

STAND. COM. REP. NO.

250

Honolulu, Hawaii

FEB 12 , 2021

RE: H.B. No. 424
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 Government Reform, to which was referred
H.B. No. 424 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT OF CONTRACTS FOR
VEHICLE RENTAL,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require all state and county entities, when renting a vehicle on behalf of a state employee in the discharge of official government business, to rent electric or hybrid vehicles, in order of preference, subject to certain provisions; and
- (2) Require the State Procurement Office to promulgate rules and execute future contracts that prioritize the rental of electric vehicles.

Your Committee received testimony in support of this measure from the State Energy Office, Hawaiian Electric Company, and Climate Protectors Coalition. Your Committee received comments on this measure from the State Procurement Office and Hawaii Gas.

Your Committee finds that Hawaii currently has over one million gasoline-powered vehicles on its roads, which emit nearly

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five million metric tons of climate-changing carbon pollution annually. Some of these vehicles are used by government employees in the performance of their duties. Your Committee further finds that electric vehicles will play an important role in the State's clean energy future and meeting the goals set for Hawaii in reducing its greenhouse gas emissions. Your Committee believes that requiring state agencies to prioritize the rental of electric vehicles will put the agencies at the forefront of energy independence and greenhouse gas emissions reduction efforts.

Your Committee has amended this measure by:

- (1) Moving the preference for rental of electric vehicle or hybrid vehicles by government employees out of the Procurement Code and into section 196-9, Hawaii Revised Statutes, relating to energy efficiency and environmental standards for state facilities, motor vehicles, and transportation fuel, and making associated conforming amendments;
- (2) Limiting the preference for rental of electric vehicle or hybrid vehicles to state employees only, rather than state and county employees;
- (3) Removing language that required the State Procurement Office to adopt preferred contract terms with rental contractors to prioritize the rental of electric vehicles;
- (4) Changing its 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 Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 424, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 424, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Government Reform,



ANGUS L.K. MCKELVEY, Chair



