



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

MARK B. GLICK  
CHIEF ENERGY OFFICE

(808) 451-6648  
energy.hawaii.gov

Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON TRANSPORTATION**

Tuesday, March 12, 2024  
10:30 AM  
State Capitol, Conference Room 312 and Videoconference

In Support of  
**SB 3183, SD2**

## **RELATING TO ROAD USAGE CHARGE PROGRAM.**

Chair Todd, Vice Chair Kila, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 3183, SD2, which provides authority for a county to impose a mileage-based road usage charge, provides for disposition of funds of county mileage-based road usage charge, clarifies the disposition of funds of state mileage-based road usage charge, and repeals the maximum amount a driver will pay in a mileage-based road usage charge on June 30, 2028.

HSEO's comments are guided by our statutory mission to promote energy efficiency, renewable energy, and clean transportation as laid out in HRS §196-71 and the specific duties of the Chief Energy Officer pursuant to §196-72 relating to clean transportation as well as the interface of clean transportation in the overall energy ecosystem.

Securing sustainable funding for roadway maintenance is crucial to Hawai'i's economy and the safety of those using state- and county- maintained roadways. The Legislature required the Hawai'i Department of Transportation to develop a plan to transition all vehicles in Hawai'i to a per mile road usage charge by 2033. Transitioning from the motor fuel taxes to a per-mile road usage charge is proposed to promote fairness and guarantee a continual and equitable source of funding for highway maintenance as the state works towards decarbonizing ground transportation.

HSEO stands ready to collaborate with the Department of Transportation and counties to achieve the State's decarbonization policy objectives and transition to a sustainable funding framework for an evolving transportation system. We believe that advancing the State's mileage-based road usage charge program at the county level is a logical progression that ensures consistency, financial sustainability, and administrative efficiency.

Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



TESTIMONY BY:  
EDWIN H. SNIFFEN  
DIRECTOR  
KA LUNA HO'OKELE  
  
Deputy Directors  
Nā Hope Luna Ho'okele  
DREANALEE K. KALILI  
TAMMY L. LEE  
ROBIN K. SHISHIDO

STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I  
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

March 12, 2024  
10:30 a.m.

State Capitol, Conference Room 312 & Videoconference

**S.B. 3183, S.D. 2**  
**RELATING TO TRANSPORTATION**

House Committee on Transportation

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The Hawaii Department of Transportation (HDOT) **supports this bill with comments** that authorizes counties to enact a county mileage-based road usage charge (RUC) for electric vehicles, allowing electric vehicle owners to pay a county registration surcharge or a per-mile county road usage charge until June 30, 2028; provides a process by which counties adopt a per-mile rate by county or city resolution; directs moneys from collection of a county road usage charge for use in the county in which the county road usage charge is collected; and removes the cap on the state RUC.

Last year, the Hawaii Legislature passed legislation establishing the country's fourth road usage charge program, setting Hawaii on a path to ensure sustainable and equitable transportation revenue for the State HDOT and provide a safe, efficient, sustainable, and accessible transportation system well into the future. As we begin implementation of the state RUC, HDOT recommends counties have the ability to enact a county RUC of their own as a long-term replacement for the county fuel tax. Providing this authority allows the counties to enact their RUC, potentially in conjunction with the State rollout, providing efficiency for government agencies, and consistency for residents of Hawaii.

The HDOT recommends that for the funding provided for this initial RUC undertaking in Act 222, Session Laws of Hawaii 2023, Section 10 is to be included as follows:

SECTION 10. Act 222, Session Laws of Hawaii 2023, is amended by amending section 6 to read as follows:

"SECTION 6. There is appropriated out of the state highway fund, the sum of [~~\$4,300,000~~ \$1,700,000 or so much thereof as may be necessary for fiscal year 2023-2024 to be used with available federal funds, for the initial implementation of the state mileage-based road user charge established pursuant to section 2 of this Act~~[-]~~; provided that the moneys appropriated for fiscal year 2023-2024 for the purposes of this act shall not lapse at the end of the fiscal year; provided further that all moneys appropriated for fiscal year 2023-2024 that are unexpended or unencumbered as of June 30, 2025 shall lapse to the state highway fund.

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

Thank you for the opportunity to provide testimony.

**COUNTY COUNCIL**

Mel Rapozo, Chair  
KipuKai Kualii, Vice Chair  
Addison Bulosan  
Bernard P. Carvalho, Jr.  
Felicia Cowden  
Bill DeCosta  
Ross Kagawa



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
Email: [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov)

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihu'e, Kaua'i, Hawai'i 96766

March 8, 2024

**TESTIMONY OF ADDISON BULOSAN  
COUNCILMEMBER, KAUAI COUNTY COUNCIL**

**ON**

**SB 3183, SD 2, RELATING TO ROAD USAGE CHARGE PROGRAM**

**SB 2630, SD 1, RELATING TO PEDESTRIANS**

**House Committee on Transportation**

**Tuesday, March 12, 2024**

**10:30 a.m.**

**Conference Room 312**

**Via Videoconference**

Dear Chair Todd and Members of the Committee:

Thank you for this opportunity to provide testimony in SUPPORT of SB 3183, SD 2, Relating to Road Usage Charge Program and SB 2630, SD 1, Relating to Pedestrians. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council.

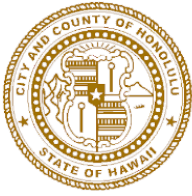
I wholeheartedly support the intent of SB 3183, SD 2 and SB 2630, SD 1, which would greatly affect the Kaua'i community.

Thank you again for this opportunity to provide testimony in support of SB 3183, SD 2 and SB 2630, SD 1. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov).

Sincerely,

**ADDISON BULOSAN**  
Councilmember, Kaua'i County Council

AAO:dmc



# HONOLULU CITY COUNCIL

## KE KANIHELA O KE KALANA O HONOLULU

530 S. KING ST. STE. 202, HONOLULU, HI 96813

**TYLER DOS SANTOS-TAM**  
HONOLULU CITY COUNCIL  
DISTRICT VI  
TELEPHONE: (808) 768-5006  
FAX: (808) 768-1176  
EMAIL: [tdossantos-tam@honolulu.gov](mailto:tdossantos-tam@honolulu.gov)

March 12, 2024

The Honorable Chris Todd, Chair  
The Honorable Darius K. Kila, Vice Chair  
and members  
Committee on Transportation  
Hawai'i State House of Representatives  
415 South Beretania Street, Room 312  
Honolulu, Hawai'i 96813

RE: Support for SB3183 SD2, Relating to Road Usage Charge Program

Dear Chair Todd, Vice Chair Kila, and Members:

Last year, the State Legislature enacted the country's fourth road usage (RUC) program, designed to be a long-term, sustainable replacement for the fuel tax, which has been trending downward for years as more fuel efficient and fully-electric vehicles are adopted by the public. Each of the four counties rely on our own county fuel tax to fund the maintenance and repair of county roads and bridges; our fuel tax revenues have also been on a similar downward trend. As a result, counties also need to begin identifying new sources of sustainable revenue for the future, on par with the State's efforts. A county road usage charge, as proposed by SB3183 SD2, is one of them.

As Chair of the Honolulu City Council's Transportation Committee, I know that declining county fuel tax revenue is hitting our county the hardest. Gasoline consumption in Honolulu peaked in 2017 and has declined 15% since then. While this is good for our environment, it has resulted in a significant reduction in fuel tax revenue. Moreover, Honolulu, with the largest population and most vehicles of all the counties, accounts for 76% of the electric vehicles in the entire state — none of which are paying anything in fuel tax.<sup>1</sup> Between expected improvements in vehicle fuel economy per the U.S. Energy Information Administration and meeting EV adoption targets that put us on a pathway to 100% of new sales being zero emission vehicles by 2045, we can expect gasoline consumption to decline another 25% by 2030 and as much as 50% by 2035.

The precipitous decline in revenue from state and county fuel taxes is placing a growing burden on our ability to take care of our roads and bridges. Allowing counties to enact a RUC as a replacement to the fuel tax allows counties to chart a path to sustainable transportation funding and ensure county roads and bridges are adequately maintained. Moreover, because collection of the state road usage charge will occur at county motor vehicle offices, allowing counties to enact a county RUC simultaneously offers the opportunity to make implementation and collection of the road usage charge more efficient and provide drivers with a more seamless experience.

Whether built and maintained by the State or the County, all of our residents rely on safe and efficient roads and bridges to get around our island home. As we begin our transition to clean energy, we need to ensure that transportation funding keeps up with evolving technology. Permitting the counties to enact a RUC alongside the state allows us to do both. I urge your support of this legislation and would be pleased to answer any questions.

Me ka mahalo,

A handwritten signature in black ink that reads "Tyler Dos Santos-Tam".

Tyler Dos Santos-Tam  
Councilmember, District 6

<sup>1</sup> See January DBEDT Monthly Energy Trend Report, <https://dbedt.hawaii.gov/economic/energy-trends-2/>

DEPARTMENT OF TRANSPORTATION SERVICES  
KA 'OIHANA LAWELAWE 'ŌHUA  
CITY AND COUNTY OF HONOLULU

711 KAPĪ'OLANI BOULEVARD, SUITE 1600 • HONOLULU, HAWAII 96813  
Phone: (808) 768-8305 • Fax: (808) 768-4730 • Website: honolulu.gov/transportation

RICK BLANGIARDI  
MAYOR  
MEIA



J. ROGER MORTON  
DIRECTOR  
PO'O

JON Y. NOUCHI  
DEPUTY DIRECTOR  
HOPE PO'O

TESTIMONY OF J. ROGER MORTON  
DIRECTOR OF TRANSPORTATION SERVICES

BEFORE THE HOUSE COMMITTEE ON  
TRANSPORTATION

**Tuesday, March 12, 2024, 10:30 AM, CR 312 & Videoconference**

TO: Rep. Chris Todd, Chair, Rep. Darius K. Kila, Vice Chair, and Members of the Committee on Transportation

RE: TESTIMONY IN SUPPORT OF SENATE BILL 3183, SENATE DRAFT 2 (SB3183, SD2), RELATING TO ROAD USAGE CHARGE PROGRAM, WITH COMMENTS

Chairman, esteemed members of the committee, my name is J. Roger Morton, and I serve as the Director of the Department of Transportation Services, and I wish to express our **strong support** for SB3183, SD2.

The rise in popularity of electric vehicles (EVs) has presented both opportunities and challenges for our transportation infrastructure. While EVs offer numerous environmental benefits, they also pose a significant challenge to traditional funding mechanisms, such as gas taxes, which have historically supported our transportation system. As the revenue from gas taxes declines due to the increasing adoption of EVs, we are faced with a critical funding shortfall for essential transportation projects.

SB3183, SD2, provides a crucial solution to this dilemma by authorizing counties to implement a mileage-based Road User's Charge (RUC) and establishing a small-scale per-mile RUC program targeted at EVs. This legislation grants counties the necessary authority to adapt to the changing landscape of transportation funding and ensure a fair and equitable system for all vehicle owners.

The provisions outlined in SB3183, SD2, are carefully crafted to address the unique needs and challenges of transitioning to a RUC system for EVs. Until June 30, 2028, the legislation offers EV owners a choice between paying a \$50 county registration surcharge in lieu of the county mileage-based RUC, with the RUC capped at a reasonable \$50 annually during this transition period, or until a county establishes its own RUC rate by resolution. Furthermore, the elimination of the annual cap on the state RUC from July 1, 2028, ensures a sustainable source of funding for transportation infrastructure projects in the long term.

Importantly, SB3183, SD2, directs the revenue generated from the county RUC back into the counties where it is collected. This ensures that funds collected from EV owners are reinvested directly into local transportation projects, benefiting communities and enhancing the quality of our transportation infrastructure.

In conclusion, SB3183, SD2, is a vital piece of legislation that addresses the funding challenges posed by the increasing prevalence of electric vehicles. By authorizing counties to implement an RUC system that specifically includes EVs, this legislation ensures a fair and sustainable source of funding for transportation infrastructure projects, benefiting our communities and enhancing the quality of our transportation system. I urge you to support SB3183, SD2, and help secure the future of transportation in our state.

Thank you for the opportunity to submit this testimony in support with comments.



## Testimony of the Oahu Metropolitan Planning Organization

### COMMITTEE ON TRANSPORTATION

Tuesday, March 12, 2024, 10:30 AM

CR 312 & Videoconference

### SB3183 SD2

### RELATING TO ROAD USAGE CHARGE PROGRAM

Dear Chair Todd, Vice Chair Kila, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports SB3183 SD2 with a recommendation.**

This measure is consistent with several goals of the Oahu Regional Transportation Plan including preserving and maintaining the transportation system, promoting an equitable transportation system, and protecting the environment.

The fuel tax is currently the primary source of transportation funding used to build and maintain the roadways. However, it has not kept up with inflation and improved vehicle fuel economy, so the gap between needs and revenue continues to grow. A per-mile road usage charge offers a stable source of funding that is aligned with the State's clean energy goals as it is not based on fuel consumption or impacted by alternative fuels.

The OahuMPO would like to offer the following recommendation to further improve the bill, and make it more equitable to all users of the transportation system:

- Section 3(2) currently reads: *"To pay the costs of acquisition, including real property and interests therein; planning; designing; construction; and reconstruction of the state highway system and bikeways, including without limitation, the cost of equipment and general administrative overhead;"* We recommend adding the words *"walkways"* and revising to read: *"To pay the costs of acquisition, including real property and interests therein; planning; designing; construction; and reconstruction of the state highway system, bikeways and walkways, including without limitation, the cost of equipment and general administrative overhead;"*. This would allow the State to explicitly use this funding source to build accessible pedestrian infrastructure that supports walking and rolling (e.g., wheelchairs, etc.).

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP) that encourages and promotes a safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution ([23 CFR 450.300](#)).

Mahalo for the opportunity to provide testimony on this measure.

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE; Electric Vehicles; State Mileage-Based Road User Fee; County Mileage-Based Road User Fee

BILL NUMBER: SB 3183 SD 2

INTRODUCED BY: Senate Committee on Ways and Means

EXECUTIVE SUMMARY: Establishes a county mileage-based road usage charge. Provides for disposition of funds of county mileage-based road usage charge. Clarifies the disposition of funds of the state mileage-based road usage charge. Repeals the maximum amount that a driver is required to pay in a state mileage-based road usage charge on 6/30/2028.

SYNOPSIS: Adds three new sections to chapter 249, HRS. Provides the counties authority to impose a county mileage-based road usage charge on electric vehicles beginning July 1, 2025. . Until June 30, 2028, owners are offered a choice to pay a \$50 registration surcharge in lieu of the county mileage- based road usage charge. Until June 30, 2028, the county mileage-based road usage charge will be no more than \$50 per year. The mileage charged will be determined by odometer readings that are taken during the annual safety check process. The charges will be deposited in the highway fund and will be spent in the counties from which the fees came.

The amount of the county road usage charge will be determined by each county through adoption of an appropriate resolution following a public hearing.

Amends section 248-9(a), HRS, authorizing the State Highway Fund to expend moneys for traffic control and preservation of safety upon the public highways and streets.

Deletes section 248-9( c), HRS, which allowed county subaccounts within the state highway fund to have been used for state highway road capacity projects in the respective county.

EFFECTIVE DATE: July 1, 2050.

STAFF COMMENTS: This is an Administration bill sponsored by the Department of Transportation and designated TRN-06 (24).

Act 222, SLH 2023, authorizes a program called HiRUC that has been in the works for a few years now. That act applies a state mileage-based road usage charge to electric vehicles, supposedly in lieu of the fuel tax that such vehicles are not paying.

Because the counties also impose fuel taxes and they also face the problem of having to maintain the highways and byways with more vehicles that are on the roads but that are not burning fossil fuel, this bill is a logical add-on to HiRUC.

We observe that the State's policy toward electric and other zero-emission vehicles has not been consistent. In the early 2010's, State policy was to incentivize such vehicles for being



environmentally friendlier. Several benefits came with the special plate that accompanied an electric vehicle, including the ability to park at government parking lots (including at the airport!) and street spaces for free, and the ability to jump into carpool lanes even though there is just one person in the car. Sadly, good things don't last forever. The free parking benefit and the carpool lane benefit expired on June 30, 2020, according to the terms of the 2012 law that spawned them (Act 168, SLH 2012), although the Department of Transportation continued the carpool lane benefit administratively.

The pendulum started swinging the other way this decade. From January 1, 2020, thanks to Act 280, SLH 2019, electric vehicle owners were slapped with a \$50 surcharge on their annual vehicle registration fees.

The reason for the reversal appears to be economic: the Department of Transportation needs money to repair and construct roads, bridges, highways, and byways. Its primary source of money to do that has been the State Highway Fund, which is fed primarily by the fuel tax. As electric vehicles and other alternative fuel vehicles gain acceptance, however, fewer people buy fuel, and the fuel tax has been slowly drying up.

Are electric vehicles and alternative fuel vehicles to be incentivized for their environmental benefits or surcharged because they aren't generating enough fuel tax revenue to pay for their fair share of transportation maintenance? The State and the public could benefit by having leadership and consistent policy relating to electric vehicles and other zero emission vehicles.

Digested: 3/9/2024

## Hawaii Electric Vehicle Association

hawaiiev.org  
info@hawaiieva.com



March 11, 2024

### COMMENTS RELATED TO SB 3183 SD2 - RELATING TO ROAD USAGE CHARGE PROGRAM

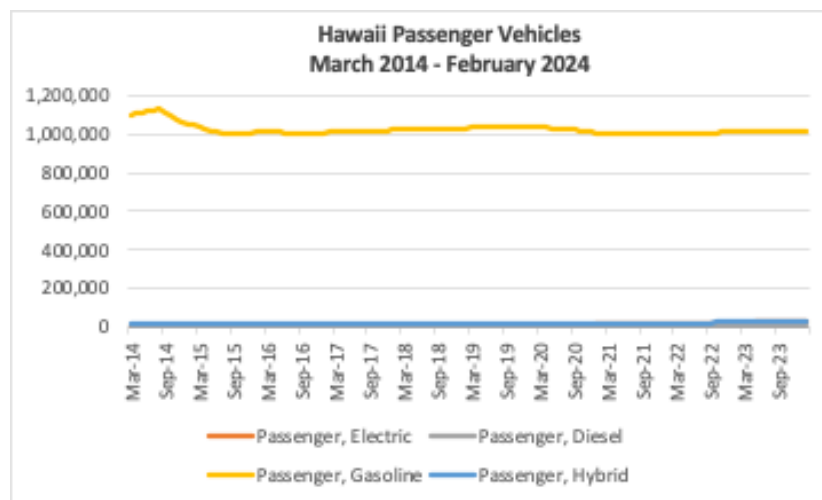
Dear Chair Todd, Vice-Chair Kila, and Committee members,

Hawaii Electric Vehicle Association offers **comments** on SB 3183 SD2, which *“Establishes a county mileage-based road usage charge. Provides for disposition of funds of county mileage-based road usage charge. Clarifies the disposition of funds of the state mileage-based road usage charge. Repeals the maximum amount that a driver is required to pay in a state mileage-based road usage charge on 6/30/2028.”*

Hawaii EV recognizes that the gas tax funds our road system maintenance and upgrades. As efforts to reduce emissions and VMT take hold, we must transition to a usage-based program to enable sustained maintenance of our critical road infrastructure.

#### Realities to Consider

- Fuel efficiency of legacy internal combustion engine (LICE) vehicles have doubled over the last decade<sup>1</sup>. This includes the fuel efficiency of heavier SUVs and trucks. **LICE vehicles travel more miles on each gallon of fuel today.**
- EV adoption in Hawaii is accelerating, but EVs are still a fraction (30,000 (<3%) of 1,081,000 passenger vehicles in our State<sup>2</sup>.

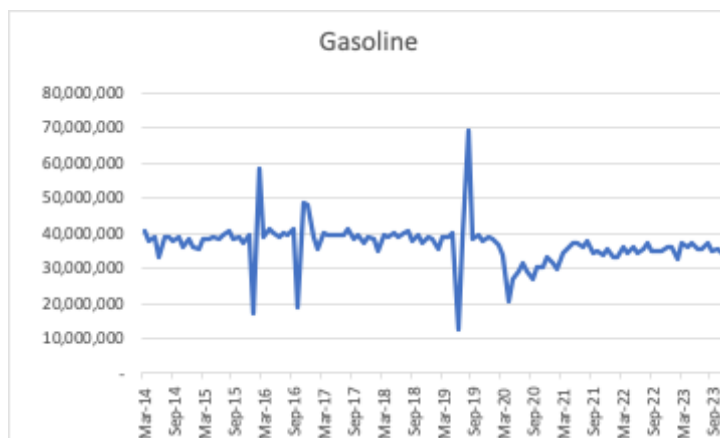


Number of registered Hawaii vehicles by type over the past decade.

<sup>1</sup> <https://www.epa.gov/newsreleases/epa-report-us-fuel-economy-marks-new-record-high-co2-emissions-reach-record-lows-and>

<sup>2</sup> <https://dbedt.hawaii.gov/economic/energy-trends-2/>

- Vehicles purchased today are typically held by consumers for over a decade – **gas vehicles purchased today may continue to be used through 2034.**
- Hawaii’s gasoline consumption has remained **relatively steady at around 40,000,000 gallons per month** for the past few years.



Monthly gasoline consumption in Hawaii over the decade. (Source DBEDT)

- Act 222 Road Use Charge requirements:
  - Starting July 1, 2025, EV owners can pay a fixed \$50 annual registration surcharge OR a \$.008 per-mile road usage fee. Mileage figures will be determined via odometer readings obtained during the vehicle inspections conducted during the registration renewable process.
  - Starting July 1, 2028, the fixed \$50 annual registration surcharge option will be removed, and all EV owners will be subject to the \$.008 per-mile road usage fee.
  - **In 2033, the per-mile road usage fee will apply to all passenger cars and light-duty trucks.**

SB 3183 SD2 is a means to extend the Road Use Charge enacted in Act 222 to the Counties and to further enable the transition to a usage-based road use tax. It, however, is inconsistent with the State’s version - it does not address the required transition for **gas** vehicles. The reduction in fuel tax revenue over the past few years has been mainly a function of improving the fuel efficiency of gas vehicles.

Importantly, it has the potential for undesired consequences, including an unnecessary perception (“Own an EV, and you’ll pay more.”) barrier to our efforts to transition away from fossil fuel vehicles. This contradicts our goals to decarbonize our economy (emission reduction) and minimize our dependence on imported energy (resilience).

Thus, the transition to a road use fee must include all vehicles if the underlying issue is to be properly addressed.

**Recommendation: Accelerate the transition to a road usage charge with a requirement to transition of all light-duty vehicles to a road usage charge by 2028** (or some future date). This will allow the transition to address the underlying road infrastructure funding problem more effectively. It will also be less confusing for constituents as it will focus the requirement for the shift on the underlying need.

Thank you for this opportunity to testify.

Sincerely,

A handwritten signature in black ink, appearing to read "Noel Morin".

Noel Morin  
President  
Hawaii EV Association

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**Hawaii EV Association** is a grassroots non-profit group representing electric vehicle owners in Hawaii. Our mission is to accelerate the electrification of transportation through consumer education, policy advocacy, and electric vehicle charging infrastructure expansion. For more information, please visit [hawaiiev.org](http://hawaiiev.org).

#### **Hawaii EV Board**

Jennifer Lieu – Director  
Nanette Vinton, Secretary, and Treasurer  
Noel Morin, President  
Rob Weltman – Director  
Sonja Kass – Director  
Tam Hunt - Director

#### **Hawaii EV Clubs**

Big Island EV Association  
Kauai EV  
Maui Nui EV  
Tesla Hawaii Club

**SB-3183-SD-2**

Submitted on: 3/11/2024 10:56:39 AM

Testimony for TRN on 3/12/2024 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Steve Parsons	Kauai Climate ACTION Coalition, Small Biz Owner, Kauai EV	Oppose	Written Testimony Only

Comments:

Aloha Trusted Hawaii Lawmakers,

We strongly oppose the targeting of EV for RUC. Soon, economies of scale will take over and there will be a shift to the majority of cars and trucks sold. We suggest having the same fee structure for all vehicles ASAP. I understand the idea around this bill Fairness, to have everyone pay their “Fair Share”. gASSmobiles have never paid their fair share when you include the damage to human health and monster subsidies for the fossil fuel industry . ICE (Internal Combustion Engines) are also responsible for most of the damage to our roads via all the fluids they leak on our roads. Lastly, we are RAPIDLY running out of time so save Hawaii and mankind from the worst parts of climate change that are coming for us all, but the most vulnerable will SUFFER the most. This includes breathing in the poison put out by ICE (Internal Combustion Engines) and you as Lawmakers should not be ok with that! If you are truly focused on “Fairness”, Perhaps target clean air and cleaner roads thereby creating cleaner Oceans by enforcing smog testing as many people cheat and straight pipe their exhaust on purpose or don’t fix holes in their tailpipes including rental cars. Purposeful cheating of emission controls should be criminal.

Steve parsons, Hanapepe Kauai

KCAC, Surfrider foundation member, Kauai EV member, Sm Biz owner.



Email: [communications@ulupono.com](mailto:communications@ulupono.com)

HOUSE COMMITTEE ON TRANSPORTATION  
Tuesday, March 12, 2024 — 10:30 a.m.

**Ulupono Initiative supports SB 3183 SD2, Relating to Road Usage Charge Program.**

Dear Chair Todd and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

**Ulupono supports SB 3183 SD2**, which establishes a county mileage-based road usage charge; provides for disposition of funds of county mileage-based road usage charge; clarifies the disposition of funds of state mileage-based road usage charge; and, repeals the maximum amount a driver is required to pay in a state mileage-based road usage charge on June 30, 2028.

As the state transitions towards its road user charge, we believe that the counties should have the same opportunity. It will help provide harmonization across transportation taxes and help support the overall transition to a road user charge.

We also recommend further amendments to ensure consistency between Sections §248-9 State highway fund and §249-18 Highway fund, by amending Section §248-9 to include the state's full multimodal mission and provide the greatest flexibility in funding decision making, as follows:

- (1) To pay the costs of operation, maintenance, and repair of the state highway and ground transportation system, including without limitation, the cost of equipment and general administrative overhead;
- (2) To pay the costs of acquisition, including real property and interests therein; planning; designing; construction; and reconstruction of the state highway system and ground transportation system, including without limitation, the cost of equipment and general administrative overhead.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata  
Director of Government Affairs

*Investing in a Sustainable Hawai'i*

Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins




Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

March 11, 2024

TO: The Honorable Chris Todd, Chair, and  
Members of the Committee on Transportation

FROM: Alice L. Lee  
Council Chair 

SUBJECT: **HEARING OF MARCH 12, 2024; TESTIMONY IN SUPPORT OF SB3183,  
SD2, RELATING TO ROAD USAGE CHARGE PROGRAM**

I **support** this measure to allow the counties to establish a mileage-based road usage charge.

I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. This measure provides the opportunity for counties to take advantage of a sustainable and equitable transportation revenue source.
2. It allows for a long-term replacement for the county fuel tax.
3. Under this measure, counties can roll out their road usage charges in conjunction with the State's road usage charge, providing efficiency for government agencies and consistency for residents.

For the foregoing reasons, I **support** this measure.

ocs:proj:legis:24legis:24testimony:sb3183\_sd2\_paf24-002(81)\_pmg

**SB-3183-SD-2**

Submitted on: 3/12/2024 7:34:34 AM

Testimony for TRN on 3/12/2024 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chad K Taniguchi	Individual	Support	Written Testimony Only

Comments:

It's fair for EVs to pay toward road maintenance.