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# A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1           SECTION 1. The purpose of this Act is to reduce the cost  
2 of living and cost of transportation by providing rebates for  
3 the purchase and use of electric bicycles and electric mopeds.

4           SECTION 2. Chapter 196, Hawaii Revised Statutes, is  
5 amended by adding a new section to part I to be appropriately  
6 designated and to read as follows:

7           "§196-       Electric bicycle and electric moped rebate  
8 program; third-party administrator; special fund. (a) The  
9 department of transportation shall administer a rebate program  
10 that incentivizes the purchase of new electric bicycles and new  
11 electric mopeds and may contract with a third-party  
12 administrator pursuant to subsection (i) to operate and manage  
13 the rebate program.

14           (b) Each eligible purchase of a new electric bicycle or  
15 new electric moped shall receive a rebate of either twenty per  
16 cent of the retail cost or \$500, whichever amount is lower;  
17 provided that no individual shall receive more than \$500 in  
18 total rebates each fiscal year.



1       (c) The department of transportation shall not issue more  
2 than \$700,000 in total rebates under this section each fiscal  
3 year; provided that the electric bicycle and electric moped  
4 subaccount within the highway development special fund pursuant  
5 to section 264-122(d) contains sufficient funds to pay the  
6 rebates. The department of transportation shall not be liable  
7 to pay any refund if sufficient funds are unavailable. The  
8 department of transportation shall allow valid claims filed by  
9 eligible applicants for whom sufficient funds may not be  
10 immediately available to receive a rebate as funds may be  
11 available in a subsequent year.

12       (d) The department of transportation shall:  
13       (1) Prepare any forms that may be necessary for an  
14       applicant to claim a rebate pursuant to this section;  
15       and  
16       (2) Require each applicant to furnish reasonable  
17       information to ascertain the validity of the claim,  
18       including but not limited to the signature of the  
19       buyer and individual responsible for the sale on  
20       behalf of a retail store at the time of sale, a copy  
21       of valid government issued photo identification of the



1           buyer at the time of the sale, receipt of purchase,  
2           name and address of the retail store, verification of  
3           eligibility, and any other documentation necessary to  
4           demonstrate the legitimate purchase of a new electric  
5           bicycle or new electric moped.

6           (e) This section shall apply to new:

7           (1) Electric bicycles capable of speeds of no more than  
8           twenty-eight miles per hour; and

9           (2) Electric mopeds,  
10          purchased at a retail store after July 1, 2022.

11          (f) Applicants shall submit an application to the  
12          department of transportation within twelve months of the date of  
13          purchase to claim a rebate from the electric bicycle and  
14          electric moped rebate program. Failure to apply within twelve  
15          months of the date of purchase shall constitute a waiver of the  
16          right to claim the rebate.

17          (g) Nothing in this section shall alter taxes due on the  
18          original purchase. Any rebate received pursuant to this section  
19          shall not be considered income for the purposes of state or  
20          county taxes.



1        (h) In administering the electric bicycle and electric  
2 moped rebate program, the department of transportation shall  
3 provide rebates to persons eighteen years or older who:

4        (1) Are eligible for:

5            (A) The Supplemental Nutrition Assistance Program;

6            (B) The free and reduced price lunch program;

7            (C) Section 8 of the United States Housing Act of  
8                    1937, as amended; or

9            (D) Similar low-income assistance programs identified  
10                   by the department of transportation;

11        (2) Do not own a registered motor vehicle with four or  
12 more wheels, as demonstrated by an affidavit signed by  
13 the applicant at the time of sale of the new electric  
14 bicycle or electric moped, which may be audited by the  
15 department of transportation; or

16        (3) Are enrolled in school, community college, or  
17 university.

18        (i) The department of transportation may contract with a  
19 third-party administrator to operate and manage the electric  
20 bicycle and electric moped rebate program. The third-party  
21 administrator shall not be deemed to be a "governmental body" as



1 defined in section 103D-104; provided that all moneys  
 2 transferred to the third-party administrator shall have been  
 3 appropriated by the legislature or shall be from moneys provided  
 4 by the federal government or private funding sources. The  
 5 third-party administrator shall not expend more than ten per  
 6 cent of the amounts appropriated for the rebate program, or any  
 7 other reasonable percentage determined by the department of  
 8 transportation, for administration of the electric bicycle and  
 9 electric moped rebate program."

10 SECTION 3. Section 264-122, Hawaii Revised Statutes, is  
 11 amended to read as follows:

12 "[+]§264-122[+] Highway development special fund. (a)  
 13 There is established in the state treasury the highway  
 14 development special fund to be administered by the department,  
 15 into which shall be deposited:

- 16 (1) Transfers of county impact fees assessed under part
- 17 VIII of chapter 46 and this part to pay for state
- 18 highway improvements;
- 19 (2) Interest from investment of deposits; and
- 20 (3) Legislative and county appropriations.



1 (b) Moneys in the highway development special fund shall  
2 be used for the following purposes:

- 3 (1) Capital costs of qualifying proposed state highway  
4 improvements;
- 5 (2) Reevaluation of the need, geographic limitations,  
6 amount, and use of impact fees;
- 7 (3) Transfers to reimburse other special funds for  
8 expenditures which otherwise might have been funded  
9 with moneys in the highway development special fund;
- 10 (4) Transfers under sections 36-27 and 36-30;
- 11 (5) Refunds under section 264-125; and
- 12 (6) The department's costs to implement this part,  
13 including but not limited to costs to administer the  
14 highway development special fund.

15 (c) The department may establish accounts in the highway  
16 development special fund as necessary to implement this part and  
17 rules adopted by the department.

18 (d) There is established within the highway development  
19 special fund an electric bicycle and electric moped subaccount.  
20 The department shall expend moneys in the subaccount for the



1 purposes of funding the electric bicycle and electric moped  
2 rebate program established pursuant to section 196- ."

3 SECTION 4. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$2,100,000 or so much  
5 thereof as may be necessary for fiscal year 2022-2023 to be  
6 deposited into the electric bicycle and electric moped  
7 subaccount established pursuant to section 264-11(d), Hawaii  
8 Revised Statutes.

9 The sum appropriated shall be expended by the department of  
10 transportation for the purposes of this Act.

11 SECTION 5. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 6. This Act shall take effect on July 1, 2022.



**Report Title:**

Electric Bicycle and Electric Moped Rebate Program; Subaccount;  
Appropriation

**Description:**

Establishes the Electric Bicycle and Electric Moped Rebate Program and subaccount to encourage the purchase and use of electric bicycles and electric mopeds. Appropriates funds for the electric bicycle and electric moped subaccount. (CD1)

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