs. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. It both assists families and moves the state closer to our clean energy goal. KCAC urges your committee to pass it.

Mahalo,

Helen Cox, Kalaheo

Chair, Kauai Climate Action Coalition



To: The Senate Committee on Transportation (TRS)
From: Sherry Pollack, 350Hawaii.org
Date: Tuesday, March 24, 2026, 3:02pm

In support of HB2030 HD2

Aloha Chairs Inouye, Vice Chairs Elefante, and members of the TRS committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports HB2030 HD2** that would require the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles. This measure also establishes the clean vehicle special fund, and beginning 1/1/2027, establishes a transportation affordability and energy security tax.

HB2030 HD2 creates a revenue-neutral rebate program to lower the upfront cost of new and used electric vehicles for Hawaii residents, letting more of our community access the savings of driving electric. This legislation prioritizes equity by limiting rebates to affordable and used EVs, while ensuring no penalties for owners of budget-friendly gas vehicles. It democratizes the financial and health advantages of EVs, making them accessible to working families.

In 2024, the Hawaii Department of Transportation (HDOT) reached an unprecedented settlement in *Navahine v. HDOT*, with a commitment to protect children's constitutional rights to a life-sustaining climate system and to preserve Hawaii's public trust resources for present and future generations. The settlement requires HDOT to develop and support strategies that reduce carbon pollution from the transportation sector. HB2030 HD2 represents a common-sense solution that directly addresses this mandate.

Hawaii's proposed Clean Vehicle Rebate Program ensures that going electric becomes the easy and affordable choice for Hawaii's hardworking families, and would do so without raising taxes or using general funds. To protect our climate and future, we need ambitious efforts like HB2030 HD2. We urge you to **PASS** this important legislation.

Mahalo for the opportunity to testify on this measure.
Sherry Pollack
Co-Founder, 350Hawaii.org



LiUNA!

Testimony of the Hawaii Laborers' Union Local 368

Meeting: Senate Committee on Transportation
Date: March 24, 2026
Time: 3:02 a.m.

RE: OPPOSITION to HB2030

Chair Inouye, Vice-Chair Elefante, and members of the committee,

The Hawaii Laborers' Union Local 368 is comprised of nearly 5,000 working and retired men and women across the state of Hawaii and we oppose HB2030.

HB2030 has the potential for having great negative impacts on the construction industry as there are not affordable nor viable alternatives to gasoline powered pick-up trucks and vehicles on the market at the present time. Even if there were, the alternative in the pick-up truck class of vehicles is still so new that durability of these vehicles for daily use on construction sites has yet to be determined.

If implemented, this bill could raise the cost to construction companies across the State thereby, increasing the cost of building in our State. A cost which would eventually be passed on to consumers seeking to buy homes in our State where affordability margins are already stretched to their limits.

Therefore, The Hawaii Laborers' Union Local 368 opposes HB2030 as it operates as a penalty to the working men and women across our State, and urge this committee to look for true incentives in the future to effectuate the change over to electric powered vehicles once the technology in these vehicle classes becomes available and/or more affordable.

Respectfully,

Peter Ganaban

Business Manager

PETER A. GANABAN
*Business Manager/
Secretary-Treasurer*

MARTIN ARANAYDO
President

JOBY NORTH II
Vice President

RYAN MARTIN
Recording Secretary

EDWARD MEDEIROS
Executive Board

RUSSELL NAPIHAA
Executive Board

DOMINGO PERALTA JR.
Executive Board

MARIANO AGBAYANI JR.
Auditor

ESTHER AILA
Auditor

MICHAEL LOZANO
Auditor

KALA ASATO
Sergeant-At-Arms

LiUNA Local 368
1617 Palama Street
Honolulu, HI 96817
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Feel the Power



Senate Committee on Transportation
Chair Inouye, Vice Chair Elefante and members of the Senate Committee on
Transportation
Tuesday, 24 March, 03:02 PM
Room 229
HB 2030 HD2 – Clean Vehicle Bill

TESTIMONY

Sheryl McCarthy, Legislative Committee, League of Women Voters of Hawaii

Chair Inouye, Vice Chair Elefante and Committee Members:

The League of Women Voters of Hawaii strongly supports HB2030 HD2 and is pleased it is having a hearing in the Senate. This bill will require the establishment of a clean vehicle rebate program for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid vehicles and establishes a clean vehicle special fund and a “transportation affordability and energy security tax.” This bill will help Hawaii residents, and the planet, by making clean vehicles more affordable and supporting Hawaii’s energy independence and transition to a clean energy future.

Transportation is a major driver of climate change globally. The most recent (2025) State Greenhouse Gas inventory shows that 50% of Hawaii’s emissions come from transportation. While the bulk of transportation emissions is from aircraft, by accelerating transition to zero-emission vehicles, this bill reduces carbon pollution in one of the most emissions-intensive sectors of Hawaii’s economy, contributing to global climate stabilization efforts. When paired with Hawaii’s growing renewable energy grid, EVs in Hawaii can approach near-zero lifecycle emissions.

The League of Women Voters US (LWVUS) views climate change as a critical issue that requires action at all levels of government and supports legislation to set caps on greenhouse gas and carbon pollution, encouraging conservation and renewable energy, and investing in a new clean energy economy. The proposed Clean Vehicle bill, HB 2030 HD2, is consistent with the LWVUS’ longstanding support for renewable energy. Furthermore, the explicit attention to making EV’s affordable for ordinary families in Hawaii through rebates on both new and used vehicles, is in line with the LWVUS’ longstanding commitment to equity.

Thank you for the opportunity to submit testimony and for the work you are doing to support clean energy vehicles in Hawaii and a clean energy future.

LEAGUE OF WOMEN VOTERS OF HAWAII
P.O. Box 235026 ♦ Honolulu, HI 96823
Voicemail 808.377.6727 ♦ my.lwv.org/hawaii ♦ voters@lwvhi.org

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P.O. Box 235026 ♦ Honolulu, HI 96823
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Testimony of the Oahu Metropolitan Planning Organization

Senate Committee on Transportation

March 24, 2026 at 3:02PM

Conference Room 229

HB2030 HD2

Relating to Transportation Affordability

Dear Chair Inouye, Vice Chair Elefante and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports HB2030 HD2**, which requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles. It would also establish the clean vehicle special fund and beginning in January 2027, would establish a transportation affordability and energy security tax.

This bill aligns with our goals of providing an equitable and affordable transportation system while also striving for a more sustainable future. For low- to moderate-income households, the upfront investment for a new vehicle remains a significant barrier. Thus, establishing a self-funded clean vehicle rebate program could make it easier for families to choose a more affordable and sustainable option.

Studies have shown that a rebate program can especially help reduce the cost of living for lower-income households, who bear the brunt of economic and environmental burdens. On Oahu, households [spend nearly 50% of their income on housing and transportation costs](#). Transportation costs alone can reach thousands of dollars each year when fuel, maintenance, and other expenses are factored in. Furthermore, a recent study by the [Ulupono Initiative](#) revealed that households with the highest reliance on gasoline spend an average of \$13,700 on their gasoline bills each year, accounting for 14 percent of their incomes. Of those who consume and spend the most on gasoline are rural and lower-income households, who are disproportionately represented according to the study. Thus, switching to electric vehicles could save these households \$5,300 annually, relieving financial burdens. This further promotes affordability and equity by expanding access to clean vehicles and unlocking opportunities to save on gas bills and reduce harmful pollution from transportation.

Furthermore, this bill directly supports the Department of Transportation's [Energy Security and Waste Reduction Plan](#), developed as part of the Navahine settlement to ensure Hawaii meets its climate commitments. According to the plan, 81% of new car sales must be electric by 2030 to stay on track. The plan also recommends a rebate program as part of its approach to support clean vehicle choices, pollution reductions, and transportation savings.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP), which encourages and promotes a safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution ([23 CFR 450.300](#)).

Mahalo for the opportunity to provide testimony on this measure.



Email: communications@ulupono.com

SENATE COMMITTEE ON TRANSPORTATION
Tuesday, March 24, 2026 — 3:02 p.m.

Ulupono Initiative supports HB 2030 HD2, Relating to Transportation Affordability.

Dear Chair Inouye and Members of the Committee:

My name is Micah Munekata, and I am the Vice President of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono supports HB 2030 HD2, which requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles; establishes the clean vehicle special fund; and establishes a transportation affordability and energy security tax.

Ulupono supports helping our community transition to cleaner transportation choices, as ground transportation makes up a significant portion of Hawai'i's reliance on imported oil and is the largest contributor to our state's greenhouse gas emissions. The Hawai'i Department of Transportation's own Energy Security and Waste Reduction Plan indicates that 81% of new vehicles sales must be electric by 2030 to meet our climate goals. A great way to help our community members save money and reduce emissions is to better enable the choice of electric vehicles (EVs) when they need to drive. This bill employs a revenue-neutral approach to lower the upfront costs of new and used non-luxury EVs, ensuring those who can most benefit from EVs are able to do so.

In addition, EV rebates at points of sale, like described in this bill, have proven to be effective at accelerating the adoption of zero-emission vehicles, especially for low- to moderate-income families. With recent reductions in federal EV tax credits, state-level incentives are now more critical than ever to reduce our fossil fuel dependence and provide affordable transportation options that ease the cost of living.

As Hawai'i's energy issues become increasingly complex and challenging, we appreciate this committee's efforts to look at policies that support the continued adoption of clean transportation throughout the islands.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Vice President of Government Affairs

Investing in a Sustainable Hawai'i

LATE

HB-2030-HD-2

Submitted on: 3/23/2026 8:21:11 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Charlotte Madin	Testifying for Plaintiff in Navahine v. HDOT	Support	Remotely Via Zoom

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Senate Transportation Committee,

My name is Charlotte Madin, I live in Kailua, and am a junior at University Laboratory School. I am writing in strong support of HB2030 HD2, which establishes Hawai'i's Clean Vehicle Rebate Program.

As a young person who has lived in Hawai'i for eight years now, I am constantly in awe of this beautiful place and the incredible community I get to be a part of. There is nothing more I want than to be able to protect the 'Āina. In order to do this however, we must come up with alternatives to fossil-fuel burning and carbon dioxide emitting vehicles. It is my belief that if we incentivize owning electric vehicles, ownership of these vehicles will rise. This is a necessary step in the right direction, towards minimizing carbon emissions and protecting the nature that surrounds us. In addition to being environmentally friendly, the utilization of clean vehicles will further bolster our EV economy, by ensuring an equitable approach to families from all backgrounds.

Transportation is the largest source of pollution in Hawai'i, accounting for more than half of our statewide emissions. And our state spends billions each year importing gasoline and diesel, hurting our local economy and contributing to climate change and public health harms.

This bill creates a revenue-neutral rebate program to lower the upfront cost of new and used electric vehicles for Hawai'i residents, letting more of our community access the savings of driving electric. This bill centers equity, with rebates applying only to non-luxury EVs (including used EVs) and with no fees placed on the most affordable gas/diesel

vehicles. This ensures that working families, not just the wealthy, can enjoy the financial and health benefits of EVs.

Please make clean transportation a realistic option for families across the islands, and support HB2030 HD2.

Mahalo for the opportunity to testify.

HB-2030-HD-2

Submitted on: 3/21/2026 7:09:12 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Individual	Support	Remotely Via Zoom

Comments:

TESTIMONY IN SUPPORT OF HB2030 HD2

Dear Chair Inouye, Vice Chair Elefante, and Members of the Committee,

I strongly support HB2030 HD2.

My name is Noel Morin, a board member of Hawaii EV (hawaiiev.org), a Hawaii nonprofit advocating for sustainable transportation.

I have driven an electric vehicle in Hawai‘i since 2011, and I know firsthand the cost savings EVs provide through lower fueling and maintenance costs. National analysis shows that EVs can save owners [up to \\$11,000 over seven years](#) compared to a similarly-sized gas car.

HB 2030 HD2 offers a self-financing clean-vehicle rebate program that returns up to \$5,000 to buyers and leasees of new or used electric vehicles. This program would benefit our most burdened households, who [spend an average of \\$13,700 annually on gas](#).

I respectfully urge the Committee to pass HB 2030 HD2 and increase the used-vehicle rebate to at least \$3,000 to ensure this program delivers on its full equity promise to lower-income families who need relief the most.

Mahalo for the opportunity to testify.

[Noel Morin](#)

Climate, Sustainability, and Resilience Advocate, Hilo, Hawai‘i

Testimony in Strong Support of HB2030
Hearing with the Senate Committee on Transportation
Tuesday, March 24th, 2026, at 3:02 PM

Aloha Chair Inouye, Vice Elefante, and Committee Members,

My name is Mia Nishiguchi, a senior at Kalani High School, and the Chairperson of the Hawai'i Youth Transportation Council. I am writing in **strong support of HB2030**. This bill will allow for families across Hawai'i to buy a zero-emission or plug-in hybrid vehicle at an affordable price. This has the benefit of bringing more affordable transportation options to our state while reducing carbon emissions, both of which are core tenets of the HYTC.

Many working-class residents across Hawai'i want to afford these ZEVs and plug-in hybrids, but prices have not come down enough to make them affordable. While the youth council would prefer people use public transportation, the reality is that, according to the 2020 census, 13.9% of Hawai'i residents live in rural areas that public transit may not reach. Or they have a line of work that requires heavy-duty vehicles. These residents need a renewable and affordable vehicle option. Additionally, the HYTC finds that the use of ZEVs and plug-in hybrids, compared to conventional combustion engine vehicles, produces far less carbon emissions, especially when bought used, which this bill allows. HB 2030 aligns with our Energy Security and Waste Reduction proposal, specifically in transitioning the state from internal combustion engine vehicles to more sustainable, low-emission alternatives.

In conclusion, HB 2030 provides affordable transportation options for Hawai'i's working residents and reduces our state's carbon emissions, aligning with the council's Energy Security and Waste Reduction Proposal. We urge the committee to pass HB 2030.

Please support this important bill to make transportation affordable and equitable for all.

Mahalo for the opportunity to testify.

Mia Nishiguchi
Kalani High School

HB-2030-HD-2

Submitted on: 3/23/2026 11:50:49 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicholas Nishimura	Individual	Support	Remotely Via Zoom

Comments:

Chair Inouye, Vice Chair Elefante, Members of the Senate Transportation Committee,

My name is Nicholas Nishimura, a 16-year-old born and raised in Waipahu. I am writing, testifying, and rallying in strong support of HB2030 HD2, which establishes Hawai'i's Clean Vehicle Rebate Program.

I am a junior in Waipahu High School's Academy of Natural Resources, inaugural member of the Punahou Sustainability Fellowship, a former intern with HDOT's office of Energy Security and Community Outreach, am a national youth advisory councilmember turned youth plaintiff for Our Children's Trust (in Venner v. EPA), and currently serve as the Hawai'i Future Farmers of America Association State President.

I have experienced, learned about, worked in, and have been harmed by the state of Hawai'i's Climate, and continue everyday in my fight to secure a future in which I can live my life as an individual free from the burdens of climate change. I fight for a world and home in which my children and their children can live free from food insecurity, air polluted by nitrous oxides, and the same fear I feel today when thinking about the climate.

Through my experiences at Punahou and HDOT, I learned, repeatedly, that the largest contributor to air, land, water, and climate pollution in the State of Hawai'i is transportation and second-scope fossil fuel emissions. I have researched, seen, and have felt the effects of how our state spends billions each year importing gasoline and diesel, not only increasing the costs of living for Hawai'i residents but impeding upon our constitutional rights to a clean climate and environment.

While I do fight for the climate wholeheartedly, with passion, emotion, love, hope, and care, I realize that most people either will not and/or are not willing to. My dad has always told me "money makes the world go round" and as a conservative father himself, has never wholeheartedly supported the fight for the climate the same way I have. What he has supported however, is saving money, and other efforts to bolster and create a more equitable economy here in Hawai'i.

HB2030 creates a revenue-neutral rebate program to lower the upfront cost of new and used electric vehicles for Hawai'i residents, allowing our residents to invest in transportation technologies and system that free them from the constant reliance on fossil fuels (which continue

to rise in cost by the day). My family has invested in an electric vehicle, as well as rooftop solar which has greatly reduced the costs of energy, transportation, and ultimately living as a whole here in the State we call home. HB2030 centers around equity, with rebates applying only to non-luxury EVs (including used EVs) alongside ensuring no additional fees are placed on the most affordable gas/diesel vehicles.

Growing up in a low-income community, and attending a title 1 school, I recognize that most EV technology is unreachable by the majority of Hawai'i residents due to upfront costs, no matter the cost-benefit of long term expense reductions. HB2030 would help to reduce these barriers, and make access to these technologies for more Hawai'i families attainable.

I care about the climate. I care about people. I realize that I am young and may not have the life or career experience that you all have. I do, however, have the desire to procure a future in which I and my children can live in Hawai'i, free from a polluted and suffering climate and environment, and free from the burdens of an ever worsening-economy subject to the volatility of fuel markets and high prices of fuel imports.

That change starts with the conscientious efforts that the people in power, you all, make today. Help me to secure a future that I and the rest of Hawai'i's children will be thankful for.

Maholo for helping to create change,

Nicholas Nishimura

HB-2030-HD-2

Submitted on: 3/20/2026 3:53:59 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

Rebates are an effective way to encourage adoption of evs, which is sadly lagging in Hawaii. I believe the rebates proposed in HB2030 are a necessity to enable Hawaii to meet its carbon-neutral goals. Therefore I strongly support HB2030.

HB-2030-HD-2

Submitted on: 3/20/2026 5:21:03 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Loriann Gordon	Individual	Support	Written Testimony Only

Comments:

Off course we want energy independence and sustainability! Of course we don't want to burn low quality fuel that has to be brought in by ship over the longest port to port sail in the world! Of course we want to put the sun to work for us! We have plenty of it! Of course we want to bring the cost of living down in Hawaii where otherwise we spend more for energy than any state in the union. For these reasons I support HB2030.

Thank you,

Loriann Gordon

HB-2030-HD-2

Submitted on: 3/20/2026 5:52:04 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
David Ball	Individual	Support	Written Testimony Only

Comments:

I support this legislation and its efforts to support sustainability in Hawaii.

With aloha,

David Ball

Waialae-Kahala

HB-2030-HD-2

Submitted on: 3/20/2026 6:53:11 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Calley ONeill	Individual	Support	Written Testimony Only

Comments:

Aloha! My name is Calley O’Neill. I am a conservation artist living in Waimea have been in Hawaii since 1980 dedicating my life to conservation. I've been driving an electric car for 15 years. My family, Ohana and team and I strongly support HB 2030 please! Hawaii has to lead and not lag behind. It is time to reduce the pollution in the transportation sector as the HDOT is doing so please support their work, our future, the children's healthy future and pass the rebate for EV's and every other bill about EV's including a lot more chargers with the full house. Make it a resounding success please it's time let's be responsible to the future and to the health of the citizens in Hawaii and let's lead the way. Thank you so much.

HB-2030-HD-2

Submitted on: 3/20/2026 7:59:17 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Graham	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support HB2030 HD2, as it will accelerate the State's transition to clean vehicles, which will reduce our reliance on price-volatile imported fossil fuels, reduce climate pollution, and ultimately help residents reduce their transportation expenses. Reducing barriers for drivers from low- and moderate-income households to switch to clean vehicles, as the bill would do, is especially important.

Thank you,

Thomas Graham, Honolulu

HB-2030-HD-2

Submitted on: 3/20/2026 9:04:12 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
William Caron	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

I am writing in **strong support** of HB2030, which establishes a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles. This bill also establishes the Clean Vehicle Special Fund and, beginning January 1, 2027, creates a transportation affordability and energy security tax to support these efforts.

Hawai‘i imports more than **90% of its energy and fuel**, and transportation is the state's largest petroleum consumer. Electrifying how we get around is one of the most impactful steps we can take to reduce costs, cut emissions, and build energy independence. Yet the upfront cost of electric vehicles remains a significant barrier for many families.

What HB2030 Does

This bill would:

- **Require the Department of Transportation to establish a Clean Vehicle Rebate Program**, providing rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles.
- **Establish the Clean Vehicle Special Fund** to administer rebates and support the program.
- **Create a transportation affordability and energy security tax** beginning January 1, 2027, to fund the program.
- **Require annual reports to the Legislature** to ensure transparency and accountability.

Why This Matters for Hawai‘i Families

A state rebate program addresses a critical gap in the current EV market. While federal tax credits exist, they do not always reach the families who need them most—particularly those who purchase used vehicles or who do not have sufficient tax liability to claim the full credit. A point-of-sale rebate, administered by the state, would put money directly into the hands of consumers at the time of purchase.

The Hawai'i Electric Vehicle Association has identified EV purchase rebates as a top policy priority for 2026, noting that establishing a state rebate program for new and used zero-emission vehicles will "make EVs accessible to more Hawaii families." This is especially important for:

- **Low- and moderate-income households** who cannot afford the upfront cost of a new EV;
- **Renters and condominium residents** who may not have home charging and rely on more affordable used EVs;
- **Rural communities** where gas prices are highest and transportation costs are a significant burden.

The Transportation Affordability and Energy Security Tax

Beginning in 2027, the bill establishes a transportation affordability and energy security tax to provide a dedicated funding stream for the rebate program. This ensures that the program will have sustainable, ongoing resources rather than relying on one-time appropriations. It also ties the program directly to the goal of energy security—a critical consideration for a state that remains dangerously dependent on imported fossil fuels.

Some have raised concerns about the costs of transitioning to electric vehicles and the broader implications of Hawai'i's energy and transportation policies. These are legitimate concerns that deserve careful consideration. However, the answer to high costs is not to delay the transition, but to make it affordable for all residents.

A rebate program does exactly that. It does not mandate that anyone purchase an EV. It simply creates a pathway for those who wish to make the switch to do so with financial support. By making EVs more accessible, we also reduce our dependence on imported oil, stabilize energy costs over the long term, and keep more of our transportation dollars in the local economy.

Hawai'i has set ambitious goals for reducing emissions and achieving energy independence. But goals without tools are just wishes. HB2030 provides a critical tool: a rebate program that makes clean vehicles affordable for more Hawai'i families.

I urge this committee to pass HB2030 and invest in a transportation future that is clean, affordable, and accessible to all.

Mahalo for the opportunity to testify.

Aloha Chair Inouye, Vice Chair Elefante, and members of the TRS committee:

I strongly support this bill because it will expand access to clean vehicles in a revenue neutral manner and help the State meet its climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low and moderate-income households, helping to ensure they are not left behind.

This bill's rebate system is revenue-neutral (i.e., the rebates place no financial strain on the State's budget). The bill places a fee on the most polluting gasoline and diesel-powered vehicles (with no fees placed on the most affordable gas/diesel vehicles). These fees provide the monies for the rebates on new and used EVs. These provisions ensure that working families, not just the wealthy, can enjoy the financial and health benefits of EVs.

HB 2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Mahalo for the opportunity to testify.

Mahalo nui,
Paul Bernstein
Honolulu

HB-2030-HD-2

Submitted on: 3/21/2026 10:08:18 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

I strongly support this bill because it will expand access to clean vehicles and help meet our climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Mahalo!

Virginia

Honolulu

HB-2030-HD-2

Submitted on: 3/21/2026 10:11:43 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Comments	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, Comment regarding rebates/tax credits...

IRAN WAR IS COSTING TAXPAYERS 1BILLION \$ A DAY.

LEGILATURES MUST BE FISCAL RESPONSIBLE THIS SESSION REGARDING
MEASURES SEEKING TAX CREDITS, REBATES, FUNDING...

2030 HB RELATING TO TRANSPORTATION AFFORDABILITY.

HB-2030-HD-2

Submitted on: 3/21/2026 10:13:23 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Support	Written Testimony Only

Comments:

As is being shown to us by closure of the Strait of Hormuz, availability of oil is not guaranteed, whereas the sun continues to shine and the wind to blow. Especially important for islands in the middle of the Pacific Ocean. This bill will enable more people to afford non-gasoline vehicles. Please support HB2030.

HB-2030-HD-2

Submitted on: 3/21/2026 10:36:43 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Bobbie Best	Individual	Support	Written Testimony Only

Comments:

the more EVs on the road, the less greenhouse gas emissions, so the environment wins

Mahalo,

Bobbie Best, Wailuku

HB-2030-HD-2

Submitted on: 3/21/2026 11:18:02 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
John Kawamoto	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill because it will expand access to clean vehicles and help meet our climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Mahalo!

HB-2030-HD-2

Submitted on: 3/21/2026 11:37:59 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Seuta'atia Cochran	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

I strongly support this bill because it will expand access to clean vehicles and help meet our climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Mahalo!

Seuta'atia Cochran

Ewa Beach, 'Iolani School

HB-2030-HD-2

Submitted on: 3/21/2026 11:40:50 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Priscilla Stuckey	Individual	Support	Written Testimony Only

Comments:

Aloha, Chair and Members of the Committee,

I strongly support HB2030, to establish a rebate program for purchase or lease of clean-energy vehicles.

More than half of Hawai'i's carbon dioxide emissions come from transportation. The state spends billions importing gas and diesel. Electric vehicles are a no-brainer for lowering the state's emissions and doing our part to fight climate change.

In line with the Navahine settlement, the state DOT is required to reduce emissions to ZERO by 2045. One important step is increasing incentives for electric vehicles. A clean vehicle rebate makes doing the right thing easier and more affordable for the people of Hawai'i. Widespread use of electric vehicles will help the state reach its legally mandated zero emissions goal.

Please support this bill and establish a clean vehicle rebate program.

Mahalo,

Priscilla Stuckey, Kihei

HB-2030-HD-2

Submitted on: 3/21/2026 12:11:33 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Deborah Millikan	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of HB2030 HD2 - Clean Vehicle Rebate Program

Hearing with the Senate Committee on Transportation

Tuesday March 24, 2026 at 3:02pm

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Senate Transportation Committee,

My name is Debbie, I live in Honolulu and I am writing in strong support of HB2030 HD2, which establishes Hawai'i's Clean Vehicle Rebate Program.

There is no question that we are set on a path to decarbonization and we need every tool in our toolbox to stay on track. Offering incentive to purchase electric vehicles, especially for those who can afford used cars, this policy is a win-win for all. Transportation is the largest source of pollution in Hawai'i, accounting for more than half of our statewide emissions. And our state spends billions each year importing gasoline and diesel, hurting our local economy and contributing to climate change and public health harms.

What I appreciate most about this bill is the focus on making clean transportation a realistic option for young people and families.

Mahalo for the opportunity to testify.

Debbie Millikan

Honolulu, HI

TESTIMONY OF KEALI'I PANG, PH.D.
Kaimukī, O'ahu
IN STRONG SUPPORT OF HB 2030, HD2

TO: Senate Committee on Transportation

Senator Lorraine R. Inouye, Chair; Senator Brandon J.C. Elefante, Vice Chair

DATE: Tuesday, March 24, 2026

TIME: 3:02 PM

PLACE: Conference Room 229 & Videoconference, State Capitol

Aloha Chair Inouye, Vice Chair Elefante, and distinguished members of the Senate Committee on Transportation:

My name is Keali'i Pang, Ph.D. I am a resident of Kaimukī, a lifetime member of the Hawaiian Civic Club of Honolulu, and have served as an environmentalist in Hawai'i for the last 35 years. I am also a retired federal biologist with extensive experience in conservation and natural resources management across the Pacific Islands, and currently serve as a State Commissioner. I write today in strong support of HB 2030, HD2, which establishes Hawai'i's Clean Vehicle Rebate Program.

I have driven electric vehicles for the past six years and have had solar panels on my home since 2002. With a home EV charger, I capture the energy of our sun and convert it directly into miles driven. My transportation fuel cost is effectively zero. Every dollar I once sent to an oil company now stays in Hawai'i, supporting our local economy. I share this not to speak of personal convenience, but because I know from lived experience that this transition is real, achievable, and financially transformative—and that far too many Hawai'i families still cannot access it due to upfront cost barriers that this bill directly addresses.

Aloha 'Āina in Practice

Aloha 'āina is not a slogan. It is a way of living in right relationship with this land. Hawai'i sends billions of dollars off-island every year to import gasoline and diesel. That wealth leaves our communities, our families, and our islands. Solar power and electric vehicles return that energy—and that money—back home, where they belong.

As a retired federal biologist, I have spent decades watching climate change accelerate its impacts on our coastlines, our native ecosystems, and our most vulnerable communities. Transportation is Hawai'i's largest source of greenhouse gas emissions, accounting for more than half of our statewide output. Every gas vehicle replaced by a zero-emission vehicle is a concrete act of aloha 'āina—and a real financial benefit to the family making that choice.

Why HB 2030, HD2 Matters Now

HB 2030, HD2 creates a revenue-neutral rebate program that lowers the upfront cost of new and used electric and plug-in hybrid vehicles for Hawai'i residents. The bill prioritizes equity: rebates are targeted to non-luxury EVs and explicitly include used vehicles, ensuring that working families—not only those who can already afford the

latest models—have a genuine path to the financial and health benefits that come with driving electric.

The timing is critical. The federal EV tax credit has been eliminated, removing the single most significant financial incentive that had been helping Hawai'i families offset the cost of making this transition. Without state action, the gap between those who can afford to go electric and those who cannot will only widen. HB 2030, HD2 steps into that gap with a targeted, fiscally responsible mechanism that keeps our energy dollars circulating in Hawai'i rather than flowing to mainland oil markets.

The establishment of the Clean Vehicle Special Fund and the transportation affordability and energy security tax framework in HD2 reflects serious, long-term thinking about how to sustain this program and reduce our structural dependence on imported fossil fuels. I support this approach. Hawai'i's energy security and our communities' economic resilience are inseparable from our ability to capture the renewable energy we are uniquely positioned to generate right here at home.

Conclusion

I respectfully urge the Committee to PASS HB 2030, HD2. Help more Hawai'i families capture the power of our sun, reduce our dependence on imported fuel, and keep our energy dollars here at home where they belong. Mahalo nui for the opportunity to testify.

Me ka 'oia'i'o,

Keali'i Pang, Ph.D.
Kaimukī, O'ahu

HB-2030-HD-2

Submitted on: 3/21/2026 2:19:59 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruth Robison	Individual	Support	Written Testimony Only

Comments:

To Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

My name is Ruth Robison and I live in Hilo. I bought a used EV in 2022 and I want more Hawai`i residents to be able to own EVs.

I strongly support this bill because it will increase access to EVs and help meet Hawai`i's climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Thank you for the opportunity to testify. Thank you for your service to the people of Hawai`i.

HB-2030-HD-2

Submitted on: 3/21/2026 3:10:33 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
John Latkiewicz	Individual	Oppose	Written Testimony Only

Comments:

Please support HB2-30. Renewable energy is critical to the planet's survival. This bill is a piece of the solution.

HB-2030-HD-2

Submitted on: 3/21/2026 5:42:16 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Benjamin Narwold	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

I strongly support this bill because it will expand access to clean vehicles and help meet our climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Mahalo!

Benjamin Narwold, Kapaa, HI

HB-2030-HD-2

Submitted on: 3/21/2026 6:23:33 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
albert fung	Individual	Support	Written Testimony Only

Comments:

EV's are the future. As gas prices skyrockets, we need to promote EV's with rebates and cover the island with Solar PV panels.

HB-2030-HD-2

Submitted on: 3/21/2026 6:44:46 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Gerald Klappert	Individual	Support	Written Testimony Only

Comments:

I am in support of HB2030. I feel it's important we transition away from fossil fuels and have clean energy options.

HB-2030-HD-2

Submitted on: 3/21/2026 8:49:38 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Roy Skaggs	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am in strong support of any rebates that can help local families afford electric vehicles, which not only help our environment but can be a real benefit to our pocketbooks! I have solar on my home and an EV and it's the best thing. I also bought my wife a used EV. Hawaii is the most perfect place on earth for EV's. Let's make them more affordable.

Mahalo!

Roy Skaggs

HB-2030-HD-2

Submitted on: 3/22/2026 7:47:30 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
David Murray	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

I am writing to express my strong support for this bill because it will expand access to clean-energy vehicles and help meet our climate and energy goals.

The bill's focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families, especially in Hawaii where the cost of living is already high. Providing rebates for new and used vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low and moderate-income households, helping to ensure that they are not left behind.

The bill's funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for clean-energy vehicle rebates.

HB2030 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Mahalo!

David Murray, Kaneohe

HB-2030-HD-2

Submitted on: 3/22/2026 8:58:51 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith White	Individual	Support	Written Testimony Only

Comments:

EV affordability and charger accessibility will help us meet our clean energy goals. I've had an EV for 7 years and will never go back to gas powered. Please pass this measure!

Judith White, Kapaa

HB-2030-HD-2

Submitted on: 3/22/2026 9:30:22 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Hagan	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation,

My name is Doug Hagan, and I strongly support HB2030 HD2.

This bill expands access to clean vehicles while centering equity—helping more families afford EVs through used vehicle rebates and additional support for low- and moderate-income households.

Its funding approach is fair and forward-looking, encouraging cleaner choices while sustaining the program.

Please pass HB2030 HD2.

Mahalo,
Doug Hagan

HB-2030-HD-2

Submitted on: 3/22/2026 12:23:25 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ocean	Individual	Support	Written Testimony Only

Comments:

Dear Chair Inouye, Vice Chair Elefante, and Committee Members,

My name is Ocean McKinney and I live in Kona on Big Island. As an electric vehicle owner, I have seen firsthand how clean energy transforms the driving experience and reduces our carbon footprint. However, I believe these benefits should not be reserved only for those of us in higher income brackets.

This bill will enable the equitable adoption of clean, efficient vehicles in Hawaii. HB2030 HD2 will provide a self-financing clean-vehicle rebate program that returns up to \$5,000 to buyers of zero-emission vehicles. This program will provide low- to moderate-income households with the opportunity to purchase or lease new or used electric vehicles.

Please pass this measure.

Ocean McKinney

Kailua-Kona

HB-2030-HD-2

Submitted on: 3/22/2026 1:26:23 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
laurel brier	Individual	Support	Written Testimony Only

Comments:

We must continue to make long term preparations for fossil fuel storages and more importantly, climate crisis and the necessity of weaning ourselves from fossil fuel. Electric vehicles are the future.

HB-2030-HD-2

Submitted on: 3/22/2026 2:17:05 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Janus	Individual	Oppose	Written Testimony Only

Comments:

I firmly oppose HB 2030. While I acknowledge that some people may choose to buy a so-called "clean vehicle" because it suits their needs and lifestyle, there are those for whom a traditional, gas-powered vehicle is more appropriate to their needs and lifestyle. This may be for a variety of reasons including, but not limited to, limited or no charging options, vehicle weight restrictions, affordability, comfort, or personal reasons. Selection of a personal vehicle is just that, a personal choice, which should not be penalized, especially given that most people who are able to buy electric vehicles, which tend to be more expensive, are those of higher-income and more affluent backgrounds. Imposing an additional financial burden on owners of gas-powered vehicles will simply be another example of taxing the poor to subsidize the rich. In addition, as alluded to earlier, the so-called "clean vehicles" that this legislation would be incentivizing (by penalizing the alternative) are not at all clean. These vehicles are typically heavier than their traditional gas-powered counterparts which leads to more rubber breakdown in the tires (which contributes more microplastics to the environment), and cause more damage to road surfaces due to the higher weight. Not to be ignored in this is the production of the batteries essential for these vehicles causes enormous environmental damage in its own right. Furthermore, with the the governor's stated focused on "affordability", a well known concern affecting many people living in Hawai'i, imposing a tax that will disproportionately affect less-well-off Hawaiians to subsidize the personal vehicle preferences of more the more affluent does not address the needs of Hawai'i or its people. We simply do not need another tax to subsidize someone's choice, especially not at this difficult time. Finally, the lack of details listed in the bill on the requirements of the tax shows that the legislature needs to put additional thought and effort into more fully developing a future iteration of this bill that is more targetted and actually benefits Hawaiians instead of penalizing them for trying to live their lives the way they want to live them. I encourage everyone to oppose this legislation.

Aloha Chair Inouye, Vice Chair Elefante, and members of the Transportation Committee:

Strong support for HB2030_HD2

I strongly support HB2030_HD2 because it will expand access for clean vehicles while helping to meet both state climate and energy goals.

Hawai'i must accelerate it's transition toward a cleaner transportation systems by practical, balanced, and inclusive policy solutions.

Thank you for your consideration.

Keith Neal
Waimea

HB-2030-HD-2

Submitted on: 3/22/2026 4:50:19 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Heather McMillen	Individual	Support	Written Testimony Only

Comments:

Aloha Committee,

I write in strong support of this measure, which requires the Department of Transportation to establish a clean vehicle rebate program to provide rebates for the purchase or lease of new and used zero-emission vehicles and plug-in hybrid electric vehicles. Establishes the clean vehicle special fund.

I plan for my next vehicle purchase to be a hybrid or EV vehicle and this would help me and others make that leap away from fossil fuels and toward clean energy. As our state has pledged to decarbonize its transportation system by 2045, this measure is aligned with state goals.

Thank you for supporting this measure.

Aloha,

Heather McMillen

Mr. Joe Calavita
CARB Vehicle Incentive Program Development Lead, Retired

Senate Committee on Transportation
Senator Lorainne Inouye, Chair
Senator Brandon Elefante, Vice-Chair
Tuesday, March 24, 2026
3:02 pm, Conference Room 229

March 24, 2026

Testimony in Support of HB2030 HD2 - Clean Vehicle Rebate Program

Aloha Chair Inouye, Vice-Chair Elefante, and Members of the Senate Committee on Transportation,

My name is Joe Calavita, I live in Kailua, and I am writing in support of HB2030 HD2, which establishes Hawai'i's Clean Vehicle Rebate Program.

I had the privilege of being the California Air Resources Board (CARB) lead staff in developing and implementing the nation's first voucher program to encourage purchase of clean motor vehicles (i.e., the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program), which complemented CARB's (light-duty) Clean Vehicle Rebate Program (CVRP). I support HB2030 HD2 for the following reasons:

- **Budget Neutral:** HB2030 HD2 doesn't require a budget appropriation to generate funds for electric vehicle (EV) rebates. Its self-funded within the transportation sector.
- **Progressive Rebate Structure:** HB2030 HD2's fixed rebate amounts per eligible vehicle category is progressive, since a flat rebate amount is a higher percentage of the total cost of lower priced EVs. So someone buying an expensive EV gets a higher rebate than someone buying a lower cost EV.¹
- **Point-of-Sale Rebates:** HB2030 HD2 would provide rebates to car buyers at the dealership at the time they buy their car. This makes it easier for lower income consumers to buy a car with less money up front (rather than being reimbursed at a later date).²
- **Focus on Affordability:** As fuel prices continue to rise, skipping the gas station becomes an even better deal for EV owners. But why should EVs be only for the wealthy? HB2030 HD2 eligibility rules would exclude high income purchasers and luxury EVs

¹ Percentage-based rebates are also more challenging to implement, as dealers may inflate the sale price or sell unnecessary add-ons to increase the (percentage-based) rebate amount received.

² California's Clean Vehicle Rebate Project ran for 15 years as a traditional "we'll mail you the check" rebate. While this was easier to implement, vehicle purchasers had to wait – sometimes for months – for their rebate check. In 2023, California sunset this approach (along with the CVRP), and is launching a point-of-sale program, called Rebate Now (see <https://ww2.arb.ca.gov/news/california-directs-more-clean-vehicle-rebates-lower-income-families>).

from the rebates. And fees wouldn't apply to internal-combustion cars under a certain threshold price, so car buyers on a budget wouldn't be impacted. These progressive eligibility requirements target benefits to Hawaii's lower-income residents and costs to higher-income residents.

At a time when our federal government has dropped the ball on climate change and affordability, HB2030 HD2 provides a budget neutral way to reduce car ownership costs *and* transportation emissions.

Mahalo for your leadership and for the opportunity to comment in support of HB2030 HD2.

A handwritten signature in cursive script that reads "Joe Calavita".

Joe Calavita

HB-2030-HD-2

Submitted on: 3/22/2026 5:42:16 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Lee Chamberlain	Individual	Support	Written Testimony Only

Comments:

TO: Chair, Vice Chair, and Members of the Committee

FROM: Lee Chamberlain

SUBJECT: Testimony in Strong Support of HB2030 HD2

DATE: March 24, 2026

Aloha Chair and Committee Members,

I am writing in **strong support of HB2030 HD2**, which establishes a market-based clean vehicle rebate program to improve transportation affordability, reduce emissions, and strengthen Hawaii’s energy security.

This measure represents a thoughtful and pragmatic approach to addressing two of Hawaii’s most pressing challenges: the high cost of living and our heavy dependence on imported fossil fuels.

HB2030 HD2 recognizes that transportation is a major contributor to climate pollution in our state, with gasoline consumption from light-duty vehicles accounting for a significant share of emissions. At the same time, it acknowledges that cleaner technologies—particularly electric vehicles—offer an immediate and practical pathway to reduce both emissions and household expenses.

Importantly, this bill is structured to ensure that the benefits of this transition are accessible to all residents, not just those with the financial means to make large upfront investments. By providing targeted rebates, particularly for low- and moderate-income households, the measure helps ensure that no one is left behind in the transition to a cleaner transportation system.

I also strongly support the **market-based and revenue-neutral design** of this proposal. By funding rebates through fees on higher-polluting vehicles, the program creates appropriate market signals while avoiding additional burdens on taxpayers or the state general fund. This approach aligns incentives with outcomes—encouraging cleaner choices while maintaining fiscal responsibility.

Beyond environmental benefits, this bill directly addresses affordability. Transportation costs are a major component of household expenses in Hawaii. By reducing fuel and maintenance costs

through increased adoption of clean vehicles, this program can deliver meaningful, ongoing savings to local families while keeping more money circulating within our local economy.

From a broader policy perspective, HB2030 HD2 complements efforts to modernize Hawaii's transportation system and reduce reliance on imported energy. It also provides a flexible framework that can evolve over time, allowing the State to refine and optimize the program based on performance data and changing market conditions.

While I remain a strong advocate for expanding multimodal transportation options—including walking, biking, and transit—this measure represents an important and necessary step in addressing emissions and affordability within our existing transportation realities.

For these reasons, I respectfully urge the Committee to **pass HB2030 HD2**.

Mahalo for the opportunity to provide testimony.

Respectfully submitted,
Lee Chamberlain

Maui Resident

HB-2030-HD-2

Submitted on: 3/22/2026 6:13:08 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Melissa Barker	Individual	Support	Written Testimony Only

Comments:

Honorable Members,

I am writing to ask that you support HB2030 HD2 which creates a Clean Energy Rebate Program.

Thank you for your attention and consideration.

Melissa Barker

Kapaa, HI

HB-2030-HD-2

Submitted on: 3/23/2026 4:11:54 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Travis Counsell	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Senate Transportation Committee,

My name is Travis Counsell, I live in Kailua, O‘ahu and I am writing in strong support of HB2030 HD2, which establishes Hawai‘i’s Clean Vehicle Rebate Program.

Hawai‘i has set ambitious, yet achievable, benchmarks for clean transportation and this bill will help us reach that goal. The instabilities we are experiences with oil globally should provide even more evidence that clean transportation is a high priority. I personally am fortunate to own an electric vehicle, which is charged off the solar on my roof, and I want to empower others to be able to have that energy freedom!

Transportation is the largest source of pollution in Hawai‘i, accounting for more than half of our statewide emissions. And our state spends billions each year importing gasoline and diesel, hurting our local economy and contributing to climate change and public health harms.

This bill creates a revenue-neutral rebate program to lower the upfront cost of new and used electric vehicles for Hawai‘i residents, letting more of our community access the savings of driving electric. This bill centers equity, with rebates applying only to non-luxury EVs (including used EVs) and with no fees placed on the most affordable gas/diesel vehicles. This ensures that working families, not just the wealthy, can enjoy the financial and health benefits of EVs.

Please make clean transportation a realistic option for families across the islands, and support HB2030 HD2.

Mahalo for the opportunity to testify.

HB-2030-HD-2

Submitted on: 3/23/2026 8:54:52 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

In support of. Thank you.

HB-2030-HD-2

Submitted on: 3/23/2026 9:04:33 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

I strongly support this bill because it will expand access to clean vehicles and help meet our climate and energy goals.

The bill’s focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill’s funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution. I urge your committee to pass it.

Me ke aloha ‘āina,

Nanea Lo, 96826

Sierra Club of Hawai‘i Member

Hawai‘i Workers Center Board Member

Clean Elections Hawai‘i Member

Honolulu Tenants Union Member

350 Hawai‘i Member

Carbon Cashback Hawai‘i Member

Hawai'i Tax Fairness Coalition Member

HB-2030-HD-2

Submitted on: 3/23/2026 9:15:52 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Browne	Individual	Support	Written Testimony Only

Comments:

I am in favor of clean vehicles in Hawai'i. A revenue-neutral rebate program for the purchase or lease of new and used zero-emission vehicles and plug-in hybrids will bring us closer to our goal of being the only state that is not reliant on fossil fuels.

Mahalo,

Susan Browne

HB-2030-HD-2

Submitted on: 3/23/2026 11:22:15 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Casem	Individual	Oppose	Written Testimony Only

Comments:

costly. INSTEAD you should pass a bill to help our people who are born & raised here. We need help here not helping outside state to live here for free. I totally oppose this bill!!!

HB-2030-HD-2

Submitted on: 3/23/2026 9:56:17 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Wilson	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

I strongly oppose HB2030 HD2.

Although the bill is presented as a way to improve transportation affordability, it would do so by creating a new tax beginning in 2027. At a time when Hawaii residents are already struggling with some of the highest living costs in the nation, this is the wrong approach. Working families are already burdened by high housing costs, food prices, utility bills, and transportation expenses. Adding another tax will only make daily life harder for the very people lawmakers should be protecting.

This bill also raises serious fairness concerns. Many local residents cannot afford to purchase or lease new or newer electric, zero-emission, or plug-in hybrid vehicles, even with rebates. In practice, this means lower- and middle-income residents may end up helping fund incentives that primarily benefit those with greater financial means. That is not true affordability.

On islands like Hawai'i Island, where many people drive long distances for work, medical appointments, and basic necessities, reliable transportation is not optional. Policies that increase costs without offering realistic and accessible alternatives will place an even greater burden on rural and working communities.

Hawaii should pursue practical, equitable solutions that do not rely on creating new taxes during an already difficult economic time. I respectfully urge you to reject HB2030 HD2.

Mahalo for the opportunity to testify.

Ann M. Wilson

Aloha Chair Inouye, Vice-Chair Elefante, and Committee Members.

My name is Lyla Berg. I grew up in Kaimukī and now live in Niu Valley. I am writing in strong support of HB2030 HD2, which establishes a rebate program for the purchase or lease of new and used electric vehicles.

This measure reflects thoughtful, vision-driven leadership, and good policy-making. In addition, it represents an environmentally responsible, economically sound, and strategically important action for Hawai‘i—especially at this time in world history.

First and foremost, Hawai‘i has committed to achieving 100% renewable energy by 2045. HB2030 HD2 puts that commitment into action. Electrifying transportation—our largest source of greenhouse gas emissions—is essential to meeting that goal. By incentivizing both new and used EVs, this measure accelerates the transition and demonstrates that the Legislature is serious about fulfilling our clean energy mandate.

Our islands’ extreme dependence on imported oil makes us uniquely vulnerable to global price volatility and supply disruptions. Transportation accounts for the majority of our fossil fuel use. Expanding electric vehicle adoption will reduce this dependence, strengthen our energy security, and keep more money circulating within our local economy rather than sending it overseas.

Hawai‘i families already face some of the highest energy costs in the United States. EV rebates—especially those that include used vehicles—would make clean transportation more accessible to working families. Electric vehicles offer significantly lower fuel and maintenance costs over time. This bill helps ease the financial burden on households while ensuring that the benefits of clean energy are shared more equitably across all income levels.

Finally, I speak from personal experience. I lease an electric vehicle and have rooftop solar panels at my home. As a result, I have no fuel costs and charge my vehicle using clean energy generated on-site. The savings are real and meaningful. Expanding access to EVs will allow more residents to experience this kind of long-term financial relief while also reducing emissions statewide.

HB2030 HD2 is a practical and forward-looking step toward greater energy independence, stronger economic resilience for local families, and responsible environmental stewardship. It supports our residents, advances our clean energy transition, and helps protect Hawai‘i’s fragile island ecosystems. Most significantly, this policy action will reinforce Hawai‘i’s role as a leader in sustainability.

I respectfully urge you to pass HB2030 HD2.

Mahalo for the opportunity to testify.

Lyla Berg
Honolulu, Hawai‘i

Jeff Mikulina

jmikulina@gmail.com

Honolulu, Hawai'i

SENATE COMMITTEE ON TRANSPORTATION

March 24, 2026, 3:02 P.M., Room 229

Testimony in strong support of HB 2030 HD2

Aloha Chair Inouye, Vice Chair Elefante, and members of the Transportation Committee:

I'm writing in my personal capacity in strong support of HB 2030, which takes a smart, targeted approach to one of Hawai'i's most urgent and persistent challenges: the high and rising cost of transportation.

At its core, this measure recognizes that our ongoing dependence on imported fossil fuels is not just a climate issue, but an affordability crisis. Hawai'i residents spend billions of dollars every year on gasoline and diesel, with those costs hitting working families and rural communities the hardest. House Bill 2030 is one of the only measures this session that directly addresses that problem

On Hawai'i Island alone, gasoline and diesel consumption increased by 8.5% in 2025 compared to 2024, with drivers spending approximately \$493 million on fuel last year. With recent global instability and oil price spikes, that number could increase by another \$100 million or more in just the next 12 months. What's more, those additional dollars simply leave the island, with no net benefit.

The measure before you helps to solve this problem through an innovative clean vehicle rebate program. The program helps residents transition to more affordable transportation options through a market-based and self-funded mechanism. Rather than relying on taxpayer subsidies, it uses a modest fee on new fossil fuel vehicles to fund rebates for cleaner alternatives. That is a practical, balanced approach that aligns costs with impacts and returns value directly to consumers.

Most importantly, this policy is about lowering the cost of living. Electric vehicles are often already cheaper to operate and maintain over time, but the upfront cost remains a barrier for many families. House Bill 2030 tackles that barrier head-on by providing meaningful, point-of-sale rebates—including additional support for low- and moderate-income households—so more residents can access those long-term savings.

Hawai'i has no meaningful statewide program today to help residents adopt cleaner, more affordable vehicles. This bill fills that gap at a critical moment, especially as federal support has receded. If we are serious about transportation affordability, we cannot remain locked into imported fossil fuels.

I respectfully urge you to support HB 2030 HD2 and advance our conversation on affordability.

Mahalo for the opportunity to testify.

BILL: [HB2030 HD2](#) - EV Rebate Program

Dear Chair Inouye, Vice Chair Elefante, and Committee Members,

I am Cynthia Kubas and I live in Keauhou on the Big Island. I own a fully electric vehicle and have for over 7 years. I believe these vehicles decrease our dependence on fossil fuels, and do not pollute the air.

This bill will enable the equitable adoption of clean, efficient vehicles in Hawaii. HB2030 HD2 will provide a self-financing clean-vehicle rebate program that returns up to \$5,000 to buyers of zero-emission vehicles. This program will provide low- to moderate-income households with the opportunity to purchase or lease new or used electric vehicles.

Please pass this measure.

Cynthia Kubas

Kailua-Kona, HI

LATE

HB-2030-HD-2

Submitted on: 3/23/2026 9:46:23 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Ronald "Ron" Reilly	Individual	Support	Written Testimony Only

Comments:

Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Transportation:

I am in strong support of HB2030 HD2, because it will expand access to clean vehicles and help meet our climate and energy goals.

The bill’s focus on equity is especially important. Electric vehicles can significantly reduce transportation costs, but the upfront purchase price remains a barrier for many families. Providing rebates for used as well as new vehicles is important in that respect. The bill also sets an eligibility income cap for rebate eligibility and offers an additional rebate for low- and moderate-income households, helping to ensure they are not left behind.

The bill’s funding structure is responsible and fair. Taxing the sale of gasoline and diesel-powered vehicles will further encourage cleaner choices while generating dedicated funding for the clean vehicle rebates.

HB2030 HD2 is a practical, balanced, and inclusive policy solution.

Please pass this bill.

Thank you, Ron Reilly, Volcano Village.

LATE

HB-2030-HD-2

Submitted on: 3/23/2026 4:23:55 PM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
pamela burrell	Individual	Support	Written Testimony Only

Comments:

Aloha House Members of the Transportation Committee ,

I support HB2030 now more than ever with fuel prices spiking. (Unfortunately the prices never seem to go back down even when the price per barrell goes down. But that's another story.)

A rebate program to lower the upfront cost of new and used electric vehicles for Hawai'i residents is ideal, giving more of our community access to the savings of driving electric.

Please support this bill...it supports our ohana and our environment.

Mahalo,

Pamela Burrell, Kalihiwai, Kaua'i

LATE

HB-2030-HD-2

Submitted on: 3/24/2026 5:59:45 AM

Testimony for TRS on 3/24/2026 3:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Alice Abellanida	Individual	Oppose	Written Testimony Only

Comments:

I am strongly opposed to this tax! This would be devastating to an already over burdened tax load on the people of Hawaii! Electric vehicles are destroying the environment. This bill hits a huge nerve! Vote no!

Testimony in Support of HB2030 HD2 - Clean Vehicle Rebate Program

Hearing with the Senate Committee on Transportation

Thursday March 24, 2026 at 3:02pm

LATE

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Senate Transportation Committee,

My name is Bhalpriya, I live in Southern California and I am writing in strong support of HB2030 HD2, which establishes Hawai'i's Clean Vehicle Rebate Program.

I grew up in the Inland Empire and commuted to LA County to go to school. I did this commute every day for 16 years and watched as my community became a sea of warehouses bringing in more and more trucks and more diesel particulate matter into the atmosphere. Now, smog in the Inland Empire from big-rig exhaust is the worst in the nation. I studied genetics, human rights, and public health and joined Berkeley Law's Human Rights Center hoping to find an avenue that allowed me to research health and climate justice.

I also worked with Amnesty International to research the disproportionate effects of climate induced flooding in Pakistan on children. The smog that exists in South Asia has contributed to the increased flooding and heatwaves as well as maternal and infant deaths. The subsequent effects of these climate change driven natural disasters include prolonged periods of time where children cannot attend school and must endure periods of homelessness.

The effects of smog in my hometown in California has the potential to create crises similar to those persisting in South Asia unless legislative change is implemented. I'm writing in support of HB2030 HD2 because of my experiences that relate to what youth across the United States and Hawaii are experiencing. I hope to see legislation that supports the use of EVs and clean air implemented across the United States.

Transportation is the largest source of pollution in Hawai'i, accounting for more than half of our statewide emissions. And our state spends billions each year importing gasoline and diesel, hurting our local economy and contributing to climate change and public health harms.

This bill creates a revenue-neutral rebate program to lower the upfront cost of new and used electric vehicles for Hawai'i residents, letting more of our community access the savings of driving electric. This bill centers equity, with rebates applying only to non-luxury EVs (including used EVs) and with no fees placed on the most affordable gas/diesel vehicles. This ensures that working families, not just the wealthy, can enjoy the financial and health benefits of EVs.

Please make clean transportation a realistic option for families across the islands, and support HB2030 HD2.

Mahalo for the opportunity to testify.