

STAND. COM. REP. NO. **2672**

Honolulu, Hawaii

FEB 18 2022

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

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

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

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds for subsidies to encourage the purchase and use of electric motor vehicles and bicycles.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii State Energy Office, Alliance for Automotive Innovation, Ulupono Initiative, Tesla, Blue Planet Foundation, and Hawaii Bicycling League. Your Committee received comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that the single greatest factor of the increasing cost of living in Hawaii is the rising cost of transportation. Due to increasingly expensive fossil fuels and a lack of cheaper transit options, Hawaii residents already pay among the highest cost to commute in the country. Furthermore, the continued burning of fossil fuels contributes to climate change which poses a serious threat to the economic well-being, public health, and environment of Hawaii.



Your Committee further finds that electric motor vehicles and bicycles are significantly more cost effective and better for the environment than gas powered vehicles. Therefore, the purpose of this measure is to encourage the purchase and use of electric motor vehicles and electric bicycles to reduce the cost of living and cost of transportation by creating subsidies for those looking to purchase electric motor vehicles and electric bicycles.

Your Committee has amended this measure by:

- (1) Inserting language to establish the electric vehicle, electric bicycle, moped, and motorcycle rebate program and electric vehicle and electric bicycle rebate special fund within the Department of Transportation to provide rebates up to an unspecified amount to individuals for the purchase of an electric vehicle, electric bicycle, moped, or motorcycle;
- (2) Authorizing the Department of Transportation to contract with a third-party administrator to manage the rebate program;
- (3) Specifying that the rebate program prioritize low-income applicants;
- (4) Allocating an unspecified portion of the barrel tax to fund the rebate program;
- (5) Inserting a blank appropriation amount of federal funds for the rebate program;
- (6) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that although this measure contains a blank portion of the barrel tax to be allocated to the electric vehicle, electric bicycle, moped, and motorcycle rebate special fund, your Committee respectfully requests that your Committee on Ways and Means consider inserting 3 cents as the allocation. Your Committee also requests the your Committee on Ways and Means



consider suspending the allocation of the barrel tax to the electric vehicle charging system subaccount established pursuant to section 269-33(e), Hawaii Revised Statutes, for five years, and instead appropriating \$5,000,000 from federal Infrastructure Investment and Jobs Act to the subaccount.

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, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3158, S.D. 1, and be referred to your Committee on Ways and Means.

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

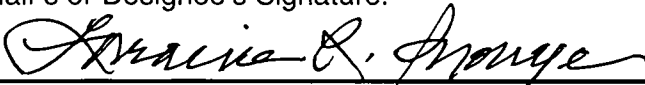


CHRIS LEE, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:* SB 3158	Committee Referral: TRS, WAM	Date: 2-8-2022		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUE, Lorraine R. (VC)		✓		
DECOITE, Lynn	✓			
SHIMABUKURO, Maile S.L.				✓
FEVELLA, Kurt		✓		
TOTAL	2	2		1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes