
A BILL FOR AN ACT

RELATING TO ELECTRIC VEHICLES.

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

1 SECTION 1. The legislature finds that taxes on gasoline
2 and diesel fuels are currently one of the main means of funding
3 the repair and maintenance of state and county roadways in the
4 State. For example, the owner of a vehicle in the city and
5 county of Honolulu that drives 12,500 miles per year at thirty
6 miles per gallon of fuel will pay approximately \$140 in combined
7 state and county fuel taxes. On the other hand, owners of
8 electric vehicles pay substantially less in taxes than owners of
9 conventional gasoline and diesel vehicles because they do not
10 need to purchase liquid fuel for their vehicles.

11 The legislature further finds that as technological
12 advances improve the fuel economy of all motor vehicles, it will
13 be necessary to establish a vehicle miles-traveled tax to
14 replace the liquid fuel tax. In the interest of fairness, the
15 legislature believes it is appropriate to create an electric
16 vehicle user fee to offset the difference in taxes as an interim
17 measure until a suitable mechanism for collecting a vehicle
18 miles-traveled tax can be implemented.



1 The purpose of this Act is to establish an annual electric
2 vehicle user fee.

3 SECTION 2. Chapter 249, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§249- Electric vehicle user fee. (a) All electric
7 vehicles in the State shall be subject to a \$60 annual user fee.

8 (b) The electric vehicle user fee shall be paid each year
9 together with all other taxes and fees levied by this chapter on
10 a staggered basis as established by each county pursuant to
11 section 286-51 so that the electric vehicle user fee is due and
12 payable at the same time and shall be collected with state and
13 county fees.

14 (c) The electric vehicle user fee shall be deemed
15 delinquent if not paid with the state registration fee and the
16 county registration fee. The respective counties shall collect
17 this fee and transfer one hundred per cent of the moneys
18 collected under this section to the State to be deposited into
19 the state highway fund established under section 248-8.

20 (d) For the purposes of this section, "electric vehicle"
21 has the same meaning as in section 291-71."



1 SECTION 3. Section 437D-8.4, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Notwithstanding any law to the contrary, a lessor may
4 visibly pass on to a lessee:

- 5 (1) The general excise tax attributable to the
6 transaction;
- 7 (2) The vehicle license [~~and~~] fee, registration fee [~~and~~],
8 weight taxes, and electric vehicle user fee, prorated
9 at 1/365th of the annual vehicle license and
10 registration fee [~~and~~], weight taxes, and electric
11 vehicle user fee actually paid on the particular
12 vehicle being rented for each full or partial twenty-
13 four-hour rental day that the vehicle is rented;
14 provided the total of all vehicle license and
15 registration fees charged to all lessees shall not
16 exceed the annual vehicle license and registration fee
17 actually paid for the particular vehicle rented;
- 18 (3) The rental motor vehicle surcharge tax as provided in
19 section 251-2 attributable to the transaction;
- 20 (4) The county surcharge on state tax under section
21 46-16.8; provided that the lessor itemizes the tax for
22 the lessee; and



- 1 (5) The rents or fees paid to the department of
- 2 transportation under concession contracts negotiated
- 3 pursuant to chapter 102, service permits granted
- 4 pursuant to title 19, Hawaii Administrative Rules, or
- 5 rental motor vehicle customer facility charges
- 6 established pursuant to section 261-7; provided that:
- 7 (A) The rents or fees are limited to amounts that can
- 8 be attributed to the proceeds of the particular
- 9 transaction;
- 10 (B) The rents or fees shall not exceed the lessor's
- 11 net payments to the department of transportation
- 12 made under concession contract or service permit;
- 13 (C) The lessor submits to the department of
- 14 transportation and the department of commerce and
- 15 consumer affairs a statement, verified by a
- 16 certified public accountant as correct, that
- 17 reports the amounts of the rents or fees paid to
- 18 the department of transportation pursuant to the
- 19 applicable concession contract or service permit:
- 20 (i) For all airport locations; and
- 21 (ii) For each airport location;



1 (D) The lessor submits to the department of
2 transportation and the department of commerce and
3 consumer affairs a statement, verified by a
4 certified public accountant as correct, that
5 reports the amounts charged to lessees:

- 6 (i) For all airport locations;
- 7 (ii) For each airport location; and
- 8 (iii) For each lessee;

9 (E) The lessor includes in these reports the
10 methodology used to determine the amount of fees
11 charged to each lessee; and

12 (F) The lessor submits the above information to the
13 department of transportation and the department
14 of commerce and consumer affairs within three
15 months of the end of the preceding annual
16 accounting period or contract year as determined
17 by the applicable concession agreement or service
18 permit.

19 The respective departments, in their sole discretion,
20 may extend the time to submit the statement required
21 in this subsection. If the director determines that
22 an examination of the lessor's information is

1 inappropriate under this subsection and the lessor
2 fails to correct the matter within ninety days, the
3 director may conduct an examination and charge a
4 lessor an examination fee based upon the cost per hour
5 per examiner for evaluating, investigating, and
6 verifying compliance with this subsection, as well as
7 additional amounts for travel, per diem, mileage, and
8 other reasonable expenses incurred in connection with
9 the examination, which shall relate solely to the
10 requirements of this subsection, and which shall be
11 billed by the departments as soon as feasible after
12 the close of the examination. The cost per hour shall
13 be \$40 or as may be established by rules adopted by
14 the director. The lessor shall pay the amounts billed
15 within thirty days following the billing. All moneys
16 collected by the director shall be credited to the
17 compliance resolution fund."

18 SECTION 4. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 5. This Act shall take effect on July 1, 2014.



Report Title:

Electric Vehicle User Fee; Highway Fund

Description:

Establishes an annual electric vehicle user fee, which shall be deposited in the state highway fund. (SD1)

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