

STAND. COM. REP. NO.

192

Honolulu, Hawaii

FEB 11 , 2021

RE: H.B. No. 1142
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. 1142 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a surcharge on the sale of high-end gasoline-powered vehicles to fund the installation of electric vehicle charging systems; and
- (2) Establish the Electric Vehicle Charging System Subaccount within the Public Utilities Commission Special Fund.

Your Committee received testimony in support of this measure from Mission Zero Hawaii; Big Island EV Association; Ulupono Initiative; KauaiEV; Hawaiian Electric Company, Inc.; Blue Planet Foundation; Hawaii Electric Vehicle Association; Tesla, Inc.; and numerous individuals. Your Committee received testimony in opposition to this measure from the JN Group, Alliance for Automotive Innovation, and Hawaii Automobile Dealers' Association. Your Committee received comments on this measure from the Department of Taxation, Public Utilities Commission, Hawaii State

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Energy Office, Tax Foundation of Hawaii, Hawai'i Energy, and one individual.

Your Committee finds that electric vehicles play an important role in Hawaii's clean energy future. However, the lack of adequate vehicle charging infrastructure has become a major barrier to increasing the adoption of electric vehicles. This measure ensures that more parking facilities will be able to accommodate electric vehicle charging stations.

Your Committee notes that the Department of Taxation requested in its testimony that the new surcharge be effective no earlier than January 1, 2022, to give the Department sufficient time to implement the necessary administrative changes. Your Committee further notes that the ceiling of the Public Utilities Commission Special Fund should be adjusted to allow for the expenditures provided by this measure.

Your Committee has amended this measure by:

- (1) Deleting provisions relating to requirements for filing a short period annual return;
- (2) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (3) 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. 1142, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1142, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



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

Nicole E. Lowen

NICOLE E. LOWEN, Chair



