



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, February 22, 2023
9:30 AM
State Capitol, Conference Room 211 and Videoconference

In Support of
SB 1534, SD1

RELATING TO TRANSPORTATION.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, the Hawai'i State Energy Office (HSEO) provides comments in support of SB1534, SD1, which replaces the \$50 annual vehicle registration surcharge for electric vehicles with a capped mileage-based road user fee for electric vehicles and establishes the Hawai'i Highway Safety and Modernization Council effective 7/1/2023.

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. Sustainable funding for Hawai'i's roadway maintenance costs needs to be addressed to ensure a smooth transition as Hawaii decarbonizes ground transportation. HSEO is currently engaging with State agencies and stakeholders to discuss the issues raised from this measure. HSEO regularly collaborates with the Hawai'i Department of Transportation (HDOT) on efforts including the designation of Alternative Fuel Corridors by the Federal Highway Administration and the National Electric Vehicle Infrastructure (NEVI) Hawai'i State Plan to build out infrastructure on those corridors and will continue that collaboration.

HSEO supports the requirement in SB1534, SD1, Section 2 to extend the mileage-based road use charge to all passenger vehicles and light duty trucks by

December 31, 2033. It is an important signal to the market and the adopters of electric vehicles that the intent is to move all vehicles to a sustainable and equitable framework to collect revenues for road maintenance. The mileage-based road use charge should be devised in such a way to transparently incentivize residents to utilize more fuel efficient vehicles and alternative modes of transportation including public transit, electric mobility, bicycling, and walking. Residents can easily understand that reducing the miles they drive results in a lower annual mileage-based road use charge. To support the expedient transition to this revenue collection framework HSEO would respectfully request extending the authority to implement the program for all light duty passenger vehicles and light duty trucks to the HDOT within SB1534, SD1. The authority would be in addition to the requirement that a plan be developed to fully implement a state mileage-based road use charge program to encompass all passenger vehicles and light duty trucks by December 31, 2033. This provides HDOT the flexibility to move forward as soon as practicable while maintaining the 2033 target.

Thank you for the opportunity to testify.