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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON TRANSPORTATION

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10 AM
State Capitol, Conference Room 430 and Videoconference

In Support of
HB 1302

RELATING TO TRANSPORTATION DEMAND MANAGEMENT.

Chair Kila, Vice Chair Grandinetti, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 1302, which seeks to reduce single-occupancy vehicle commutes and vehicle emissions by establishing a comprehensive transportation demand management (TDM) program for state employees.

Emissions from transportation account for more than half of energy-related emissions and of those 36% come from ground transportation, as reported in the Greenhouse Gas Emissions Report for 2021¹. For Hawai'i 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. Achieving these reductions will require addressing all market segments in Hawai'i, including state employees.

As one of the largest employers in the state, the government has an opportunity—and a responsibility—to lead by example in reducing vehicle miles traveled (VMT). The Hawai'i Pathways to Decarbonization report², submitted to the Legislature in December 2023 pursuant to Act 238 (2022), highlights the importance of reducing VMT

¹ https://health.hawaii.gov/cab/files/2024/05/2020-and-2021-Inventory_Final-Report_5-29-24.pdf

² <https://energy.hawaii.gov/what-we-do/clean-energy-vision/decarbonization-strategy/>

alongside vehicle electrification to meet the state's net-negative emissions target. HB1302 directly supports this recommendation by establishing policies that encourage state employees to shift toward sustainable commuting options.

HB 1302 also aligns with the recommendations of the State Government Transportation Demand Management (SGTDM) Study, which HSEO is conducting in partnership with the O'ahu Metropolitan Planning Organization (O'ahuMPO). This study emphasizes the need for state agencies to implement strategies that reduce single-occupancy vehicle commutes and improve access to sustainable transportation options. By adopting TDM strategies, such as those suggested by this study and included in HB 1302, the state can help set an example for employers across Hawai'i while also addressing congestion, emissions, and employee transportation costs.

The SGTDM study revealed that many state employees would take advantage of transit subsidies or active transportation incentives if available. Specifically, 60% of the 3,537 respondents indicated that a free/fully subsidized transit pass as one of the most influential strategies in encouraging them to change their commuting behavior, and 24% stated they would bike, walk, with a financial subsidy³. The proposed bill addresses these findings by implementing measures that encourage employees to shift toward lower-emission commuting options.

Additionally, the bill introduces an employee parking opt-out program, which has been successfully implemented in other jurisdictions⁴ and shown to reduce employee vehicle miles traveled by as much as 12%⁵. By providing financial incentives for employees to forgo subsidized parking in favor of sustainable transportation modes, the State can create a more balanced and equitable approach to commuter benefits.

While the SGTDM study did not specify agency responsibilities or budget allocations, it demonstrated the effectiveness of these strategies in reducing emissions and enhancing employee transportation choices. The provisions in HB 1302 are a necessary step toward operationalizing these recommendations and ensuring that state employees have access to meaningful commuter benefits. Implementing a robust TDM

³ <https://engage.oahumpo.org/transportation-demand-management-tdm-study>

⁴ <https://www.ncdot.gov/initiatives-policies/environmental/climate-change/Documents/vehicle-miles-traveled-reduction-study.pdf>

⁵ [bestpractice209.pdf](https://www.ncdot.gov/initiatives-policies/environmental/climate-change/Documents/bestpractice209.pdf)

program will not only reduce emissions but also save employees on commuting costs and improve their overall well-being.

HSEO is available to provide technical assistance to impacted agencies to address implementation challenges and identify potential solutions to lower costs. Strategies to mitigate cost impacts of activities identified in HB 1302 have been assessed in HSEO's report with O'ahuMPO including negotiated flat rates for The BUS for government employees.

The HSEO supports HB 1302 as long as its passage does not replace or adversely impact priorities indicated in the Executive Budget.

Thank you for the opportunity to testify.