

DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



RONA M. SUZUKI
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
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To: The Honorable Sylvia Luke, Chair;
The Honorable Ty J.K. Cullen, Vice Chair;
and Members of the House Committee on Finance

From: Rona M. Suzuki, Director
Department of Taxation

Re: H.B. 2462, H.D. 1, Relating to Electric Vehicles

Date: Monday, February 24, 2020

Time: 1:00 P.M.

Place: Conference Room 308, State Capitol

The Department of Taxation (Department) appreciates the intent of H.B. 2462, H.D. 1, and offers the following comments.

H.B. 2462, H.D. 1, creates a new refundable income tax credit for the purchase of electric vehicles with a cost of up to \$50,000. The credit amount is \$2,500 per vehicle and is available for the taxpayers who have less than an unspecified adjusted gross income. The measure has a defective effective date of July 1, 2050, but otherwise would be available for eight years starting with the taxable year beginning after December 31, 2020.

The Department notes that the \$50,000 limit on the cost of the electric vehicle is ambiguous. If the intent is to disallow the credit if the cost of the vehicle is more than \$50,000, this should be explicitly stated. It should also be clarified whether the \$50,000 limit applies to the cost of the vehicle itself or includes taxes and fees associated with the purchase.

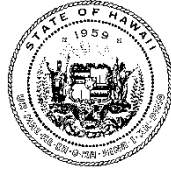
As currently written, "adjusted gross income" means Hawaii adjusted gross income (AGI). The Department suggests using federal AGI instead because it is a better indicator of a taxpayer's income. Hawaii AGI is often lower because the State doesn't tax items such as social security and the employer contributed portion of pension income

It is also unclear whether the credit is intended to be available if the vehicle is purchased for business use. Subsection (a) tries to limit the application of the credit only to an individual's liability, but the measure does not prevent an individual from claiming the credit even if the vehicle is used for business. Sole proprietorships, partnerships, single-member LLCs, and multi-member LLCs are examples of business arrangements where any income tax dues would be paid on the return of an individual. The Department suggests being specific as to who this credit is available for and for what purposes.

Finally, the Department is able to administer this new credit starting with the taxable year beginning after December 31, 2020, provided that a functional effective date is inserted.

Thank you for the opportunity to provide comments.

DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
Comptroller
AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
CURT T. OTAGURO
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE ON FINANCE

MONDAY, FEBRUARY 24, 2020, 1:00 P.M.
CONFERENCE ROOM 308, STATE CAPITOL

H.B. 2462, HD1

RELATING TO ELECTRIC VEHICLES

Chair Luke, Vice Chair Cullen and Members of the Committee, thank you for the opportunity to testify on H.B. 2462, HD1.

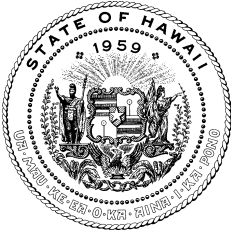
The Department of Accounting and General Services (DAGS) offers comments on H.B. 2462, HD1 which offers an income tax credit for purchasing an electric vehicle.

Currently Act 168 Session Laws of Hawaii 2012 exempts Electric Vehicles for certain parking fees collected by State and County agencies. This law was enacted to encourage the adoption of the purchase of Electric Vehicles. **Studies show consumers would purchase these vehicles as pricing and driving range improves. We feel this law has served its intended purpose and expires in June 2020.**

An alternative which provides a viable incentive would be a tax credit for purchasing an electric vehicle. H.B. 2462, HD1 may be more conducive for the consumer to purchase these vehicles. Additionally, this type of tax credit could also be applied to Level 2 or 3 Electric Vehicle Charging Station installations.

There is an approximate \$5,000-\$8,000 cost difference between a gas vehicle and a comparable Electric Vehicle. The tax credit may be a viable method to make Electric Vehicles more affordable.

Thank you for the opportunity to testify on this matter.



HAWAII STATE ENERGY OFFICE

STATE OF HAWAII

235 South Beretania Street, 5TH Floor, Honolulu, HI 96813 | energy.hawaii.gov

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

(808) 587-3807

Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON FINANCE
Monday, February 24, 2020
1:00 PM
State Capitol, Conference Room 308

In SUPPORT of
HB 2462, HD1
RELATING TO ELECTRIC VEHICLES.

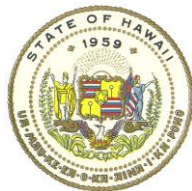
Chair Luke, Vice Chair Cullen and members of the Committee, the Hawaii State Energy Office (HSEO) supports HB 2462, HD1, which establishes a refundable tax credit for the purchase of new electric vehicles (EVs).

Emissions from ground transportation such as passenger cars, light trucks, motorcycles, and heavy-duty vehicles still account for the largest share of energy sector emissions in the state. As noted in the 2016 Greenhouse Gas Inventory, transportation emissions in Hawaii were at 8.69 million metric tons of carbon dioxide equivalents, accounting for 51 percent of energy sector emissions. Ground transportation accounted for 47 percent of those transportation emissions. For Hawaii to meet its target to sequester more greenhouse gases than we emit as soon as practicable but no later than 2045, programs that support the adoption of cleaner transportation options are extremely important.

Eliminating emissions from ground transportation will require significant adoption of both public and privately owned EVs. The retail cost of EVs has been a barrier to greater adoption. Establishing incentives for the purchase of new EVs would aide consumers in the adoption of EVs and send a clear signal to the market of Hawaii's support. A market signal is important in that EV models are being introduced for new vehicle segments, such as light duty trucks, and positioning Hawaii as an EV positive market can help direct limited inventory of those new models to Hawaii. HSEO would like to offer one comment that light duty trucks are priced at a premium to passenger vehicles. As the sunset date for the proposed income tax credit runs through 2028 it could be worthwhile to have separate price thresholds for passenger vehicles and light duty trucks so that this emerging and important vehicle market segment is not missed.

The HSEO defers to impacted state agencies on the budget considerations related to implementing an EV incentive program.

Thank you for the opportunity to testify.



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
Anukriti Hittle
Coordinator, Hawaii Climate Change Mitigation and Adaptation Commission

Before the House Committee on
FINANCE

Monday, February 24, 2020
1:00 PM
State Capitol, Conference Room 308

In support of
HOUSE BILL 2462, HOUSE DRAFT 1
RELATING TO ELECTRIC VEHICLES

House Bill 2462, House Draft 1 proposes to establish an income tax credit of \$2,500 per new electric vehicle that costs up to \$50,000. **On behalf of the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) I support this measure.**

The Hawaii Climate Change Mitigation and Adaptation Commission “recognizes the urgency of climate threats and the need to act quickly. It promotes ambitious, climate-neutral, culturally responsible strategies for climate change adaptation and mitigation in a manner that is clean, equitable and resilient.” The Commission, established by Act 32, Session Laws of Hawaii 2017, to uphold the United States’ pledges under the Paris Agreement, is the coordinating body for policies on climate change mitigation and adaptation for the state. It is a high-level multi-jurisdictional body that guides the priorities of the state’s climate response. Co-chaired by the Department of Land and Natural Resources and Office of Planning, it consists of 20 members—chairs of four legislative committees, and executive department heads at the county and state levels.

Transportation (air and ground) is the single largest source of greenhouse gas emissions (GHG) in Hawaii, and mirrors a nationwide trend--according to EPA, transportation was the largest source of GHG emissions in 2017. Reducing emissions from ground transportation is one of two major focuses of the Commission, and a transition to clean renewable fueled vehicles is a crucial strategy to achieve state goals. Such conversions include electrification of transportation, and the use of clean, renewable fuels, and a tax credit program could be critical in promoting this transition to clean transportation. This measure, by placing an upper limit on the price of the vehicle that will be eligible for a tax credit, also addresses the Commission’s equity focus.

Thank you for the opportunity to testify on this measure.

Co-Chairs:
Chair, DLNR
Director, Office of Planning

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WTH
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawai'i DP
Director, Kaua'i DP
The Adjutant General
Manager, CZM



February 23, 2020

Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair
House Committee on Finance

Strong Support of and Proposed Amendment to HB 2462, HD1, RELATING TO ELECTRIC VEHICLES (Establishes an income tax credit of up to \$2,500 per new electric vehicle that costs up to \$50,000. Sunsets on 12/31/2028. Effective 7/1/2050. [HD1])

FIN Hearing: Monday, February 24, 2020, 1:00 p.m., in Conf. Rm 308

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and utility companies. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **strong support of HB 2462, HD1, and proposes an amendment to include a tax credit for the providing EV charger-ready facilities and a tax credit for the installation of vehicle charging stations.**

HB 2462, HD1. This measure establishes a refundable income tax credit of up to \$2,500 per new electric vehicle that costs up to \$50,000, which sunsets on December 31, 2028. The purpose of this measure is to incentivize the transition to clean energy in ground transportation by award of tax credits for the purchase of new vehicles.

LURF's Position. Eliminating emissions from ground transportation will require significant and widespread adoption of EVs and the development of EV charging infrastructure. Providing taxpayers with monetary tax incentives to purchase electric vehicles and to install EV-charging infrastructure and stations is aligned with the State's clean energy goals to sequester more greenhouse gases than the State emits by 2045 and reduce the State's carbon emissions.

Conclusion. For the reasons set forth above, LURF is **in strong support of HB 2462, HD1** and respectfully urges your favorable consideration of the proposed amendment to **include a tax credit for the providing EV charger-ready facilities and a tax credit for the installation of vehicle charging stations.**

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME. Tax Credit for Electric Vehicle

BILL NUMBER: HB 2462, HD-1

INTRODUCED BY: House Committees on Energy, Environmental Protection, & Transportation

EXECUTIVE SUMMARY: Establishes a refundable income tax credit of \$2,500 per electric vehicle that costs up to \$50,000, if the taxpayer's adjusted gross income is under unspecified thresholds. Sunsets on 12/31/2028.

SYNOPSIS: Adds a new section to chapter 235, HRS, to establish a refundable income tax credit equal to \$2,500 for each electric vehicle purchased by the taxpayer, if the taxpayer's adjusted gross income is less than \$_____ (single or married filing separately) or \$_____ (joint return, surviving spouse, or head of household).

Imposes an aggregate cap of \$_____ in tax credits allowed for all taxpayers in any taxable year.

Defines "electric vehicle" as the same as under section 291-71, HRS.

Provides that the Department of Taxation shall prepare appropriate forms, may require proof, and may adopt rules.

Provides that all of the provisions relating to assessments and refunds under the Income Tax Law and under section 231-23(c)(1) apply to the credit.

Provides that claims for the tax credit under this section, including any amended claims, shall be filed on or before the end of the twelfth month following the taxable year for which the credit may be claimed.

EFFECTIVE DATE: 7/1/2050

STAFF COMMENTS: Utilizing tax credits to drive economic policy in this manner is of a questionable benefit relative to the cost for all taxpayers. A direct appropriation of grant funding to producers would be more accountable and transparent. At least we would know the amount of the appropriation, while the fiscal impact of the credit would be a great big question mark.

Furthermore, the additional credit would require changes to tax forms and instructions, reprogramming, staff training, and other costs that could be massive in amount compared to the benefit expected to accrue because of the creditable activity.

Digested 2/21/2020

HB-2462-HD-1

Submitted on: 2/21/2020 5:07:48 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|------------------------------|---------------------------|---------------------------|
| Climate Protector | Climate Protectors Coalition | Support | No |

Comments:

NOTICE OF HEARING

DATE: Monday, February 24, 2020

TIME: 1:00 PM.

Conference Room 308

State Capitol

PLACE:

415 South Beretania Street

Aloha Chair Luke, Vice Chair Cullen and members of the Committee on Finance.

The Climate Protectors Coalition supports HB 2462 HD1!

We are a new group inspired by the Mauna Kea Protectors but focused on reversing the climate crisis. As a tropical island State, Hawaii will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, and rising sea levels. We must do all we can to reduce our carbon footprint and become at least carbon neutral as soon as possible.

A \$2,500 tax credit for electric vehicles as set forth in this bill will help encourage transition away from gasoline, help the State sequester greenhouse gases, and reach its clean energy 2045 goal. Please pass this bill. Mahalo!



HOUSE COMMITTEE ON FINANCE

February 24, 2020, 1:00 P.M.

Room 308

(Testimony is 3 pages long)

TESTIMONY IN SUPPORT OF HB 2462 HD1

Aloha Chair Luke, Vice Chair Cullen, and Committee members:

Blue Planet Foundation supports HB 2462 HD1, providing a tax credit for the purchase of an electric vehicle (EV) below a certain price point. The measure also includes limits the tax credit to filers below an unspecified adjusted gross income level.

Hawaii currently lacks any tax credits or monetary incentives to encourage the adoption of clean electric vehicles. Last year, a new surcharge was added to register an EV, and this year all state incentives for EVs (free city and state parking and HOV lane use) are set to expire. Unless the legislature acts this session, Hawaii will have no incentives to encourage the purchase of clean vehicles—a situation at odds with the numerous state climate and clean energy policy goals.

Urgent Need for Clean Vehicle Policy

Despite policies adopted by the legislature to set a goal of carbon neutrality for Hawaii by 2045 and for the state to achieve the Paris Climate Agreement objectives, Hawaii is failing to make progress on carbon emissions reductions from the ground transportation sector. Carbon emissions from Hawaii's cars and trucks grew approximately 6% in 2019 over 2018 levels—an increase of nearly 600 million pounds of greenhouse gas. Overall fossil fuel use for ground transportation statewide is up 10% over the past decade (see Figure 1 on the second page of this testimony). Hawaii drivers are increasingly choosing larger, heavier vehicles, which are often less fuel efficient. According to the Hawaii Auto Dealers Association, pickup trucks and sport utility vehicles accounted for 67.9% of Hawaii vehicle sales in 2018, an increase from 48.7% in 2012. Hawaii currently has no policies to reverse this trend. Unlike numerous other states, Hawaii has no rebates or monetary incentives to encourage the adoption of clean electric vehicles.

Real world evidence demonstrates that increasing fuel prices are a weak incentive for consumers to adopt fuel efficient or fuel-free alternatives until the price of gasoline exceeds \$4 to \$5 per gallon. Unfortunately, despite the highest fuel costs in the nation, Hawaii's consumers

info@blueplanetfoundation.org

55 Merchant Street 17th Floor • Honolulu, Hawai'i 96813 • 808-954-6161 • blueplanetfoundation.org

do not choose more efficient vehicles compared to the national average. Additional policy measures are needed to discourage the purchase of gas guzzling vehicles and accelerate adoption of clean, electric vehicles.

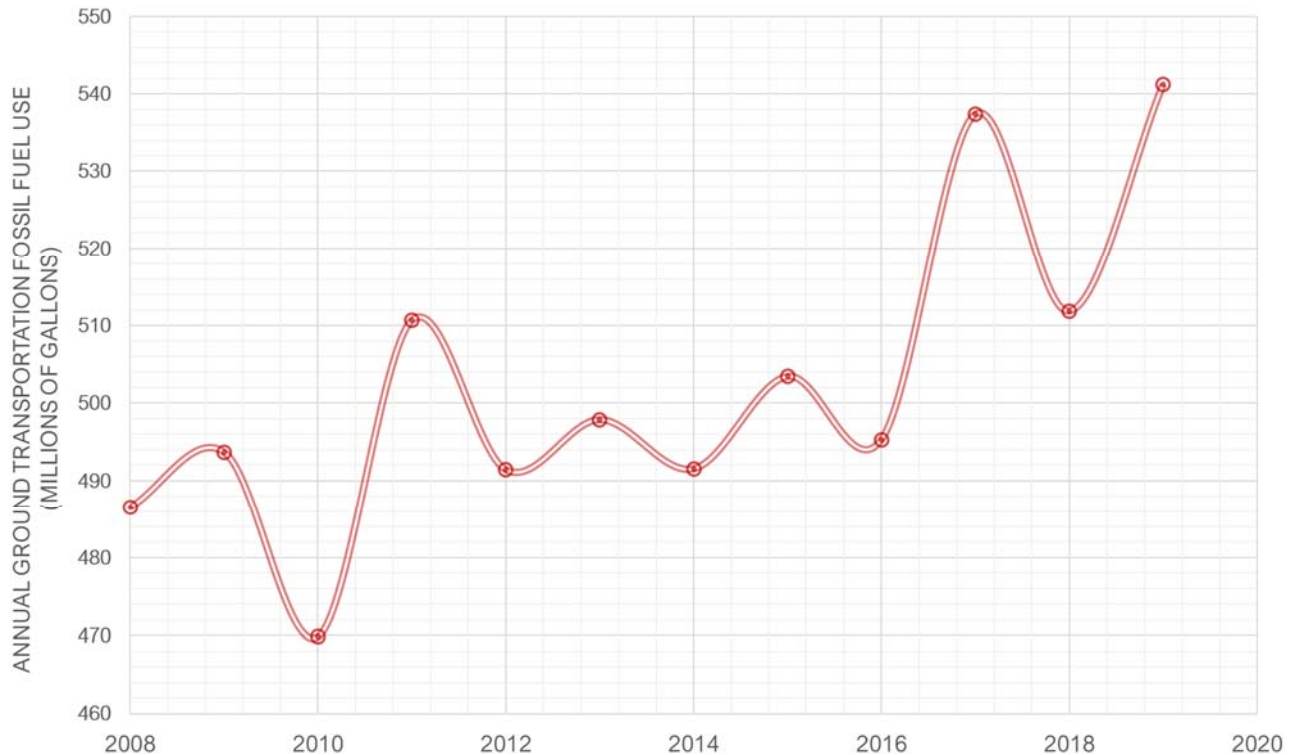


Figure 1: Hawaii Annual Fossil Fuel Consumption for Cars and Trucks

Electric Vehicles Key to Hawaii’s Renewable Energy Future

Electric vehicles play a critical role in Hawaii’s clean energy future. While EVs that use the existing electricity grid to charge still use some fossil fuel (except on Hawaii Island), they use that fuel far more effectively than burning fuel directly in a typical gasoline engine. This is why EVs are much less expensive to “fuel” per mile than their gasoline counterparts. Further, by using stored electrical energy, EVs can take better advantage of intermittent solar, wind, and other clean energy resources. Most vehicles sit idle over 22 hours of the day, so they can become *de facto* energy storage devices if their batteries are plugged into the grid when they are not in use. With smart grid infrastructure in place, EVs become an essential component to electricity load and clean energy resource balancing—in addition to providing clean mobility solutions for Hawaii residents.

Electric vehicles (EV) are the fastest growing segment of new cars in Hawaii. Over roughly the past year (January 2018 – January 2019), EV registrations statewide increased by 31%, while

registrations of gasoline-powered vehicles grew only 1 percent.¹ We expect the number of registered EVs to grow substantially as new EV models with longer ranges and lower prices hit the market. Still, nearly 1,050,000 fossil fuel-powered vehicles are on Hawaii's roads—and from them comes nearly five million metric tons of climate-changing carbon pollution. Per mile, gasoline-powered vehicles cost more to fuel, operate, and maintain than their zero emission electric counterparts.

Many states provide a variety of incentives for the purchase of electric vehicles—waiving the state excise tax for the purchase, eliminating registration fees, providing exemptions, or direct financial incentives. California, Colorado, Connecticut, Maryland, Massachusetts, New York, Pennsylvania, Texas, and Utah provide direct tax credits or rebates in one form or another for the purchase of EVs. To meet its climate and clean energy goals, Hawaii should follow suit with a direct EV tax credit.

While Blue Planet strongly supports the tax credit proposed in HB 2462, we respectfully request that committee members also consider the “feebate” policy originally proposed in HB 2493 (deferred by TRN/EEP). This elegant policy solution would place a larger tax on the sale of vehicles that pollute more per mile than average and use those funds to provide a rebate for lower-cost electric vehicles. The concept is based on the “polluter pays” principle: consumers who purchase low efficiency vehicles pay extra for the privilege of polluting—and in this case the additional payment is used to incentivize clean vehicles. The proposed policy is revenue neutral, meaning that it will require no additional money from the general fund or existing funds.

Hawaii is failing to reduce its carbon emissions from cars and trucks. House Bill 2462 HD1 seeks to rectify this by providing an incentive to purchase clean electric vehicles.

Thank you for the opportunity to testify.

¹ DBEDT Monthly Energy Trends, February 2020 (<http://dbedt.hawaii.gov/economic/energy-trends-2/>).



HB 2462, HD1 RELATING TO ELECTRIC VEHICLES

FEBRUARY 24, 2020 · HOUSE FINANCE
COMMITTEE · CHAIR REP. SYLVIA LUKE

POSITION: Support.

RATIONALE: IMUAlliance supports HB 2462, HD1, relating to electric vehicles, which establishes an income tax credit of up to \$2,500 per new electric vehicle that costs up to \$50,000, with the tax credit having a sunset date of 12/31/2028.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

Furthermore, according to research conducted by Michael B. Gerrard from Columbia Law School, modern-day slavery tends to increase after natural disasters or conflicts where large numbers of people are displaced from their homes. In the decades to come, says Gerrard, **climate change will very likely lead to a significant increase in the number of people who are displaced and, thus vulnerable, to human trafficking.** While the Paris Climate Agreement of 2015

established objectives to limit global temperature increases and several international agreements are aimed at combating modern-day slavery, it is highly uncertain whether they will be adequate to cope with the scale of the problem that is likely to occur as a result of climate change.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Therefore, **our state must take bold steps to address the worsening climate crisis, which is exacerbated by a transportation sector that is still too heavily reliant on fossil fuels, like oil and natural gas.** According to the U.S. Energy Information Administration, the burning of fossil fuels was responsible for 76 percent of U.S. greenhouse gas emissions in 2016. These gases contribute to the greenhouse effect and are a primary driver of the pending climate catastrophe.

Honolulu and Maui Counties recently announced lawsuits against fossil fuel companies for the role they have played in the climate crisis. Just like with tobacco and pharmaceutical companies, fossil fuel corporations are being held financial accountable for taking reckless actions that jeopardized public health. At the same time, we should work to **divest our state's transportation sector from contributing to global harm by taking steps to incentivize the public purchase of electric vehicles and ensure that government vehicles are part of Hawai'i's pathway toward reducing carbon emissions, ultimately bankrupting the businesses that have placed our planet in peril and helping to limit global warming below 1.5 degrees Celsius.**

For the sake of our overheating Earth, we cannot afford to wait.

Hawaii Electric Vehicle Association

PO BOX 6310

Hilo, HI 96720

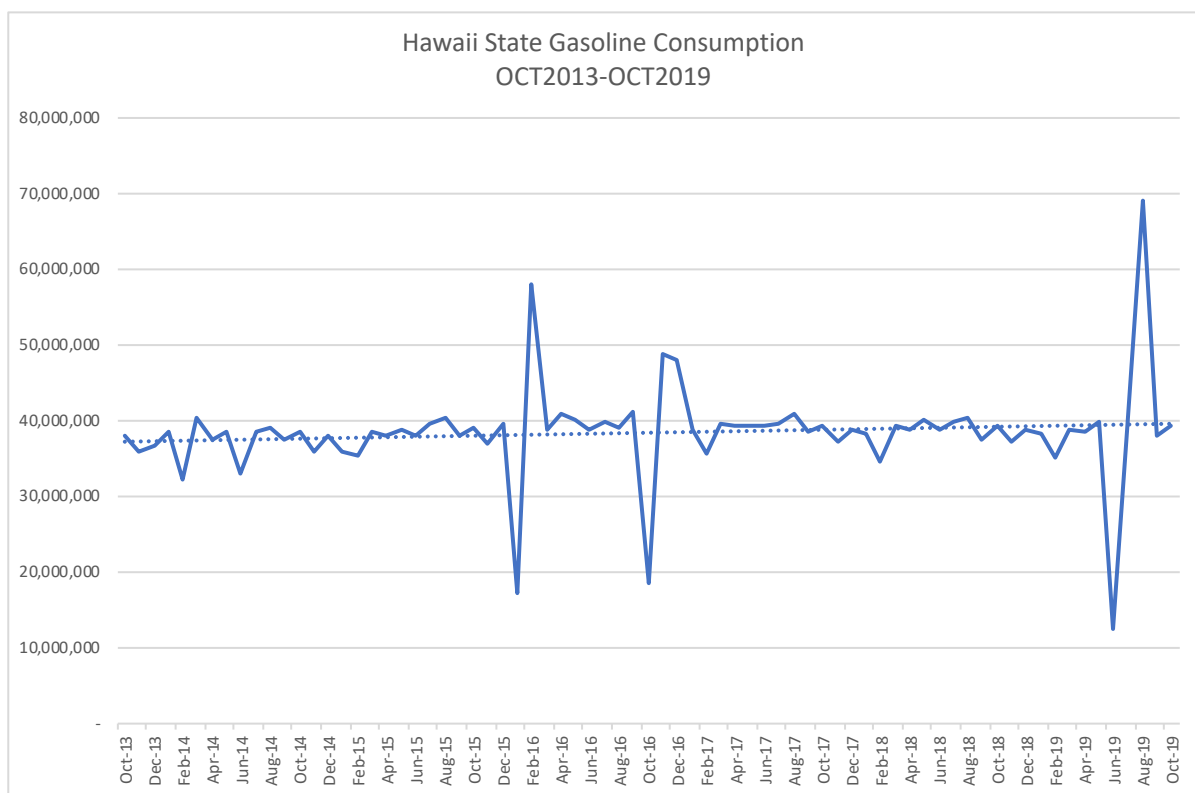
hawaiidriveelectric@gmail.com

February 22, 2020

Dear Chair Luke, Vice Chair Cullen, and members:

On behalf of the Hawaii Electric Vehicle Association, I'd like to offer **STRONG SUPPORT of HB2462 SD, with an amendment.**

Ground transportation contributes significantly to Hawaii's carbon emissions and the climate crisis. Importantly, our gas consumption continues unabated (it's been gradually rising per DBEDT data).

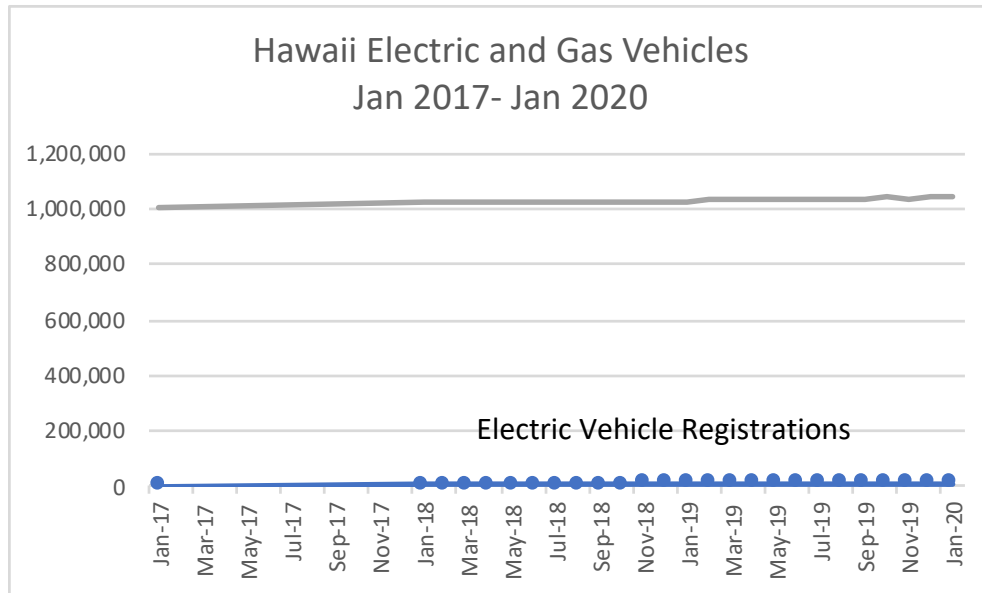


Source: DBEDT Monthly Energy Trends (<http://dbedt.hawaii.gov/economic/energy-trends-2/>)

The electrification of transportation is a key to decarbonizing the sector. Electric vehicles are low to zero emitting, are very efficient (over 75% vs around 20% for gas cars)¹, and offer consumers low operating costs. While electric vehicle adoption is slowly increasing in our state,

¹ <https://fueleconomy.gov/feg/evtech.shtml>

it remains a tiny fraction of our passenger vehicles - barely one percent (1%) of the state's passenger vehicles.



Source: DBEDT Monthly Energy Trends (<http://dbedt.hawaii.gov/economic/energy-trends-2/>)

One of the barriers to adoption is the purchase price – electric vehicles are still command a price premium over comparably-sized gas cars. **The tax credit that is supported by HB2462 HD1 will help Hawaii increase the adoption of electric vehicles by offering a financial offset to the purchase costs.** The proposed income thresholds and price caps will help with the democratization of the electric car in Hawaii.

Recommended Amendment

Electric vehicles are not created equal. There are battery electrics and fuel cell electrics that don't require gasoline, and there are plug-in hybrid electrics that do. I recommend that the credit be structured to incentivize the purchase of electric vehicles with the highest pure-electric range. This will allow consumers to opt for cars with the lowest emissions potential. One way to do this is to allow for the tax credit to be based on the nature of the car's ability to drive in pure-electric mode, e.g.,

- *\$2500 tax credit – for Battery Electric Vehicles and Fuel Cell Electric Vehicles*
- *\$1000 tax credit – for Plug In Hybrid Electric Vehicles with >30 mile pure-electric mile range.*
- *\$500 tax credit – for Plug In Hybrid Electric Vehicles with <30 mile pure-electric mile range.*

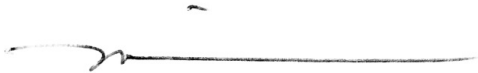
This will encourage consumers to opt for vehicles with the best potential to minimize fossil fuel use. There are now several vehicle options that meet the \$50,000 cap - at least 7 battery

electric cars with over 200 miles of range and 11 plug-in hybrid electrics (2 with over 30 miles of range). Refer to <https://plugincars.com/cars> for details.

Plug-in hybrid electric vehicles can offer good function and utility, particularly in multi-unit dwelling-dense environments. However, some offer higher pure-electric mile ranges than others (they range from 11 to over 120 miles).

Thank you for the opportunity to provide testimony on **HB2462 HD1**.

Sincerely,

A handwritten signature in black ink, appearing to read 'Noel Morin', with a long horizontal line extending to the right.

Noel Morin
President
Hawaii Electric Vehicle Association

The Hawaii Electric Vehicle Association is a chapter of the Electric Auto Association (electricauto.org), a national organization dedicated to increasing adoption of electric vehicles. The Hawaii Electric Vehicle Association is represented by electric vehicle owners and advocates across the state.

HB-2462-HD-1

Submitted on: 2/21/2020 7:42:27 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|------------------------------|---------------------|---------------------------|---------------------------|
| Benton Kealii Pang, Ph.D. | Individual | Support | No |

Comments:

HB-2462-HD-1

Submitted on: 2/22/2020 9:56:54 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Jeffrey Yu | Individual | Support | No |

Comments:

Hawaii is the ideal state for EVs with an abundance of sunshine, shorter driving distances, and the SERIOUS NEED to reduce our dependence on imported oil. Incentivizing EVs will greatly assist with Hawaii becoming more sustainable and preserve our beautiful environment.

HB-2462-HD-1

Submitted on: 2/22/2020 10:03:37 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| David Druz | Individual | Support | No |

Comments:

Please support this bill. We need to do all we can to electrify as many vehicles as possible. The environment depends on it!

HB-2462-HD-1

Submitted on: 2/22/2020 10:48:31 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Rodney Y Fukuya | Individual | Support | No |

Comments:

Electric vehicles are our future. This bill help help us move along in the right direction towards sustainability.

HB-2462-HD-1

Submitted on: 2/22/2020 11:02:40 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| debra allen | Individual | Support | No |

Comments:

The first two things I did when I purchased and moved to Oahu this last year was purchase my dream home and and purchased a new EV. I care about the environment and want to do my part by turning my home into an E home and not use fossil fuel products. I support this bill and hope that this tax incentive will encourage others to purchase an EV. Thank you.

HB-2462-HD-1

Submitted on: 2/22/2020 11:03:47 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Michelle Matson | Individual | Support | No |

Comments:

HB-2462-HD-1

Submitted on: 2/22/2020 11:20:15 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| amy | Individual | Support | No |

Comments:

HB-2462-HD-1

Submitted on: 2/22/2020 12:17:21 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Ronald FitzGerald | Individual | Support | No |

Comments:

I would like to ask for your support for HB 2462 HD1, as an individual and as an EV Driver. We need to get more people to own and drive EV Cars to meet our goal of being a Green Energy State. This will impact our future enviornmnt and health of the Island and world.

Thank you for your support for this Bill.

Ronald FitzGerald CMD

HB-2462-HD-1

Submitted on: 2/22/2020 2:40:51 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Roseann Michaud | Individual | Support | No |

Comments:

I support this bill for a tax credit to those who purchase electric vehicles. Electric vehicles emit less greenhouse gases and are a step in the right direction for battling the climate crisis.

HB-2462-HD-1

Submitted on: 2/22/2020 3:21:30 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Jefferey Fiame | Individual | Support | Yes |

Comments:

I and my family use an EV to get to work , shop and take my kids to school. we've invested Hawai'i solar and supported HECO and state programs for EV. I look forward to making Hawai'i a green state. I whole heartedly support this bill to incentivize others to support a Greener Hawaii!

HB-2462-HD-1

Submitted on: 2/22/2020 3:23:41 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Daryl Fong | Individual | Support | No |

Comments:

I have owned a pure electric vehicle (EV) since March 2016. We must encourage the adoption of more electric vehicles for the sake of our environment, our children and our security (no more wars for oil).

I see the pollution being spewed out by other vehicles on the road every day and it makes me angry that not enough is being done to stop it. This bill is a good step forward towards the cleaning up of our environment and needs to pass.

There are too many vehicles with "electric vehicle" license plates that shouldn't be entitled to the few breaks in the law an EV owner has. If it has a tailpipe, it's still polluting the environment and killing us. I would like to see the requirements for an EV incentive to be raised. This threshold is too low and outdated.

We are so lucky the tradewinds are able to blow most of the pollution out to sea. But on days without the trades, it becomes so obvious why we must continue efforts to move away from petroleum based vehicles.

Thank you

HB-2462-HD-1

Submitted on: 2/22/2020 3:35:38 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Joshua Walawender | Individual | Support | No |

Comments:

A transition to carbon free transportation is one of the most important things we can do as a community. I strongly support any bill or action which encourages the adoption of electric vehicles (EVs).

While I strongly support this bill, I would urge changes to it which would eliminate or reduce the rebate for plug in hybrid electric vehicles (PHEVs) as they are at best a transitional technology and at worst are a "green washing" of heavily polluting vehicles. We should not spend our state's precious resources on them. Our goal should be to move to full EVs.

In addition, I would like to see the state set an example by quickly moving to EVs for its vehicle fleet.

HB-2462-HD-1

Submitted on: 2/22/2020 8:51:10 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Jon Jokiel | Individual | Support | No |

Comments:

I support this bill! We need to encourage the purchase of electric vehicles and get gas vehicles off the road. Half the energy used in Hawaii is for transportation and most of it comes from fossil fuels. How else are we going to be carbon neutral by 2045? Please make this a priority!

HB-2462-HD-1

Submitted on: 2/22/2020 10:34:56 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Nanette Vinton | Individual | Support | No |

Comments:

Aloha Chair Luke, Vice Chair Cullen, and Committee Members,

I am writing in **support** of HB 2462 HD1 which provides for a tax credit of \$2,500 for the purchase of an electric vehicle priced up to \$50,000.

As the climate crisis is becoming more and more critical, we need to proactively combat the impact of fossil fuels and carbon emissions from gas-powered vehicles on our climate and environment and promote usage of electric vehicles.

While in the past, the availability of EVs and mass affordability has been limited, all major car companies currently offer or are promoting EVs in their product lines. This availability and diversity has made owning an EV more affordable. However, the cost of electric vehicles is still considered a barrier to adoption, especially for residents who are price-conscious. A rebate for the purchase of an electric vehicle will help incentivize residents to go electric for their driving needs.

I would like to offer for consideration the following amendments to this bill that could further EV adoption and the State's Clean Transportation goals:

- 1) Provide a sliding scale of incentives with the highest rebate for pure-electric vehicles. The rebate would be lower for Plug-in Hybrid EVs.
- 2) Also offer the rebate for car leases as a means to further increase affordability.

Thank you for your consideration.

Respectfully submitted,

Nanette Vinton

EV owner

Mililani, HI 96789

HB-2462-HD-1

Submitted on: 2/23/2020 5:48:42 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| G Tom | Individual | Support | No |

Comments:

HB-2462-HD-1

Submitted on: 2/23/2020 9:18:48 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Roy Skaggs | Individual | Support | No |

Comments:

I support HB2462. It would be better without language of an income threshold, but something is better than nothing.



LATE

183 Pinana St., Kailua, HI 96734 • 808-262-1285 • info@350Hawaii.org

To: The House Committee on Finance
From: Brodie Lockard, Founder, 350Hawaii.org
Date: Monday, February 24 2020, 1:00 pm

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

350Hawaii strongly supports HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, “Well, we can’t fix climate change.” And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. Hawaii needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii’s economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they’re still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It’s time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Brodie Lockard
Founder, 350Hawaii.org



LATE

Email: communications@ulupono.com

HOUSE COMMITTEE ON FINANCE
Monday, February 24, 2020 — 1:00 p.m. — Room 308

Ulupono Initiative supports the intent of HB 2462 HD 1, Relating to the Electric Vehicles.

Dear Chair Luke and Members of the Committee:

My name is Amy Hennessey, and I am the Senior Vice President of Communications & External Affairs at Ulupono Initiative. We are a Hawai'i-based impact investment firm that strives to improve our community's quality of life by creating more locally produced food; increasing affordable clean renewable energy and transportation options; and better managing waste and fresh water resources.

Ulupono supports the intent of HB 2462 HD 1, which establishes an income tax credit of \$2,500 for each electric vehicle purchased up to a cost of \$50,000 for those with an unspecified income.

Ulupono supports energy efficiency measures to lower consumption across the State. Electric vehicles (EVs) are an important avenue to address Hawai'i's pressing climate issues and align with the State's energy and environmental goals. Ground transportation makes up a significant portion of Hawai'i's reliance on imported oil and the largest contributor to our State's greenhouse gas emissions. EVs currently offer an effective option to advance clean renewable ground transportation and provide immediate benefits to Hawai'i.

However, if given the option, we do prefer an EV rebate program as proposed in the original HB 2462. Research has shown that a rebate is easier to implement and can directly reduce the purchase price of the vehicle, impacting monthly payments and buying decisions or ability, which is especially important for low- to moderate-income buyers who may have difficulty floating the upfront cost to wait for the tax credit. Furthermore, rebates often enable more access to the program which leads to a more balanced utilization of the rebate across various demographics.

Regardless, we do applaud legislators for recognizing the need to accelerate the purchase of zero-emission vehicles, such as EVs. Not only will this help move the State's environmental, health and energy goals, but it will also signal to the market that Hawai'i demands EVs, which should help create a more robust EV market across the State. Similar to a number of countries and cities across the globe, which have actually set policies to ban the future sale of new gasoline vehicles, the State of Hawai'i needs to continue to show the world that our state is serious about the sustainability and resiliency of our community by encouraging EVs as this bill proposes.

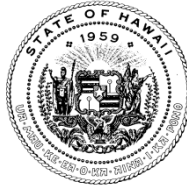
Thank you for this opportunity to testify.

Respectfully,

Amy Hennessey, APR
Senior Vice President, Communications & External Affairs

Investing in a Sustainable Hawai'i

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

LATE

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 24, 2020
1:00 P.M.
State Capitol, Room 308

H.B. 2462, H.D. 1
RELATING TO ELECTRIC VEHICLES.

House Committee on Finance

The Department of Transportation **supports** this bill which establishes the electric vehicle rebate program of the Public Utilities Commission to award rebates for the purchase of new electric vehicles.

The DOT concurs with the Public Utilities Commission who is best suited to administer the electric vehicle rebate program to incentivize the purchase of new electric vehicles.

The DOT continues to work and collaborate with the Hawaii State Energy Office on strategies towards the electrification on transportation in order to meet timelines of the State's clean transportation goals.

Thank you for the opportunity to provide testimony.



**Hawaiian
Electric**



**TESTIMONY BEFORE THE
HOUSE COMMITTEE ON FINANCE**

H.B. 2462, HD 1

Relating to Electric Vehicles

Monday, February 24, 2020

1:00 PM, Agenda # 10

State Capitol, Conference Room 308

Michael Colón
Manager, Electrification of Transportation
Hawaiian Electric Company, Inc.

Dear Chair Luke, Vice Chair Cullen and Committee Members,

My name is Michael Colón and I am testifying on behalf of Hawaiian Electric Company, Inc. (Hawaiian Electric) in support of H.B. 2462, HD1, Relating to Electric Vehicles. Hawaiian Electric supports this measure because it will help address one of the primary barriers to adoption of electric vehicles (EV), in helping to reduce the overall cost of purchase and supports the strong language that sets the State as a leader in fleet electrification.

H.B. 2462, HD1 would be a landmark bill establishing Hawaii as a leader in clean transportation, sending a strong signal to the rest of the country that we recognize the importance of transportation in addressing the growing challenges related to climate change. This bill would also send a strong signal that we all must be active participants in the transition to clean transportation to remain relevant and responsible in the years to come.

Hawaii has achieved the second highest electric vehicle adoption per capita and has done so with relatively few electric vehicle incentives. This bill would create a

virtuous circle of funding to bolster the EV market and increase the market competitiveness of these vehicles against fossil fuel burning vehicles. Contrary to prevailing belief, electric vehicle prices are anticipated to come down in the near term, making this bill even more influential in incentivizing adoption and making it more affordable for individuals to convert to EV.¹ Consumers respond positively to vehicle-purchase incentives especially rebates as they tend to prefer an immediate benefit over future savings.

Hawaiian Electric considers the expanding benefits for clean fuel vehicles as an important incentive towards incentivizing adoption. Reducing barriers to adoption and facilitating the electrification of transportation is one of the Company's top priorities established in our *Electrification of Transportation Strategic Roadmap*. In addition, the Company applauds the requirement that such vehicles are "integrated intelligently," which the Company interprets as being demand response capable when the technology and programs become available.

The Company is committed to an EV strategy that acknowledges the need for more sustainable transportation options. Done correctly, this bill can continue the tremendous progress that the state has made towards a cleaner and more sustainable transportation future.

Accordingly, Hawaiian Electric supports H.B. 2462, HD1. Thank you for the opportunity to testify.

¹ https://www.greencarreports.com/news/1126308_electric-car-battery-prices-dropped-13-in-2019-will-reach-100-kwh-in-2023; <https://cleantechnica.com/2019/04/17/bnef-shocker-electric-cars-price-competitive-in-2020-as-battery-costs-plummet/>; <https://articles2.marketrealist.com/2019/08/how-tesla-model-3-lowering-ev-prices-us/#>; <https://about.bnef.com/blog/battery-pack-prices-fall-as-market-ramps-up-with-market-average-at-156-kwh-in-2019/>; <https://www.iflscience.com/technology/battery-costs-drop-even-faster-electric-car-sales-continue-rise/>

LATE

HB-2462-HD-1

Submitted on: 2/23/2020 9:25:17 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Sylvia Dolena | Pele Lani Farm LLC | Support | No |

Comments:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Mahalo,

Sylvia Dolena



LATE

TESTIMONY REGARDING HB 2462 HD1

**being heard by the House Committee on Finance
on Monday, February 25, 2020 at 1:00 PM in Room 308**

Aloha Chair Luke, Vice Chair Cullen, and Members of the Committee:

Thank you for the opportunity to provide input on HB 2462 HD1 which would create an electric vehicle tax credit. Tesla supports the intent of this measure but is recommending a few amendments to avoid creating a program that does little to drive incremental adoption of electric vehicles.

Tesla's mission is to accelerate the world's transition to sustainable energy through the deployment of electric vehicles and sustainable energy storage and solar energy systems. Tesla is the only domestic mass-market automobile manufacturer that exclusively builds and sells electric vehicles. To date we have sold over 900,000 EVs globally. This experience gives us unique insight into what it takes to sell electric vehicles at volume and which policy mechanisms are most effective in motivating customer adoption.

In 2018, the state of the Hawaii established an ambitious goal to eliminate the use of fossil fuels from ground transportation by 2045, recognizing the profound economic, energy security and environmental challenges that dependency on fossil fuels imposes on Hawaii and its residents. Additionally, in 2018 Hawaii Electric issued its Electrification of Transportation Strategic Roadmap, which among other things, found that the deployment of electric vehicles yielded substantial operational benefits and cost savings to all customers.¹ Collectively these factors strongly suggest that a tax credit, like that proposed by this measure, is very much in the public interest.

Although Tesla is supportive of this measure's intent, we are concerned with the eligibility requirements which condition access to the tax credit on customer income. Such caps are premised on the notion that above a certain income level, an incentive program will suffer from extensive "free-ridership", with the credit going to customers who would have purchased an electric vehicle regardless of an incentive being offered. However, Tesla's experience indicates that this premise is incorrect and that the availability of a tax credit or incentives generally has a material impact on relative demand for electric versus conventional vehicles, regardless of income level. In fact, the Center for Sustainable Energy has found that over 80% of rebate recipients in three states (CA, NY, and CT) viewed the rebate to be moderately to extremely important in facilitating purchase of a clean vehicle.² Given this reality, the

¹ Hawaii Electric Electrification of Transportation Strategic Roadmap; pp. 35-36; March 29, 2018; available for download at https://www.hawaiielectric.com/documents/clean_energy_hawaii/electrification_of_transportation/201803_eot_roadmap.pdf

² Center for Sustainable Energy, 2018. Presentation for Public Workshop: Update to the 3-Year Plan for LDV Investments. https://energycenter.org/sites/default/files/docs/nav/resources/CVRP_Analysis_Update-2018-12-04.pdf



income cap appears to serve no discernible purpose. Every gallon of gas that any household avoids combusting by virtue of buying an electric vehicle instead of a conventional vehicle is equally beneficial in terms of advancing the state's policy goals and should be encouraged. Since most low-moderate consumers generally purchase used vehicles, restricting the supply of new EVs can have a negative impact on the supply of EVs in the secondary market.

Income caps can also create uncertainty about customer eligibility as many customers may not know if they will be eligible to receive the credit at the time they are considering the purchase of a qualifying vehicle. Certainty is fundamental to making an incentive program effective. If they are unsure if they will qualify for an incentive, customers will tend to ascribe it no value and as a result it will not materially influence their decision to buy an electric vehicle. Ironically, this gives rise the very "free-ridership" issue that the income threshold is ostensibly intended to safeguard against. In the face of uncertainty about their eligibility, only those customers that would have purchased an electric vehicle anyway will do so, and the tax credit will end up being a windfall.

As with the original version of this bill, Tesla also asks that the definition of electric vehicle be modified to ensure that the credit supports the purchase of vehicles that more meaningfully contribute to the underlying policy objectives. HRS 291-71, on which this measure relies, includes within the definition of electric vehicle those vehicles that have a battery system as small as 4 kilowatt hours (kWh). Assuming an efficiency of 3 miles of range per kWh of energy, this means that under the current definition, a vehicle that only gets 12 miles of all-electric range would receive the same tax credit as a pure electric vehicle that gets 200 miles of all-electric range. This is unreasonable, especially given that the relatively higher up-front cost of an electric vehicle is almost entirely attributable to the cost of batteries. To better target the tax credit, Tesla recommends that the amount of credit a vehicle can receive scale as a function of its all-electric range. For example, the credit could be calculated such that for every 10 miles of all electric range, as rated by the U.S. Environmental Protection Agency, a vehicle would be eligible to receive \$125 in tax credit, up to the \$2500 cap.

Tesla appreciates the opportunity to submit this testimony. While we strongly support establishing an EV tax credit, the current conditions on which the tax credit would be made available coupled with an overly broad definition of what constitutes an electric vehicle, will undermine the bill's ability meaningfully drive adoption of those vehicles that are needed to achieve the state's ambitious goal to eliminate Hawaii's reliance on fossil fuels for ground transportation.

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 10:02:51 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------|--|--------------------|--------------------|
| Joseph Kohn MD | We Are One, Inc. - www.WeAreOne.cc - WAO | Support | No |

Comments:

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

www.WeAreOne.cc

HB-2462-HD-1

Submitted on: 2/23/2020 5:35:28 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

LATE

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Robert Maldonado | Individual | Support | No |

Comments:

As a current owner of multiple electric vehicles, I support this bill to further provide an incentive for other Hawaii residents to purchase electric vehicles. I would also support a tiered tax credit based on the nature of the car's ability to drive in pure-electric mode. I would recommend the full credit be given to those vehicles that are fully electric and a partial credit (based on the pure-electric mile range) for those plug in hybrid electric vehicles. Thank you for the opportunity to provide testimony.

LATE

HB-2462-HD-1

Submitted on: 2/23/2020 6:26:48 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Andrea Quinn | Individual | Support | No |

Comments:

LATE

HB-2462-HD-1

Submitted on: 2/23/2020 9:00:01 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Josephine | Individual | Support | No |

Comments:

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Joey Summers

LATE

HB-2462-HD-1

Submitted on: 2/23/2020 9:04:02 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| tlaloc tokuda | Individual | Support | No |

Comments:

To: The House Committee on Finance

From: Tlaloc Tokuda

Date: Monday, February 24 2020, 1:00 pm

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Thank you,

Tlaloc Tokuda

Kailua Kona HI, 96740

LATE

HB-2462-HD-1

Submitted on: 2/23/2020 11:18:21 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|-------------------|--------------|--------------------|--------------------|
| Melanie Tantisira | Individual | Support | No |

Comments:

To: The House Committee on Finance

From: **Melanie Tantisira**

Date: Monday, February 24 2020, 1:00 pm

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

Climate change has already arrived in Hawaii with hotter weather and higher ocean levels. This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for further climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in. Because of its dependence on natural beauty and perfect climate, our state should lead this area.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. Although they're still expensive, they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Melanie Tanisira

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 6:14:43 AM
Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Randy Ching | Individual | Support | No |

Comments:

Aloha Chair Luke, Vice Chair Cullen and members of the committee:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric. Mahalo for the opportunity to testify.

Randy Ching

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 6:52:01 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Nanea Lo | Individual | Support | No |

Comments:

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

me ke aloha 'Ä• ina,

Nanea Lo

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 7:33:00 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| helen raine | Individual | Support | No |

Comments:

Date: Monday, February 24 2020, 1:00 pm

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1. I am also the driver of an electric vehicle and know how good the technology is ... all that is lacking is political support to encourage people to make the switch

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Many thanks

Helen Raine

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 8:27:49 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| william metzger | Individual | Support | No |

Comments:

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 8:31:28 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Debbie McMenemy | Individual | Support | No |

Comments:

I am a recent EV owner/driver on the island of Maui, and I strongly support any and all incentives that can be given to motivate people to purchase electric vehicles. If we truly wish to reach 100% sustainability in the near future all incentives are imperative to make this happen. Please support this bill and make incentives as broad as possible. We have way too many gas guzzling trucks and SUV's on our islands.

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 8:36:47 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Douglas Hagan | Individual | Support | No |

Comments:

To: The House Committee on Finance

From: **Doug Hagan**

Date: Monday, February 24 2020, 1:00 pm

In strong support of HB 2462 HD1

Dear Chair Luke, and members:

Climate change is here - we are seeing in in our coastlines, in our increased airconditioning bills, in changed microclimates and in record high temperatures over the summer of 2019.

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Doug Hagan

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 8:54:20 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| TOM DIGRAZIA | Individual | Support | Yes |

Comments:

Please continue to support the electrification of transportation as our climate crisis looms.

Mahalo!

Tom DiGrazia & Family

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 9:36:13 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| J Riverstone | Individual | Support | No |

Comments:

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Sincerely

Jerry Riverstone

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 10:10:57 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Jacob Head | Individual | Support | No |

Comments:

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 10:38:45 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Victoria Anderson | Individual | Support | No |

Comments:

Please pass this bill!

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 11:52:13 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Janet Pappas | Individual | Support | No |

Comments:

Dear Chair Luke and House Finance committee members,

I am strongly in favor of HB2462 to re-establish a state tax credit for electric vehicles.

Gas-powered vehicles are one of the greatest sources of greenhouse gases in Hawaii. We need to eventually remove all gas-powered vehicles from Hawaii's roads. Electric vehicles (EVs) are growing in popularity due to their improved driving range and low maintenance costs; but they are still expensive. Having a \$2500 incentive on top of the current Federal tax credit for EVs could really boost sales and begin to contribute to our renewable energy goal of 100%.

We bought our electric vehicle 8 1/2 years ago, wondering (hoping) it would work. It surpassed all our expectations despite only a 75 mile driving range (we have never run out of charge on the road). Now driving ranges are up to 300 miles per charge. Maintenance include yearly checks, new tires and new wiper blades. No oil, transmission fluid, water or gas needed!

Monies spent now on climate change action will more than be recouped over the coming years. Please support HB2462 and get more of these great cars our roads!

Thank you for listening.

Sincerely,

Jan Pappas

Aiea, Hawaii

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 12:04:24 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Nathan Yuen | Individual | Support | No |

Comments:

Dear Chair Luke, and members of the Committee on Finance:

I strongly support HB 2462 HD1 which promotes the adoption of Electric Vehicle (EV) with a tax credit.

Transportation contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

I urge you to pass HB2462. Thank you for this opportunity to testify on this important matter.

LATE

HB-2462-HD-1

Submitted on: 2/24/2020 12:23:54 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Teresa Parsons | Individual | Support | No |

Comments:

HB-2462-HD-1

Submitted on: 2/24/2020 1:32:06 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

LATE

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Diane Ware | Individual | Support | No |

Comments:

Dear Chair Luke, and members:

As one of 350Hawaii.org's 6,000 members, I strongly support HB 2462 HD1.

This bill will help EV adoption a great deal. If the lost revenues seem like too much, wait until the bills come in for climate change damages.

Every government official around the world, at every level, is thinking, "Well, **we** can't fix climate change." And sure enough, every government official around the world, at every level, is not fixing climate change. But someone needs to pitch in. **Hawaii** needs to pitch in.

The transportation sector contributes more to the Climate Crisis than any other sector of Hawaii's economy. More than two-thirds of the fossil fuel imported into the State is used for transportation.

Driving an EVs is the single biggest contribution a resident can make to fight the Climate Crisis. But they're still expensive, even though they may be cheaper than a gas car over the life of the vehicle. And the federal tax credit goes away soon, maybe this year.

Our four mayors have already committed to fully-electric fleets.

It's time for the State to step up. HB 2462 would lead the way for every vehicle in the state to be electric.

Mahalo for opportunity to comment,

Diane Ware, 99-7815 Kapoha, Volcano HI