
A BILL FOR AN ACT

RELATING TO TRANSPORTATION DEMAND MANAGEMENT.

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

1 SECTION 1. The legislature finds that ground
2 transportation makes up thirty-eight per cent of transportation
3 emissions in the State and light-duty vehicles make up eighty-
4 five per cent of those emissions. A key component to meeting
5 the State's decarbonization goals will be the reduction of
6 vehicle miles traveled by commuters, which can be done through
7 several mechanisms, including the promotion of walking, biking,
8 public transit, and carpooling.

9 The legislature further finds that state employees have
10 limited commuter benefits. In 2024, the legislature adopted
11 House Resolution 191, Regular Session of 2024, which urged the
12 department of accounting and general services and department of
13 human resources development to evaluate subsidizing public
14 transit for public employees. Currently, the only
15 transportation benefits the State offers is a pre-tax deduction
16 of a state employee's paycheck to purchase a transit pass or pay
17 for parking as allowed by the Internal Revenue Service. The



1 State indirectly subsidizes employee parking stalls in downtown
2 Honolulu on average between \$130 to \$238 a month, and provides
3 no subsidy for employees using public transit, carpooling,
4 walking, biking, and other modes of transportation that reduce
5 transportation emissions.

6 Opting for public transit and active modes of
7 transportation over private vehicles for commutes can help
8 employees save money on fuel, insurance, parking, and vehicle
9 maintenance costs, which can also help reduce the cost of
10 living. Additionally, active modes of transportation can
11 enhance quality of life, health, and wellbeing through physical
12 activity.

13 The legislature also finds that state employee focus groups
14 conducted in July and August of 2024 by the Oahu metropolitan
15 planning organization revealed that fifty-four per cent of
16 respondents would ride public transit to work if public transit
17 passes were fully subsidized or discounted and forty-eight per
18 cent of respondents stated they would walk, ride a bike, or
19 scooter to work with a financial incentive. The focus group
20 also revealed that thirty per cent of respondents were not aware
21 they could pay for a transit pass using pre-tax deductions.



1 The legislature notes that other jurisdictions such as
2 Redmond, Washington, have implemented a transportation demand
3 management program aimed at reducing vehicle miles traveled and
4 improving employee transportation benefits and have reported
5 increased employee retention and decreased tardiness or absences
6 upon participating in the commuter benefits program. Parking
7 opt-out programs allow state employees to forgo a parking stall
8 and use active or shared modes of transportation to commute to
9 work in exchange for a financial incentive. These programs have
10 been shown to reduce employee vehicle miles traveled by as much
11 as twelve per cent.

12 Accordingly, the purpose of this Act is to require and
13 appropriate funds for the department of human resources
14 development to create and implement a comprehensive
15 transportation demand management program for all state employees
16 with the goal of reducing vehicle emissions and single occupancy
17 vehicle commutes.

18 SECTION 2. Chapter 78, Hawaii Revised Statutes, is amended
19 by adding a new section to be appropriately designated and to
20 read as follows:



1 "§78- Transportation demand management program; public
2 transit passes; bikeshare passes; parking optout. (a) The
3 department of human resources development shall develop and
4 implement a comprehensive transportation demand management
5 program. The program shall administer, promote, and conduct
6 education and outreach of state employee transportation benefits
7 and encourage the use of healthy, economical, and
8 environmentally sustainable commuting modes of transportation
9 and discourage the use of single-occupant vehicle commuting.

10 (b) Each state department and its agencies shall establish
11 a volunteer employee transportation coordinator at each physical
12 worksite of the department or agency. The department of human
13 resources development, in collaboration with the Oahu
14 metropolitan planning organization, shall work with the
15 volunteer employee transportation coordinator to hold monthly
16 meetings to assist with the distribution of educational and
17 marketing materials and provide guidance on encouraging
18 employees to participate in the transportation demand management
19 program.

20 (c) The department of human resources development shall
21 offer fully subsidized public transit passes and bikeshare



1 passes as a benefit option to all public employees. The public
2 transit and bikeshare passes shall be integrated into public
3 employee badges and shall be in accordance with existing transit
4 pass badging programs.

5 (d) The department of human resources development shall,
6 in coordination with the department of accounting and general
7 services, develop a parking opt-out program to allow all public
8 employees to opt out of a parking stall to receive a financial
9 incentive."

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2025-2026 and
13 the same sum or so much thereof as may be necessary for fiscal
14 year 2026-2027 for the transportation demand management program
15 established pursuant to section 2 of this Act, including the
16 hiring of:

17 (1) One permanent full-time equivalent (1.00 FTE) position
18 within the department of human resources development
19 to administer and promote the program; and

20 (2) One permanent full-time equivalent (1.00 FTE) position
21 within the Oahu metropolitan planning organization to



1 assist the position under paragraph (1) with the
2 program.

3 The sums appropriated shall be expended by the department
4 of human resources development for the purposes of this Act.

5 SECTION 4. New statutory material is underscored.

6 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

DHRD; Transportation Demand Management Program; Public Transit Passes; Bikeshare Passes; Opt-out of Parking; Appropriation

Description:

Requires the Department of Human Resources Development, in collaboration with various state and county agencies, to establish a Transportation Demand Management Program. Appropriates funds. Effective 7/1/3000. (HD1)

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