

Honolulu, Hawaii

APR 10 2015

RE: H.B. No. 1010  
H.D. 1  
S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1010, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE COMMUTER BENEFITS PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the counties to establish a commuter benefits program.

More specifically, this measure authorizes counties to adopt an ordinance requiring employers to offer employees commuter benefit options that consist of one or more of the following:

- (1) A program allowing covered employees to elect to exclude specific travel costs from taxable wages;
- (2) A program where employers offer a subsidy to offset monthly commuting costs; or
- (3) Transportation furnished by the employers at no cost or low cost to the employees.

Your Committee received written comments in support of this measure from the City and County of Honolulu Department of Transportation Services, Bikeshare Hawaii, Hawaii Bicycling League, Hawaii Energy Policy Forum, Ulupono Initiative, and two individuals. Your Committee received written comments in



opposition to this measure from The Chamber of Commerce Hawaii, Kauai Chamber of Commerce, and Maui Chamber of Commerce. Your Committee received written comments on this measure from one individual.

Your Committee finds that employer-provided commuter benefits enable employees to reduce their transportation costs by allowing employees to use pre-tax dollars for their commuting expenses. Your Committee also finds that commuter benefits programs promote the reduction of traffic congestion, greenhouse gas emissions, air pollution, and the State's reliance on imported fossil fuel. Your Committee believes that commuter benefits will assist the State to meet the Hawaii clean energy initiative standards and achieve the greenhouse gas reduction target established by Act 234, Session Laws of Hawaii 2007. Your Committee also believes that this measure will enhance the quality of life of the State's commuters.

Your Committee has amended this measure by:

- (1) Deleting the provision authorizing the counties to adopt an ordinance establishing a commuter benefits program that would involve transportation furnished by the employer, at no cost or low cost to employees, in a multi-passenger vehicle operated by or for the employer; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1010, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1010, H.D. 1, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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JILL N. TOKUDA, Chair



