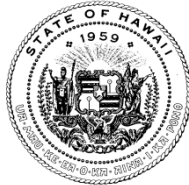


DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

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STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

April 1, 2021
2:00 P.M.
State Capitol, Teleconference

S.B. 1291, S.D. 1, H.D. 1
RELATING TO TRANSPORTATION

House Committee on Consumer Protection & Commerce

The Department of Transportation **supports** S.B. 1291, S.D. 1, H.D. 1 that amends the definition of "Autocycle" from a motorcycle that must have a steering wheel and seating that does not require the operator to straddle or sit astride, to a motorcycle that has either a handlebar or steering wheel. The bill also clarifies when a helmet must be worn.

Thank you for the opportunity to provide testimony.

Testimony of Mark Frohnmayer
In Support of SB 1291/HB 717

Honorable Chair and Members of the Committee:

My name is Mark Frohnmayer. I am the founder and CEO of Arcimoto, a three-wheel electric vehicle manufacturer based in Oregon. I strongly support passage of companion bills SB 1291 and HB 717 which will give every Hawaiian and visiting tourist access to our electric vehicles, which will make meaningful progress toward reducing CO2 emissions in the transportation sector in the State.

At Arcimoto, our mission is to catalyze the shift to a sustainable transportation system. We believe that will only happen when we move away from oversized, overpriced, polluting vehicles to right-sized, ultra-efficient EVs we all can afford. To date, the average consumer has been unable to afford electric vehicles, which had an average price of about \$36,000 in 2019, with some vehicles costing upward of \$80,000.

Consider that roughly 85 percent of all trips today have only one or two people in the vehicle. It no longer makes sense for one person to drive a low-efficiency, high-pollution seven-passenger SUV to work every day or to run errands. This pattern increases pollution, carbon emissions, and traffic. We believe there's a better way.

SB 1291 makes sense because it modernizes legacy legislation written with two-wheel motorcycles in mind. To operate those bikes, riders need special skills and training, and must learn to balance and lean. Conversely, Arcimoto vehicles are stable by design, with simple controls that can be easily learned on your first drive.

Without the need for a motorcycle endorsement, thousands more tourists in Hawai'i would have access to new fleets of FUV rentals, which would provide zero-emission alternatives to the thousands of gas-powered, CO2-emitting mopeds, scooters, and two-wheel motorcycles that tourists in the Islands rent everyday. Electrifying these rentals would make a meaningful impact on air quality and carbon emissions. For these reasons, SB 1291 has the support of Hawai'i Department of Transportation.

SB 1291 and HB 717 would give everyday drivers in the State access to affordable three-wheel with either with a steering wheel or handlebars, an electric alternative to the CO2-emitting emitting mopeds, motor scooters, motorcycles and cars.

It is critical to provide consumers, particularly visitors renting vehicles, with a non-CO2-emitting option to mopeds, motor scooters, motorcycles and cars. Passage of these bills will help do that. I truly believe 3-wheeled EVs, whether with handlebars or steering wheels, are the nearly perfect vehicle for our islands. In addition to having no CO2 emissions, 3-wheeled EVs can reduce traffic congestion, parking congestion, and imported gasoline and oil usage. EVs on average can convert 60 percent of electric energy into miles traveled, while internal combustion engines on average can convert only 20 percent of their energy source into miles traveled.¹ Safe, quiet, non-CO2-emitting and compact, 3-wheeled EVs can help us make further progress toward our CO2 reduction goals while at the same time addressing part of our ever-increasing traffic congestion and parking problems but only if our State allows them to be operated by drivers with Class 3 driver's licenses or equivalent. Passage of these bills is critical to this progress. Thank you for the opportunity to offer this written testimony. If it would be beneficial, I would be pleased to appear in person before the Committee to discuss these bills.

Mark Frohnmayer

1

Founder and CEO

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Aloha Chairman Johanson and Honorable Members of CPC:

My name is Joel Sheltroun and I am writing to you on behalf of Arcimoto regarding SB 1291. This bill has passed through all committees and the Senate, unanimously. It has received considerable support for passage, including HI DOT and the HI business community. If enacted, SB 1291 will allow a new, innovative transportation vehicle, the Arcimoto FUV, to be classified as an autocycle.

For background purposes, the Arcimoto is an electric three-wheel motor vehicle manufactured in Eugene, Oregon. It is front-wheel drive, has a low center of gravity and provides similar stability found in passenger cars.

The Arcimoto Safety Management System:

- 1) A roll cage/roof meeting automotive FMVSS 216a (roof crush)
- 2) A lap and shoulder seat belt harness system meeting automotive FMVSS for seat belts
- 3) Energy-absorbing zones to lessen impact forces in a collision.
- 4) Anti-Dive Optimization for improved handling
- 5) Windshield with automotive washers and wipers

The Arcimoto uses handlebar steering in place of a steering wheel. The handlebar system weighs far less than standard automotive steering options, saving up to 10% or more of the total weight of the vehicle, and provides a quicker response from steering stop to steering stop. Weight savings is a critical consideration for efficiency in all vehicles, especially electric.

Because the Arcimoto is front-wheel drive, its handling characteristics are very similar to front-wheel drive automobiles so only a Class 3 license should be necessary for operation:

- 1) No Balancing required as in motorcycles
- 2) No leaning into curves as in motorcycles

- 3) As an electric, no shifting or clutching required.
- 4) Front-Wheel Drive handling like most automobiles
- 5) Handlebar steering that is as simple as steering a child's tricycle.

It is important to note what amending the statute with SB 1291 *will not* do:

- 1) The change *will not* allow any "true" motorcycles to qualify as an autocycle
- 2) The change *will not* eliminate any motor vehicles currently qualifying as autocycles from the classification.

Unnecessary motorcycle endorsement requirements will significantly reduce our vehicle's rentals and sales. Arcimoto estimates HI has less than 8% of passenger car drivers have the currently required motorcycle license and probably less than 4% of tourist visiting the state. Of all those that participated in the Arcimoto Ride and Drive event for legislators and staff at the Capitol, only one had the required operator's license.

Making the changes in SB1291 will help ensure a successful launch of Arcimoto in Hawaii by greatly expanding our customer base. SB 1291 will provide a positive step forward in Hawaii's goals of clean, quiet, sustainable transportation and its passage will add volume to the rental and retail sales for Hawaii businesses.

As soon as this bill passes, Arcimoto plans a full-scale launch of its vehicle in Hawaii! Please email or call with any questions or concerns you may have.

Mahalo!

Joel Sheltroun
Governmental Affairs – Arcimoto
joel@arcimoto.com 989.387.7551



Testimony of Kasandra Griffin, Forth
In Support of SB 1291 SD 1
March 31, 2021

Honorable Chair Johanson and Members of the House Consumer Protection Committee,

Thank you for the opportunity to provide this testimony in support of SB 1291. This is a simple and good bill, and we urge you to pass it promptly out of your committee.

This legislation removes an arbitrary and unnecessary specification about steering mechanisms from the definition of Autocycles. Fixing it to be more inclusive will open the market to allow an exciting new vehicle into Hawaii, (without requiring drivers to have motorcycle licenses,) and without doing anything to diminish safety. This legislation also provides that helmets are not required for drivers or passengers of three-wheeled vehicles with seatbelts and roll bars. This will actually *increase* safety, since helmets and seatbelts are dangerous when used together.

Vehicle electrification is critical

Transportation electrification is critical to meeting our climate goals at the state, national, and international levels. In order for Hawaii to meet the ambitious and worthy goal you have set of being carbon neutral by 2045, you will need to electrify your transportation system, while also decarbonizing your electricity supply. Arcimoto vehicles can help with that transition, but this bill is necessary to allow them to be purchased and rented for widespread use in Hawaii.

Hawaii’s definition of “Autocycle” and motorcycle helmet exclusions should apply

Hawaii created an “autocycle” definition and an exemption from helmet requirements several years ago based on the specifics of another three-wheeled vehicle. However, there is nothing about a steering wheel that makes a three-wheeled vehicle safer or easier to handle than one with handlebars. Similarly, the same safety standards that apply to jeep wranglers are used in the manufacture of the roll cage of Arcimoto vehicles. And who wants to be in a “fully enclosed” vehicle in Hawaii? This bill will allow a beneficial, American-made vehicle to be used in Hawaii without unnecessary hassles and hurdles, while still maintaining strict safety standards.

Thank you for the consideration and please move this bill forward.

About Forth

Forth has been working with Arcimoto since 2011 to support their development and deployment of affordable, zero-emissions vehicles manufactured right here in America.

Forth is nonprofit trade association that advances electric, smart, and shared mobility around the country and beyond through innovation, advocacy, engagement, and demonstration projects. Forth has over 200 members from across the transportation electrification ecosystem. Our members include most auto manufacturers and charging equipment providers, as well as utilities, local governments, consulting firms, nonprofits and environmental organizations. More information is available at forthmobility.org.

SB-1291-HD-1

Submitted on: 3/30/2021 12:20:27 PM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John D. Smith	Individual	Support	No

Comments:

I support.

Testimony of Brent Gale
Before the House Consumer Protection & Commerce Committee
In Support of SB 1291

Honorable Chair and Members of the Committee:

Introduction - My name is Brent Gale, and I live at 307 Pualoa Nani Place, Wailea. I strongly SUPPORT passage of SB 1291 as passed unanimously by the Senate as a critical step toward reducing CO2 emissions in the transportation sector in our State. SB 1291 reflects language suggested by Hawai'i DOT and is supported by DOT. I am president and senior energy consultant for StrataG Consulting, LLC, a Hawai'i company. I have 45 years of experience in the energy industry and have previously submitted testimony before the Hawai'i Senate Transportation Committee and Judiciary Committee, the Hawai'i House Transportation Committee, the Hawai'i Public Utilities Commission and elsewhere. I have a juris doctorate and am licensed to practice law elsewhere but not in Hawai'i. I have not been retained by anyone to lobby this bill and am not being compensated for this testimony.¹

History - The objective of the supporters of SB 1291 has always been very simple; that is, to update Hawai'i law to allow electric vehicles with two front wheels and handlebars to be operated with a Class 3 driver's license. In the 2019 legislative, we supported SB 408, and in the 2020 session, we supported SB 2104. The latter bill passed the Senate Transportation Committee with DOT supporting but did not get through Senate Judiciary Committee before

¹ Disclosure: My wife and I have a modest 400 share investment in Arcimoto, an Oregon company that manufactures and sells 3-wheeled electric vehicles (EVs). We also own one of Arcimoto's EVs, the first in Hawai'i. The Arcimoto EV seats two people, meets all applicable federal standards plus federal standards for seat belt assemblies and roof crush resistance, has a range of over 100 miles per charge, has a top speed of 75 mph, has a miles per gallon equivalent of over 173, and uses a handlebar in its steering mechanism to reduce total weight. This EV was on Oahu in January 2020 to allow legislators and other interested persons to see it and ride in it. Because current HRS sections 286-2 and 286-102 only allow 3-wheeled EVs with handlebars to be operated by drivers possessing a motorcycle driver's license or 3-wheel endorsement, most legislators and interested persons unfortunately were only able to see and ride in the vehicle, not experience the pleasure and safety of driving it.

the session expired. SB 1291 this session reflects DOT's suggested language, is supported by DOT, and was passed unanimously in the Senate Transportation Committee, Senate Judiciary Committee and the full Senate, as well as passing unanimously in the House Transportation Committee.

Need for bill and purpose – Our State has identified reducing CO2 emissions as an essential strategic, environmental and public safety goal. Achieving meaningful CO2 reductions in the transportation sector will be very challenging,² and it is important to take reasonable steps now. Passage of SB 1291 is one very important step that we can take immediately, with minimal to zero impact on the State treasury. It will allow both residents and visitors the opportunity to rent or own 3-wheeled EVs (whether with a steering wheel or handlebars) and drive them with a general Class 3 driver's license, providing the State a critical non-CO2-emitting option to today's CO2-emitting mopeds, motor scooters, motorcycles and cars.³ In addition, passage of the bill is also important to facilitate the conversion to electric vehicles by fleet operators in this State. I do not believe that fleet operators would readily and voluntarily convert their fleets to electric vehicles if each of their drivers were required to obtain a motorcycle driver's license or 3-wheel endorsement to operate a 3-wheeled EV with handlebars.

² Achieving CO2 reductions in the transportation sector will be much more difficult than in the electric generation sector. In the electric generation sector, the CO2 emitting resources are almost exclusively owned by a few highly regulated and well financed entities. In contrast, CO2 emitting vehicles are owned by millions of individuals, the most polluting of which are owned by those who can't afford to, or choose not to, maintain their vehicles. It is not realistic to assume these individuals will or can spend \$30,000 or more to replace their polluting fossil-fueled, vehicles with electric-powered 4-wheeled sedans and SUVs, regardless of tax credits. Safe, stable and lower cost 3-wheeled EVs are a needed option.

³ The transportation sector currently produces the largest share of greenhouse gas emissions in the U.S., more than 28 percent in 2018. Source: U.S. EPA, *Sources of Greenhouse Gas Emissions* (December 2020 Update). "Further, emissions from transportation grew 21 percent between 1990 and 2016, whereas emissions from the electric sector declined 1 percent over the same period. In fact, today's power sector emits the same amount of carbon dioxide as it did a generation ago, although it produces nearly 30 percent more electricity annually. These trends indicate the value of electrifying transportation as part of an overall decarbonization policy." Farnsworth, D., Shipley, J., Sliger, J. and Lazar, J. (2019, January). *Beneficial electrification of transportation*. Montpelier, VT: Regulatory Assistance Project, at 10.

The purpose of SB 1291 is simply to recognize emerging EV technology and add a narrow new category of vehicle which can be operated by drivers with a general Class 3 Hawai'i driver's license or the equivalent from another state or country. The category added is autocycles (3-wheeled vehicles as defined in HRS section 286.2) with handlebars. Currently under HRS sections 286-2 and 286-102, 3-wheeled vehicles with handlebars can only be operated on public highways by drivers possessing a Class 2 motorcycle driver's license or 3-wheel endorsement. This severely and unnecessarily restricts the sales and rental market potential of 3-wheeled EVs, and creates an impediment to Hawai'i fleet operators converting to these non-CO2 emitting vehicles. SB 1291 removes these unnecessary restrictions and impediments.

Many new 3-wheeled EVs will use handlebars rather than steering wheels because use of handlebars can materially reduce the weight of the total steering mechanism and other design elements without negatively impacting handling or safety. For example, the U.S. EV manufacturer I mentioned in footnote 1, Arcimoto, was able to reduce the weight of the 3-wheeled EV that I own to 1,300 pounds, a massive 600-pound reduction from the same vehicle equipped with a steering wheel and associated steering mechanism. Reducing vehicle weight to reduce consumer range anxiety without negatively impacting safety and performance is critical to the EV industry supplanting CO2-emitting vehicles and is a critical technological evolution the State should recognize by passing this bill.

If the current licensing impediments are removed by passage of SB 1291, I anticipate that 3-wheeled EVs will be very attractive in our State and actively rented or purchased by residents and visitors as a clean, safe alternative to fossil-fuel-powered, CO2-emitting mopeds, as well as CO2-emitting motor scooters, motorcycles, and even cars. By my calculations, every moped with a two-cycle engine emits 2.2 pounds of CO2 for every 10 miles driven. And thousands of mopeds are driven in our State every day, many of them by visitors. It is not reasonable to expect visitors will be willing or able to forfeit their state's driver's license in

order to secure a Hawai'i motorcycle driver's license or a 3-wheel endorsement as our statutes currently require. Instead, they will continue to rent combustion-engine-powered vehicles and continue to emit CO2.

Reasons a motorcycle license or 3-wheel endorsement is not required for public safety/consumer protection of 3-wheeled EV operators – I was the first driver to take and pass the 3-wheel endorsement exams given by the DMV on Maui.⁴ The standard state DMV driving skills exam for 2-wheeled and traditional 3-wheeled motorcycles (i.e., one wheel in front and two in the rear) tests for principally four concerns: Can the driver (1) counter-steer at speed; (2) coordinate foot and hand movements to safely brake; (3) shift gears using a hand clutch and foot lever; and (4) avoid stalling. None of these concerns apply to 3-wheeled EVs with handlebars: (1) the driver does not/cannot counter-steer a front-wheel drive 3-wheeled vehicle, a fact acknowledged by the DMV manual; (2) 3-wheeled EVs like mine have a foot brake just like a car so hand/foot coordination is unnecessary for braking all wheels; (3) because they are electric, there is no need for clutching or shifting; and (4) an EV doesn't stall. Thus, the principal concerns which are the focus of the motorcycle and the 3-wheel endorsement exam don't apply, and a motorcycle license or 3-wheel endorsement should not be necessary.

I acknowledge the State has legitimate safety concerns that operators of all motor vehicles must possess the knowledge and skills to safely operate the vehicles they are driving. These concerns include handling/stability, turning, braking, shifting and seat belts. The focus of these concerns and the associated licensing law should not be on whether the particular vehicle has a steering mechanism that is circular (i.e., a wheel) or a bar (i.e., handlebars). Instead, the focus should be that 2-wheeled vehicles (including manual and motorized bicycles), as compared to 3-wheeled vehicles, are less stable, handle differently, require skill and balance

⁴ I want to acknowledge the willingness of DMV personnel to recognize that the standard layout of the driving exam for 2-wheeled vehicles and traditional (i.e., 2 rear wheels) 3-wheeled vehicles is not appropriate for 3-wheeled vehicles with two wheels in the front, whether the steering mechanism is a steering wheel or handlebars. None of my testimony is critical of DMV, whose representatives were uniformly excellent and helpful.

when turning, require experience with hand-braking, require experience with manual shifting, and lack safety belts. Consequently, a different set of licensing requirements for 2-wheeled vehicles is both defensible and necessary. But, a 3-wheeled EV with handlebars poses none of the unique concerns associated with the operation of 2-wheeled vehicles. Stability, handling, turning, and braking of a 3-wheeled EV with two widely-spaced driving wheels in the front are more comparable to a 4-wheeled, front-wheel-drive car than a motorcycle, notwithstanding the existence of handlebars.

Handlebars should not have any significant adverse impact upon vehicle safety; in fact, I find them more intuitive and responsive than a steering wheel. The existence of handlebars should not be the determining factor for whether a motorcycle Class 2 license or a general Class 3 license is required to operate a vehicle.

Summation - It is critical to provide consumers, particularly visitors renting vehicles, with a non-CO2-emitting option to mopeds, motor scooters, motorcycles and cars. Passage of SB 1291 will help do that. I truly believe 3-wheeled EVs, whether with handlebars or steering wheels, are the nearly perfect vehicle for our islands. In addition to having no CO2 emissions, 3-wheeled EVs can reduce traffic congestion, parking congestion, and imported gasoline and oil usage. EVs on average can convert 60 percent of electric energy into miles traveled, while internal combustion engines on average can convert only 20 percent of their energy source into miles traveled.⁵ Safe, quiet, non-CO2-emitting and compact, 3-wheeled EVs can help us make further progress toward our CO2 reduction goals while at the same time addressing part of our ever-increasing traffic congestion and parking problems but only if our State allows them to be operated by drivers with Class 3 driver's licenses or equivalent. Passage of this bill is critical to

⁵ Source: Farnsworth, D., Shipley, J., Sliger, J. and Lazar, J. (2019, January). *Beneficial electrification of transportation*. Montpelier, VT: Regulatory Assistance Project, at 8.

2021 Legislative Session
Testimony of Brent Gale in
SUPPORT of SB 1291
April 2021

this progress. Thank you for the opportunity to offer this written testimony. If it would be beneficial, I would be pleased to appear in person before the Committee to discuss SB 1291.

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SB-1291-HD-1

Submitted on: 3/31/2021 2:31:34 AM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dean Shimabukuro	Individual	Support	No

Comments:

I am testifying as an individual homeowner on Oahu who currently owns an electric vehicle.

I understand that the HIDOT is supporting this Bill and I am also supporting the change that it will bring because I believe that it will bring a necessary boost to the local economy as well as a beneficial result for our local environment.

Thank you.

Dean Shimabukuro

SB-1291-HD-1

Submitted on: 3/31/2021 9:24:14 AM

Testimony for CPC on 4/1/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kainoa Horcajo	Individual	Support	No

Comments:

Honorable Chair and Members of the Committee:

My name is Kainoa Horcajo, I am born and raised on the island of Maui and still living on the island. I am submitting testimony in **STRONG SUPPORT** of SB 1291 as passed unanimously by the Senate as a critical step toward reducing dependence on imported fossil fuels, reducing traffic congestion, and reducing CO2 emissions. SB 1291 reflects language suggested by Hawai'i DOT and is supported by DOT. Further, SB 1291 supports the goals of our 2050 Sustainability goals and Hawaii Green Growth's sustainability objectives.

Mahalo for your time.

Kainoa Horcajo

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