

STAND. COM. REP. NO.

67

Honolulu, Hawaii

, 2021

FEB 09

RE: H.B. No. 1141

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1141 entitled:

"A BILL FOR AN ACT RELATING TO ZERO-EMISSION VEHICLES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a rental motor vehicle emissions surcharge tax on rental motor vehicles with internal combustion engines; and
- (2) Set requirements for rental motor vehicle lessors operating in Hawaii to expedite the incorporation of zero-emission vehicles in their fleets.

Your Committee received testimony in support of this measure from the Climate Protectors Coalition, Imua Alliance, Ulupono Initiative, Our Revolution Hawaii, 350Hawaii, Hawaii Electric Vehicle Association, Blue Planet Foundation, Weedrivetesla, and seven individuals. Your Committee received testimony in opposition to this measure from Avis Budget Group and Enterprise Holdings. Your Committee received comments on this measure from the Department of Taxation and Hawaii State Energy Office.

2021-1320 HB1141 HD1 HSCR HMSO



Your Committee finds that zero-emission vehicles, such as electric vehicles, play an integral role in Hawaii's clean energy future. Electric vehicles are much less expensive to power per mile than their gasoline counterparts and, by using stored electrical energy, they can take advantage of intermittent solar, wind, and other clean energy resources. This measure transitions rental motor vehicle fleets to zero-emission vehicles, which would significantly reduce carbon emissions, increase the number of zero-emission vehicles entering the secondary market, and demonstrate to all who visit the State that Hawaii is a leader in clean energy and sustainable transportation.

Your Committee has amended this measure by:

- (1) Specifying that all monies received from rental motor vehicle emissions surcharge shall be deposited into the Public Utilities Commission Special Fund, rather than the Energy Security Special Fund;
- (2) Deleting provisions that would have required all lessors of rental motor vehicles in the State to incorporate zero-emission light duty passenger vehicles into one hundred percent of their rental motor vehicle fleet by July 1, 2035;
- (3) Inserting provisions that offer a rebate to transient accommodations with at least fifty parking stalls if they install an alternating current Level 2 station with two or more ports or a direct current fast charging system;
- (4) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1141, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1141, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



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NICOLE E. LOWEN, Chair



