



**Hawaiian  
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
GOVERNMENT REFORM**

**HB 424**

**Relating to Procurement of Contracts for Vehicle Rental**

February 3, 2021

8:30 AM, Agenda # 24

State Capitol, Conference Room 309 / VIDEO CONFERENCE

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

Aloha Chair McKelvey, Vice Chair Wildberger and Committee Members,

My name is Michael Colón and I am testifying on behalf of Hawaiian Electric Company in **support of HB424**, relating to procurement of contracts for vehicle rental. Hawaiian Electric Company supports this measure as it aligns with and will help to bolster many of the Company's electrification of transportation initiatives.

HB424 encourages the State to be a leader in clean transportation and sends a strong, yet supportive, signal to car rental companies and indirectly the tourism industry. If passed, this bill will encourage car rental companies to add electric vehicles to their vehicle fleets with the confidence of having consistent EV rental clientele. It would also allow residents and visitors to experience electric vehicles while staying in Hawaii.

Hawaiian Electric's public charging program and upcoming proposed expansion is designed to support these such needs. If passed, this bill would create positive momentum in developing much needed charging infrastructure throughout the State. It would encourage program participation from rental car facilities, airports, hotels, state facilities, and commercial sites throughout our service territory as additional charging

infrastructure and charging stations would be needed at these locations to support electric vehicle rentals.

Hawaiian Electric supports the proliferation of zero-emission vehicles and recognizes the importance and positive impact this bill can play. As the largest provider of electric vehicle fast charging in the state, Hawaiian Electric Company remains committed to EV strategies that are sustainable and helps create a bridge to a cleaner future.

Accordingly, Hawaiian Electric Company supports HB424. Thank you for this opportunity to testify.

**HB-424**

Submitted on: 2/1/2021 12:30:32 PM

Testimony for GVR on 2/3/2021 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ted Bohlen	Climate Protectors Coalition	Support	No

Comments:

To: The House Committee on Government Reform

From: Climate Protectors Coalition (by Ted Bohlen)

Hearing Date: Wednesday, February 3, 2021, 8:30 am

**In support of HB424**

Aloha Chair McKelvey, Vice Chair Wildberger, and Government Reform Committee members:

The Climate Protectors Coalition **supports HB424.**

The Climate Protectors Coalition is a 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, food insecurity, and rising sea levels destroying our shorelines. We must do all we can to reduce our carbon footprint and become at least carbon neutral as soon as possible. The planet faces an existential climate crisis and we must act now! Scientists have made clear that we are part of the last generation that can stop or at least mitigate the devastating impacts of climate change. If we are to solve the climate crisis, it will require **all of us** working together. Hawaii can and should be a leader in showing the world the way forward towards a safe and sustainable climate and future. The sooner we inspire others to take action and lead by example, the better off the future will be for our children.

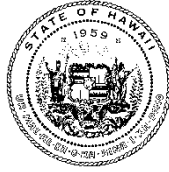
One way Hawaii should lead now is addressed by this bill —establishing for government vehicle rentals a priority for electric and hybrid vehicles. This will not only reduce Hawaii’s use of gasoline and internal combustion engines, but help show the way to a cleaner vehicle future that will help mitigate the climate crisis.

Mahalo for the opportunity to testify in **support** of this very important legislation.

Climate Protectors Coalition (by Ted Bohlen)



DAVID Y. IGE  
GOVERNOR



BONNIE KAHAKUI  
ACTING ADMINISTRATOR

**STATE OF HAWAII**  
**STATE PROCUREMENT OFFICE**

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TESTIMONY  
OF  
BONNIE KAHAKUI, ACTING ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE  
ON  
GOVERNMENT REFORM  
FEBRUARY 3, 2021, 8:30AM

HOUSE BILL 424  
RELATING TO PROCUREMENT OF CONTRACTS FOR VEHICLE RENTAL

Chair McKelvey, Vice-Chair Wildberger, and members of the committee, thank you for the opportunity to submit testimony on HB424. The State Procurement Office (SPO) offers the following comments and recommendations:

**COMMENTS:** Chapter 103D, Hawaii Revised Statutes (HRS), Hawaii Public Procurement Code (Code), is meant for general procurement methods and high-level. It should not be a receptacle for all industry-specific specifications or goals as this will, over time, create a vast, and complicated Code that will confuse buyers because they will not be able to trust that specifications are in the respective chapter and procurement specific requirements are lost within the sea of specifications. Additionally, the current language prescribes the use of Request for Competitive Sealed Bid (IFB) method of procurement. It is not appropriate to require a specific method of procurement as there may be other methods that would be more appropriate to achieve the goals.

**RECOMMENDATION:** Remove language in its entirety and place in the subject-specific chapter for the Office of Energy in the HRS.

Thank you.



**Testimony to the Committee on Government Reform**

**Wednesday, February 3, 2021**

**8:30 AM**

**VIA Video Conference**

**Conference Room 309, Hawaii State Capitol**

**HB 424**

Chair McKelvey, Vice Chair Wildberger, and members of the committee,

Hawaii Gas offers comments on HB 424, which requires all state and county entities, when renting a vehicle on behalf of a state or local employee in the discharge of official government business, to rent electric or hybrid vehicles, in order of preference, provided that such a vehicle is suitable for the specific travel requirements and available when needed. Requires the State Procurement Office to promulgate rules and execute future contracts consistent with specified terms.

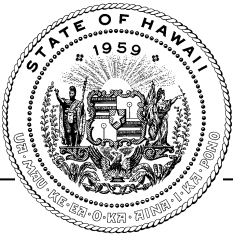
As technology evolves quickly and new options come to market, it's important to broadly define terms so as not to choose winners and losers in the technology that meets these needs.

We appreciate that in the bill's definitions section, "electric vehicle" includes a vehicle powered by "an onboard fuel cell." The Department of Energy reports that "A fuel cell uses the chemical energy of hydrogen or another fuel to cleanly and efficiently produce electricity." We ask for consideration that the definition of "electric vehicle" be amended to accurately reflect that.

Page 3 line 6

(2) Generated from an onboard fuel cell powered by hydrogen or other renewable fuel.

Thank you for the opportunity to testify.



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE  
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SCOTT J. GLENN  
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Testimony of  
**SCOTT J. GLENN, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON GOVERNMENT REFORM**

Wednesday, February 3, 2021  
8:30 A.M.

House conference room via videoconference

In SUPPORT of  
**HB 424**  
**RELATING TO PROCUREMENT OF CONTRACTS FOR VEHICLE RENTAL.**

Chair McKelvey, Vice Chair Wildberger, and Members of the Committee, the Hawaii State Energy Office (HSEO) offers support for HB 424, which requires 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, provided that such a vehicle is suitable for the specific travel requirements and available when needed.

Emissions from ground transportation 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 total energy sector emissions. Ground transportation accounted for 47 percent of the transportation emissions. For Hawaii to meet its target to sequester more greenhouse gases than emitted as soon as practicable but no later than 2045, programs that support the adoption of cleaner transportation options are necessary and tremendously important.

The adoption and widespread deployment of electric vehicles is an essential component toward reducing Hawaii's dependence on fossil fuels. Requiring all state and county entities, when renting a vehicle, to prioritize the rental of electric vehicles will put

state agencies at the forefront of energy independence and greenhouse gas emissions reduction efforts. This requirement will provide an important market signal to prospective vehicle rental contractors, making it clear that demand for electric vehicle rentals exists and the State is committed to renting these vehicles as they are incorporated into vehicle rental fleets.

Electric vehicle rental prioritization for state and county employees is one of the recommended petroleum reduction tactics identified on page 9 of the Hawaii Clean Energy Initiative Transportation Energy Analysis, prepared for HSEO by the International Council on Clean Transportation. Incorporating electric vehicles into vehicle rental fleets will markedly increase exposure to electric vehicles, which can boost acceptance and adoption of electric vehicles by familiarizing travelers with the technology and operating characteristics of the vehicles. HB 424 aligns with the State's efforts to expand strategies and mechanisms to reduce greenhouse gas emissions through the reduction of energy use, adoption of renewable energy, and control of air pollution among all agencies, departments, industries, and sectors, including transportation.

One alternative in lieu of revising Chapter 103D, Hawaii Revised Statutes, could be that the State Procurement Office promulgate travel rules that require all state 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, provided that such a vehicle is suitable for the specific travel requirements and available when needed. Should this happen, HSEO is ready and able to support the State Procurement Office in this effort.

Thank you for the opportunity to testify.