
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 PART I

2 SECTION 1. The legislature finds that Act 306, Session
3 Laws of Hawaii 2022, is no longer viable and will be replaced by
4 this Act, which establishes the electric mobility rebate
5 program. Accordingly, the purpose of this part is to repeal Act
6 306, Session Laws of Hawaii 2022.

7 SECTION 2. Section 264-122, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "§264-122 Highway development special fund. (a) There is
10 established in the state treasury the highway development
11 special fund to be administered by the department, into which
12 shall be deposited:

- 13 (1) Transfers of county impact fees assessed under part
14 VIII of chapter 46 and this part to pay for state
15 highway improvements;
- 16 (2) Interest from investment of deposits; and
- 17 (3) Legislative and county appropriations.



1 (b) Moneys in the highway development special fund shall
2 be used for the following purposes:

3 (1) Capital costs of qualifying proposed state highway
4 improvements;

5 (2) Reevaluation of the need, geographic limitations,
6 amount, and use of impact fees;

7 (3) Transfers to reimburse other special funds for
8 expenditures which otherwise might have been funded
9 with moneys in the highway development special fund;

10 (4) Transfers under sections 36-27 and 36-30;

11 (5) Refunds under section 264-125; and

12 (6) The department's costs to implement this part,
13 including but not limited to costs to administer the
14 highway development special fund.

15 (c) The department may establish accounts in the highway
16 development special fund as necessary to implement this part and
17 rules adopted by the department.

18 ~~[(d) There is established within the highway development~~
19 ~~special fund an electric bicycle and electric moped subaccount.~~

20 ~~The department shall expend moneys in the subaccount for the~~



1 ~~purposes of funding the electric bicycle and electric moped~~
2 ~~rebate program established pursuant to section 196-7.8.] "~~

3 SECTION 3. Section 196-7.8, Hawaii Revised Statutes, is
4 repealed.

5 [~~"§196-7.8~~] ~~Electric bicycle and electric moped rebate~~
6 ~~program, third party administrator, special fund.~~ (a) ~~The~~
7 ~~department of transportation shall administer a rebate program~~
8 ~~that incentivizes the purchase of new electric bicycles and new~~
9 ~~electric mopeds and may contract with a third party~~
10 ~~administrator pursuant to subsection (i) to operate and manage~~
11 ~~the rebate program.~~

12 (b) ~~Each eligible purchase of a new electric bicycle or~~
13 ~~new electric moped shall receive a rebate of either twenty per~~
14 ~~cent of the retail cost or \$500, whichever amount is lower,~~
15 ~~provided that no individual shall receive more than \$500 in~~
16 ~~total rebates each fiscal year.~~

17 (c) ~~The department of transportation shall not issue more~~
18 ~~than \$700,000 in total rebates under this section each fiscal~~
19 ~~year, provided that the electric bicycle and electric moped~~
20 ~~subaccount within the highway development special fund pursuant~~
21 ~~to section 264-122(d) contains sufficient funds to pay the~~



1 ~~rebates. The department of transportation shall not be liable~~
 2 ~~to pay any refund if sufficient funds are unavailable. The~~
 3 ~~department of transportation shall allow valid claims filed by~~
 4 ~~eligible applicants for whom sufficient funds may not be~~
 5 ~~immediately available to receive a rebate as funds may be~~
 6 ~~available in a subsequent year.~~

7 ~~(d) The department of transportation shall:~~

8 ~~(1) Prepare any forms that may be necessary for an~~
 9 ~~applicant to claim a rebate pursuant to this section,~~
 10 ~~and~~

11 ~~(2) Require each applicant to furnish reasonable~~
 12 ~~information to ascertain the validity of the claim,~~
 13 ~~including but not limited to the signature of the~~
 14 ~~buyer and individual responsible for the sale on~~
 15 ~~behalf of a retail store at the time of sale, a copy~~
 16 ~~of valid government issued photo identification of the~~
 17 ~~buyer at the time of the sale, receipt of purchase,~~
 18 ~~name and address of the retail store, verification of~~
 19 ~~eligibility, and any other documentation necessary to~~
 20 ~~demonstrate the legitimate purchase of a new electric~~
 21 ~~bicyele or new electric moped.~~



1 ~~(e) This section shall apply to new:~~

2 ~~(1) Electric bicycles capable of speeds of no more than~~
3 ~~twenty-eight miles per hour; and~~

4 ~~(2) Electric mopeds,~~
5 ~~purchased at a retail store after July 1, 2022.~~

6 ~~(f) Applicants shall submit an application to the~~
7 ~~department of transportation within twelve months of the date of~~
8 ~~purchase to claim a rebate from the electric bicycle and~~
9 ~~electric moped rebate program. Failure to apply within twelve~~
10 ~~months of the date of purchase shall constitute a waiver of the~~
11 ~~right to claim the rebate.~~

12 ~~(g) Nothing in this section shall alter taxes due on the~~
13 ~~original purchase. Any rebate received pursuant to this section~~
14 ~~shall not be considered income for the purposes of state or~~
15 ~~county taxes.~~

16 ~~(h) In administering the electric bicycle and electric~~
17 ~~moped rebate program, the department of transportation shall~~
18 ~~provide rebates to persons eighteen years or older who:~~

19 ~~(1) Are eligible for:~~

20 ~~(A) The Supplemental Nutrition Assistance Program;~~

21 ~~(B) The free and reduced price lunch program;~~



1 ~~other reasonable percentage determined by the department of~~
2 ~~transportation, for administration of the electric bicycle and~~
3 ~~electric moped rebate program."]~~

4 SECTION 4. Act 306, Session Laws of Hawaii 2022, is
5 repealed.

6 PART II

7 SECTION 5. The purpose of this part is to reduce the cost
8 of living and cost of transportation by expanding access to
9 rebates for the purchase and use of electric bicycles, electric
10 mopeds, and similar electrically powered mobility devices.

11 SECTION 6. Chapter 196, Hawaii Revised Statutes, is
12 amended by adding a new section to part I to be appropriately
13 designated and to read as follows:

14 "§196- Electric mobility rebate program; third-party
15 administrator. (a) The department of transportation shall
16 administer a rebate program that incentivizes the purchase of
17 new electric mobility devices.

18 (b) Each eligible purchaser of a new electric bicycle, new
19 electric moped, or new electric micro-mobility device, as
20 determined pursuant to subsection (h), shall receive:

21 (1) A rebate; or



1 (2) An additional assistance rebate,
2 of either forty per cent of the retail cost of the electric
3 bicycle, electric moped, or electric micro-mobility device or
4 \$500, whichever amount is lower; provided that no individual
5 receiving rebates under paragraph (1) shall receive more than
6 \$500 in total rebates each fiscal year, unless also qualifying
7 for an additional assistance rebate under paragraph (2), in
8 which case the purchaser shall receive not more than \$1,000 in
9 total rebates each fiscal year.

10 (c) The department of transportation shall not issue more
11 than \$2,000,000 in total rebates under this section each fiscal
12 year; provided that the electric mobility special fund
13 established pursuant to section 264- contains sufficient
14 funds to pay the rebates. The department of transportation
15 shall not be liable to pay any refund if sufficient funds are
16 unavailable. The department of transportation shall allow valid
17 claims filed by eligible applicants for whom sufficient funds
18 may not be immediately available to receive a rebate as funds
19 may be available in a subsequent year.

20 (d) The department of transportation shall:



1 (1) Prepare any forms that may be necessary for an
2 applicant to claim a rebate pursuant to this section;
3 and

4 (2) Require each applicant to furnish reasonable
5 information to ascertain the validity of the claim,
6 including but not limited to a copy of valid
7 government issued photo identification of the buyer;
8 receipt of purchase; name and address of the retail
9 store; verification of eligibility; and any other
10 documentation necessary to demonstrate the legitimate
11 purchase of a new electric bicycle, new electric
12 moped, or electric micro-mobility device.

13 (e) This section shall apply to new:

14 (1) Electric bicycles capable of speeds of no more than
15 twenty-eight miles per hour;

16 (2) Electric mopeds; and

17 (3) Electric micro-mobility devices,

18 purchased at a retail store after July 1, 2022.

19 (f) Applicants shall submit an application to the
20 department of transportation within twelve months of the date of
21 purchase to claim a rebate from the electric mobility rebate



1 program. Failure to apply within twelve months of the date of
2 purchase shall constitute a waiver of the right to claim the
3 rebate.

4 (g) Nothing in this section shall alter taxes due on the
5 original purchase. Any rebate received pursuant to this section
6 shall not be considered income for the purposes of state or
7 county taxes.

8 (h) In administering the electric mobility rebate program,
9 the department of transportation shall provide:

10 (1) Rebates pursuant to subsection (b) (1) to persons
11 sixteen years of age or older who purchase a new
12 qualifying electric bicycle, electric moped, or
13 electric micro-mobility device; and

14 (2) Additional assistance rebates pursuant to subsection
15 (b) (2) to persons sixteen years of age or older who
16 purchase a new qualifying electric bicycle, electric
17 moped or electric micro-mobility device and are
18 eligible for:

19 (A) The supplemental nutrition assistance program;

20 (B) The free and reduced price lunch program;



1 (C) Section 8 of the United States Housing Act of
2 1937, as amended; or

3 (D) Similar low-income assistance programs identified
4 by the department of transportation.

5 (i) The department of transportation may contract with a
6 third-party administrator to operate and manage the electric
7 mobility rebate program. The third-party administrator shall
8 not be deemed to be a "governmental body" as defined in section
9 103D-104; provided that all moneys transferred to the
10 third-party administrator shall have been appropriated by the
11 legislature or shall be from moneys provided by the federal
12 government or private funding sources. The third-party
13 administrator may directly issue rebates to each rebate
14 recipient from moneys transferred from the electric mobility
15 special fund. The third-party administrator shall not expend
16 more than ten per cent of the amounts appropriated for the
17 rebate program, or any other reasonable percentage determined by
18 the department of transportation, for administration of the
19 electric mobility rebate program.

20 (j) As used in this section, "electric micro-mobility
21 device" means any ground transportation device, including a



1 standing scooter, skateboard, board riding on a single wheel, or
2 similar device:

3 (1) That is powered either exclusively by electricity from
4 a battery charged from an external source or by
5 electricity from a battery charged from an external
6 source in addition to human power;

7 (2) That has a maximum speed of twenty-eight miles per
8 hour; and

9 (3) Which a person may reasonably use to commute to and
10 from regular destinations."

11 SECTION 7. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so much
13 thereof as may be necessary for fiscal year 2022-2023 to be
14 deposited into the electric mobility special fund established in
15 part III of this Act.

16 SECTION 8. There is appropriated out of the electric
17 mobility special fund established in part III of this Act, the
18 sum of \$ or so much thereof as may be necessary for
19 fiscal year 2022-2023 for the operations of the electric
20 mobility rebate program, including the payment of rebates and
21 the costs of the third-party administrator; provided that the



1 department of transportation shall not expend more than ten per
 2 cent of the total amount appropriated for the department's
 3 administration of the electric mobility rebate program; provided
 4 further that the moneys appropriated shall not lapse at the end
 5 of the fiscal year for which the moneys have been appropriated;
 6 and provided further that any moneys appropriated pursuant to
 7 this section that are unencumbered as of June 30, 2024, shall
 8 lapse on that date.

9 The sum appropriated shall be expended by the department of
 10 transportation for this Act.

11 SECTION 9. There is appropriated out of the general
 12 revenues of the State of Hawaii the sum of \$ or so much
 13 thereof as may be necessary for fiscal year 2023-2024 to be
 14 deposited into the electric mobility special fund established by
 15 part III of this Act.

16 SECTION 10. There is appropriated out of the electric
 17 mobility special fund established in part III of this Act, the
 18 sum of \$ or so much thereof as may be necessary for
 19 fiscal year 2023-2024 for the operations of the electric
 20 mobility rebate program including the payment of rebates and the
 21 costs of the third-party administrator; provided that the



1 department of transportation shall not expend more than ten per
 2 cent of the total amount appropriated for the department's
 3 administration of the electric mobility rebate program; provided
 4 further that the moneys appropriated shall not lapse at the end
 5 of the fiscal year for which the moneys have been appropriated;
 6 and provided further that any moneys appropriated pursuant to
 7 this section that are unencumbered as of June 30, 2025, shall
 8 lapse on that date.

9 The sum appropriated shall be expended by the department of
 10 transportation for the purposes of this Act.

11 SECTION 11. There is appropriated out of the general
 12 revenues of the State of Hawaii the sum of \$ or so much
 13 thereof as may be necessary for fiscal year 2024-2025 to be
 14 deposited into the electric mobility special fund established in
 15 part III of this Act.

16 SECTION 12. There is appropriated out of the electric
 17 mobility special fund established in part III of this Act, the
 18 sum of \$ or so much thereof as may be necessary for
 19 fiscal year 2024-2025 for the operations of the electric
 20 mobility rebate program including the payment of rebates and the
 21 costs of the third-party administrator; provided that the



1 department of transportation shall not expend more than ten per
 2 cent of the total amount appropriated for the department's
 3 administration of the electric mobility rebate program; provided
 4 further that the moneys appropriated shall not lapse at the end
 5 of the fiscal year for which the moneys have been appropriated;
 6 and provided further that any moneys appropriated pursuant to
 7 this section that are unencumbered as of June 30, 2026, shall
 8 lapse on that date.

9 The sum appropriated shall be expended by the department of
 10 transportation for the purposes of this Act.

11 PART III

12 SECTION 13. The purpose of this part is to add a new
 13 section to chapter 264, Hawaii Revised Statutes, to establish
 14 within the state treasury the electric mobility special fund for
 15 the purposes of funding the rebate program established in part
 16 II of this Act.

17 SECTION 14. Chapter 264, Hawaii Revised Statutes, is
 18 amended by adding a new section to part I to be appropriately
 19 designated and to read as follows:

20 "§264- Electric mobility special fund. (a) There is
 21 established in the state treasury the electric mobility special



1 fund to be administered by the department of transportation,
2 into which shall be deposited:

3 (1) Appropriations made by the legislature to the fund;
4 and

5 (2) Gifts, grants, and donations to the fund.

6 (b) Moneys in the electric mobility special fund shall be
7 used for the following purposes:

8 (1) Operating expenses of the electric mobility rebate
9 program;

10 (2) Rebates for the electric mobility rebate program; and

11 (3) Costs of a third-party administrator for the operation
12 of the electric mobility rebate program."

13 SECTION 15. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 16. This Act shall take effect on July 1, 2051;
16 provided that sections 1, 2, 3, 4, 5, 6, 7, 8, 13, 14, and 15 of
17 this Act shall take effect on July 1, 2050.



Report Title:

Department of Transportation; Electric Mobility Rebate Program;
Electric Mobility Special Fund; Appropriations

Description:

Repeals the electric bicycle and electric moped rebate program and electric bicycle and electric moped subaccount of the highway development special fund. Establishes the electric mobility rebate program and electric mobility special fund. Appropriates moneys. Effective 7/1/2050 and 7/1/2051. (SD2)

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