



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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

before the  
**SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS**

Thursday, February 2, 2023  
3:00 PM  
State Capitol, Conference Room 224 and Videoconference

In SUPPORT of  
**SB 1401**

**RELATING TO THE ELECTRIC BICYCLE AND ELECTRIC MOPED REBATE PROGRAM.**

Chairman Lee, Vice Chair Inouye, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports SB 1401, which makes an emergency appropriation into and from a newly established special fund for the Department of Transportation Highways Division's Electric Bicycle and Electric Moped Rebate Program and authorizes the Department of Transportation to pay a third-party administrator to administer the program. HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

Emissions from ground transportation account for more than half of energy emissions as reported in the Greenhouse Gas Emissions Report for 2017.<sup>1</sup> For Hawaii to meet its statutory target "to sequester more greenhouse gases than emitted as soon as practicable but no later than 2045", significant reductions in emissions from ground transportation will need to be made in the near to medium term. For significant reductions to be made all market segments in Hawaii need to be addressed. SB 1401 supports the proliferation of zero-emission electric bicycles and mopeds, which can reduce fossil-fuel powered vehicle miles traveled and related transportation emissions.

SB 1401 may be particularly impactful in reducing fossil-fuel powered vehicle miles traveled and related transportation emissions because the majority of trips taken in Hawaii are short trips, the ideal trip to be made via electric bicycles and mopeds. According to the Drivers of VMT and Priority Reduction Strategies Report for Hawaii, 30% of all trips made are under 1 mile, 60% of trips made are under 3 miles, and 70% of trips made are under 5 miles.<sup>1</sup> This presents the State the tremendous opportunity to reduce fossil-fuel powered vehicle miles traveled and related transportation emissions by incentivizing the purchase of zero-emission bicycles and mopeds that could serve residents' short trip needs.

SB 1401 can reduce the cost of transportation for residents who need it the most. After housing, childcare, and food, the cost of transportation in Hawaii represents the biggest monthly expense for many residents.<sup>2</sup> While the high costs affect everyone, they especially hit low-income people who are struggling to get by. The average cost of owning a vehicle in Hawaii is \$8,100 annually, or \$675 per month, when factoring in the various costs, including gas, maintenance and insurance.<sup>3</sup> With 80% of Hawaii households owning two or more cars<sup>4</sup>, households who do own at least two cars face a \$16,200 annual expense, or about \$1,350 a month for transportation. Providing this rebate may incentivize the purchase of electric bicycles and mopeds for low-income residents and allow those residents to swap their short trips in a car with zero-emissions and affordable forms of micromobility.

The passage of SB 1401 will allow much needed funding to be allotted and authorize expenditure for payment of the electric bike and moped rebates or appropriate

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<sup>1</sup> "Drivers of VMT and Priority Reduction Strategies for Hawaii." State Smart Transportation Initiative. 2022.

<sup>2</sup> <https://www.civilbeat.org/2022/03/why-it-costs-so-much-to-own-a-car-in-hawaii/#:~:text=According%20to%20a%202021%20study,includin%20gas%2C%20maintenanc%20and%20insurance.>

<sup>3</sup> <https://ulupono.com/news-listing/report-examines-hawaii-s-21-8-billion-vehicle-economy/>

<sup>4</sup> <https://www.civilbeat.org/2022/03/why-it-costs-so-much-to-own-a-car-in-hawaii/#:~:text=According%20to%20a%202021%20study,includin%20gas%2C%20maintenanc%20and%20insurance.>

funds for contracting with the third—party administrator. The bill will make an emergency appropriation into a newly established Electric Bicycle and Electric Moped Special Fund for fiscal year 2022-2023 that will allow residents most in need to access the rebate and swap their short trips in a car for a more sustainable and affordable micromobility option. HSEO's defers to the Department of Transportation for comments regarding program funding, structure and administration.

Thank you for the opportunity to testify.