

Honolulu, Hawaii

MAR 24 2021

RE: H.B. No. 1142
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Transportation and Energy, Economic Development, and Tourism, to which was referred H.B. No. 1142, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

beg leave to report as follows:

The purpose and intent 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 an electric vehicle charging systems subaccount within the public utilities commission special fund.

Your Committees received testimony in support of this measure from the City and County of Honolulu Office of Climate Change, Sustainability, and Resiliency; Hawaii Electric Vehicle Association; Tesla, Inc.; Soderholm Bus and Mobility; Ulupono Initiative; American Lung Association; Hawaiian Electric Company; Climate Protectors Hawai'i; Blue Planet Foundation; Environmental Caucus of the Democratic Party of Hawai'i; Kauai Electric Vehicle Association; and eighteen individuals. Your Committees received testimony in opposition to this measure from the Chamber of



Commerce Hawaii, Hawaii Automobile Dealers' Association, Cutter Management Company, Alliance for Automotive Innovation, Hawaii Laborers' Union Local 368, and one individual. Your Committees received comments on this measure from the Department of Taxation, Department of Budget and Finance, Public Utilities Commission, State Energy Office, Tax Foundation of Hawaii, Grassroot Institute of Hawaii, and Hawai'i Energy.

Your Committees find that the State is nearly one hundred percent dependent on imported petroleum for its ground transportation needs. Hawaii residents, businesses, and visitors spent over \$1.7 billion on gasoline in 2019 and the combustion of that fuel released over ten billion pounds of climate-changing carbon dioxide into the atmosphere. Your Committees also observe that ground transportation is undergoing a seismic shift in the industry as more and more automobile manufacturers transition to all-electric vehicles. Hawaii is woefully unprepared for this transition to all-electric vehicles and it is imperative that the State act with utmost haste to ensure that residents are sufficiently equipped for a future where all new vehicle sales will be electric vehicles. In order to prepare for the influx of electric vehicles, the State needs to ensure that there are sufficient electric vehicle charging stations to meet the anticipated demand. This measure will provide funding to increase the supply of EV charging stations.

Your Committees have amended this measure by:

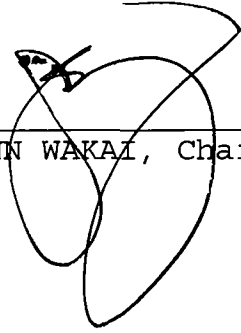
- (1) Removing the vehicle surcharge tax;
- (2) Allocating three cents of the barrel tax to fund the electric vehicle charging system rebate program until June 30, 2030; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1142, H.D. 2, as amended herein, and recommend that it pass Second Reading in the



form attached hereto as H.B. No. 1142, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Transportation and Energy, Economic Development, and Tourism,



GLENN WAKAI, Chair



CHRIS LEE, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

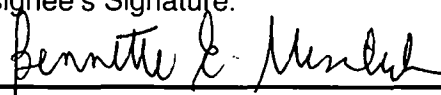
Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 1142 HD2</i>	<i>TRS/EET, WAM</i>	<i>3/19/2021</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ENGLISH, J. Kalani				✓
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt				✓
TOTAL	<i>3</i>			<i>2</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>Lorraine R. Inouye</i>				
Distribution:				
Original	Yellow	Pink	Goldenrod	
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*Only one measure per Record of Votes

The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1142 HD2	TRS/EET, WAM	3/19/21		
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The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	✓			
MISALUCHA, Bennette E. (VC)	✓			
LEE, Chris	✓			
RIVIERE, Gil	✓			
FEVELLA, Kurt				✓
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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