

Honolulu, Hawaii

**MAR 23**, 2022

RE: S.B. No. 3158  
S.D. 2  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 3158, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Electric Bicycle and Electric Moped Rebate Program (Rebate Program) to encourage the purchase and use of electric bicycles and electric mopeds;
- (2) Authorize the Department of Transportation to contract with a third-party administrator to operate and manage the Rebate Program;
- (3) Establish the Electric Bicycle and Electric Moped Rebate Special Fund;
- (4) Require that a portion of the Environmental Response, Energy, and Food Security Tax be deposited into the Electric Bicycle and Electric Moped Rebate Special Fund; and



- (5) Appropriate a portion of the funds received by the State from the federal Infrastructure Investment and Jobs Act:
  - (A) For the Rebate Program; and
  - (B) To be deposited into the electric vehicle charging system subaccount of the Public Utilities Commission Special Fund.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii State Energy Office, Hawaii Climate Change Mitigation and Adaptation Commission, Maui Metropolitan Planning Organization Policy Board, Ulupono Initiative, Hawaii Bicycling League, and three individuals. Your Committee received testimony in opposition to this measure from 350Hawaii.org, Big Island Electric Vehicle Association, Blue Planet Foundation, Hawaii Electric Vehicle Association, KauaiEV, Kauai Climate Action Coalition, Kauai Women's Caucus, Maui Nui EV Association, and fifteen individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Public Utilities Commission, Alliance for Automotive Innovation, and Hawai'i Energy.

Your Committee finds that meeting the State's clean energy goals and commitments necessitates the rapid transition to electric vehicles that utilize local, renewable energy sources, including electric bicycles and electric mopeds. Additionally, electric bicycles are significantly more cost effective and better for the environment than gas powered motor vehicles and can effectively get many Hawaii residents to locations as conveniently as gas powered motor vehicles. This measure encourages the purchase and use of electric bicycles and electric mopeds to reduce the cost of living and cost of transportation by creating subsidies for those looking to purchase electric bicycles and electric mopeds.

Your Committee notes the concerns raised by the Hawaii State Energy Office relating to recent funding guidelines from the United States Department of Transportation Federal Highway Administration regarding the Bipartisan Infrastructure Law, particularly under the National Electric Vehicle Infrastructure Formula Program, which specify certain technical requirements that are greater than the type of charging facilities that are



typically serviced under the State's Electric Vehicle Charging Station Rebate Program.

Your Committee has amended this measure by:

- (1) Deleting certain findings;
- (2) Deleting language that would have established an Electric Bicycle and Electric Moped Rebate Special Fund and instead establishing an electric bicycle and electric moped subaccount within the Highway Development Special Fund;
- (3) Restoring the allocation from the Environmental Response, Energy, and Food Security Tax for the Electric Vehicle Charging Station Rebate Program;
- (4) Allocating an unspecified amount of the Environmental Response, Energy, and Food Security Tax for the Rebate Program;
- (5) Deleting language that would have appropriated funds:
  - (A) For the Rebate Program; and
  - (B) To be deposited into the electric vehicle charging system subaccount; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3158, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3158, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,

  
HENRY J. AQUINO, Chair



