Hawai'i Road Usage Charge



Hawai'i RUC Update

- In 2023, the Hawai'i State Legislature passed and the Governor signed, Act 222, which creates a small-scale road usage charge (RUC) program for electric vehicles and requires the Hawai'i Department of Transportation (HDOT) to develop a plan to transition all light-duty vehicles to a RUC by 2033
- Beginning July 1, 2025, most electric vehicle (EV) owners will have a choice to pay a state per-mile RUC (\$8 per 1,000 miles driven, capped at \$50) or a state flat annual RUC of \$50.
- The HiRUC Program will utilize the existing annual vehicle inspection process, also known as a safety check, to report annual miles driven.
 The RUC amount owed will be due at the time of vehicle registration renewal and payments can be processed by any existing registration renewal method (kiosk, online, in-person, mail/drop box).
- Beginning July 1, 2028, the state per-mile RUC becomes mandatory for all EV drivers. The option of the state flat annual RUC of \$50 will be removed.

What does this mean for EV owners?

Vehicle registration renewal can be completed as usual, using any existing renewal method (kiosk, online, in-person, or mail/drop box).

Notice	Choose	Pay	Complete
Starting July 1, 2025, eligible EV owners will see a RUC on their vehicle registration renewal notice.	EV owners to choose: State per-mile RUC (\$8 per 1,000 miles driven, capped at \$50) OR State flat annual RUC (\$50)	RUC amount owed will be added to the vehicle registration payment process.	RUC choice captured and registration certificate printed.

What is RUC?

A road usage charge, or RUC, is a new way to pay for Hawai'i's roads. Drivers pay a per-mile fee instead of annual EV surcharges or fuel taxes.

Why is Hawaiii implementing RUC?

- Hawai'i's fuel tax currently provides significant revenue to fund the maintenance of Hawai'i's state roads and bridges. EV and hybrid owners pay annual registration surcharges, which don't necessarily connect to how much they drive.
- As our state's cars become more fuel-efficient, hybrid, or all-electric, revenues to maintain our roads will continue to decline. A transition to RUC helps ensure fair, long-term, sustainable funding for Hawai'i's roads.

Learn more



Visit <u>www.hiruc.org</u> to learn more.



Common Questions

How will EV owners know what RUC to pay?

 Any registration renewal notice mailed after July 1, 2025, will list the RUC amount owed. Most EV drivers will be able to choose between a state per-mile RUC (\$8 per 1,000 miles driven, capped at \$50), or a state flat annual RUC of \$50. If there is incorrect, inaccurate, or missing mileage data, the RUC amount due will default to the state flat annual RUC of \$50.

What if drivers buy an EV after July 1, 2025?

- Drivers will not owe any RUC upon purchase of a new EV. They will pay the state flat annual RUC of \$50 at their first registration renewal since a safety inspection is not required after the first year of a newly purchased EV.
- For registration renewals after purchase and until June 30, 2028, EV owners who choose the state per-mile RUC will continue to be enrolled in the state per-mile RUC at each subsequent renewal.
- EV owners who choose the state flat annual RUC will continue to have a choice between the state flat annual RUC and state per-mile RUC. After July 1, 2028, all EVs will automatically be enrolled in the state per-mile RUC.

What about the state's current \$50 EV registration surcharge that drivers pay now?

 The HiRUC Program replaces the state's current \$50 EV registration surcharge for RUC-eligible EVs. Maui County EV owners will continue to pay the \$100 annual county EV registration surcharge.

Will RUC negatively affect residents who drive long distances?

- Research shows that residents of rural areas and outlying suburban areas tend to drive older vehicles that are less fuel efficient. Drivers of less fuel-efficient vehicles currently pay more in the fuel tax than higher fuel efficiency, hybrid, or electric vehicles.
- With a RUC system, if and when it applies to gasolinefueled vehicles in the future, drivers of less fuel-efficient vehicles would, on average, pay less under a RUC program.

What EVs are eligible for the HiRUC Program?

- Eligible vehicles subject to the HiRUC Program beginning July 1, 2025, meet the following criteria:
 - Are registered in Hawai'i;
 - Are electric vehicles (not plug-in hybrid or hybrid);
 - Have three or more wheels:
 - · Can operate at or above 35 miles per hour; and
 - Have a gross vehicle weight rating of 10,000 pounds or less.
- Electric vehicles that have missed two consecutive odometer readings, have late safety inspections from the previous registration year, or have registrations over 13 months late will be defaulted to the state flat annual RUC of \$50.

What does this mean for plug-in hybrid and hybrid vehicles?

- Plug-in hybrid vehicles (PHEVs) and hybrid vehicles are not eligible for the HiRUC Program when it launches on July 1, 2025. The HDOT is researching future RUC program options. PHEVs are one of the vehicle types under consideration for future HiRUC Program eligibility. PHEVs purchase and use some gasoline, so it will be important to determine how drivers of PHEVs would be credited for fuel taxes paid at the pump.
- In some instances, PHEVs and hybrids have been registered as EVs and have paid the state EV registration surcharge of \$50. These vehicles are not eligible for the HiRUC Program and PHEV/hybrid owners should contact their local county DMV for any further questions.

What does this mean for non-EV drivers?

 The initial HiRUC Program applies to EV drivers only. The registration renewal process will remain the same for non-EV drivers until the start date for a program encompassing all light-duty vehicles is established.



