

STAND. COM. REP. NO. 2948

Honolulu, Hawaii

MAR - 1 2024

RE: S.B. No. 3183  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3183, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ROAD USAGE CHARGE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a county mileage-based road usage charge.

More specifically, this measure:

- (1) Subjects certain vehicles to a county mileage-based road usage charge;
- (2) Establishes the methodology for calculating each county's mileage-based road usage charge;
- (3) Provides for the disposition of each county's mileage-based road usage charge into the highway fund;
- (4) Expands the authorized uses of moneys in the state highway fund;
- (5) Repeals the requirement that the Department of Transportation establish county subaccounts within the state highway fund;



- (6) Excludes taxes, fees, and charges that are collected pursuant to the state mileage-based road usage charge from being deposited into a county highway fund;
- (7) Establishes a sunset date of June 30, 2028, for the \$50 maximum state mileage-based road usage charge;
- (8) Authorizes the counties to adopt administrative rules for establishing and administering their respective county mileage-based road usage charge; and
- (9) Excludes motor scooters from the definition of "motor vehicles", as it relates to motor vehicle insurance.

Your Committee received written comments in support of this measure from the Department of Transportation, Hawaii State Energy Office, Oahu Metropolitan Planning Organization, Ulupono Initiative, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Automobile Dealer Association.

Your Committee received written comments on this measure from Tax Foundation of Hawaii.

Your Committee finds that establishing a county mileage-based road usage charge will help to create a more sustainable and equitable funding mechanism for the Department of Transportation.

Your Committee has amended this measure by:

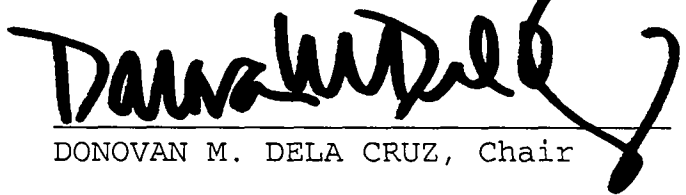
- (1) Deleting a redundant provision regarding the collection, deposit, and expenditure of county mileage-based road usage charge moneys;
- (2) Clarifying the applicability of certain definitions relating to the establishment of the county mileage-based road usage charge;
- (3) Clarifying that each county is responsible for establishing, by resolution, the rates to be used to calculate each county's respective mileage-based road usage charge;



- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3183, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3183, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3183 SD1	TCA , WAM	2/28/24		
<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
DELA CRUZ, Donovan M. (C)	+			
MORIWAKI, Sharon Y. (VC)	+			
AQUINO, Henry J.C.	+			
DECOITE, Lynn	+			
HASHIMOTO, Troy N.	+			
INOUE, Lorraine R.	+			
KANUHA, Dru Mamo	+			
KIDANI, Michelle N.	+			
KIM, Donna Mercado	+			
LEE, Chris	+			
SHIMABUKURO, Maile S.L.				X
WAKAI, Glenn	+			
FEVELLA, Kurt	+			
<b>TOTAL</b>	12			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: _____				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes