

OFFICE OF PLANNING STATE OF HAWAII

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DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR
OFFICE OF PLANNING

Statement of
MARY ALICE EVANS
Director, Office of Planning
before the
HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Tuesday, February 16, 2021
2:00 PM

State Capitol, Conference Room 329

in consideration of
HB 433, HD 1
RELATING TO CLIMATE CHANGE MITIGATION

Chair Johanson, Vice Chair Kitagawa, and Members of the Committee:

The Office of Planning (OP) supports the intent of this measure and offers the following **comments** on HB 433, HD1. This bill seeks to address a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle. Establishes the climate change mitigation special fund. Specifies that the impact fees collected shall be deposited to the credit of the general fund; provided that beginning July 1, 2024, the impact fees shall be deposited to the credit of the climate change mitigation special fund.

The Office of Planning notes that “climate change mitigation” is defined by the International Organization for Standardization (ISO) as “the human intervention to reduce greenhouse gas emissions.”¹

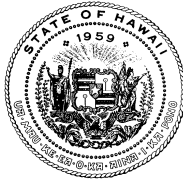
The State of Hawai‘i likewise established a strong foundation of greenhouse gas reduction policies through statutory targets to: establish a greenhouse gas emissions cap to match 1990 emissions levels by 2020; achieve a 100% Renewable Portfolio Standard by 2045; and achieve a Zero Emissions Clean Economy by 2045.

Climate Change Mitigation will require a multi-agency approach throughout the State of Hawai‘i, including but not limited to the hard work of following state agencies: the Departments of Accounting and General Services, Agriculture, Health, Land and Natural Resources, Transportation, the Public Utilities Commission, State Energy Office, the State Office of Planning, the Greenhouse Gas Sequestration Task Force, and the Climate Change Mitigation and Adaptation Commission.

The potential funds collected by the proposed “climate change mitigation special fund” may likely be needed for more than one state agency to achieve our state’s many climate change mitigative and sustainability statutory targets and goals.

Additionally, the funds collected by this legislation could also be used toward the proactive transition to supply zero emission vehicles as rental motor vehicles.

¹ The International Organization of Standards (ISO Guide 84:2020) “Guidelines for Addressing Climate Change in Standards.”



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

WRITTEN
TESTIMONY ONLY

**Testimony COMMENTING on HB0433_HD1
RELATING TO CLIMATE CHANGE MITIGATION**

**Rep. Aaron Ling Johanson, Chair
Rep. Lisa Kitagawa, Vice Chair
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE**

Hearing Date: 2/16/2021

Room Number: Via Videoconference

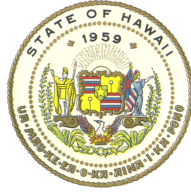
1 **Fiscal Implications:** This measure creates a revenue stream and is therefore unlikely to impact the
2 priorities identified in the Governor's Executive Budget Request for the Department of Health's
3 (Department) appropriations and personnel priorities.

4 **Department Testimony:** The Department recognizes that the changing climate is a worldwide
5 environmental health problem that directly impacts the health and safety of Hawaii's people,
6 communities, and natural environment. Potential human health effects resulting from climate change are
7 broad reaching and include dangers from increased natural disasters and flooding, changing vector-borne
8 infectious diseases and food related infections, as well as impacts on mental health and well-being. Our
9 natural environment is also affected by climate change, with negative impacts on air and water quality,
10 changing conditions at sites with chemical contamination and disruption of shorelines and beaches.

11 Mitigation measures will help Hawaii adapt to the effects of climate change and help keep our citizens
12 safe and healthy, but these efforts require funding. A climate change mitigation impact fee on rental cars
13 will provide a revenue source for aggressive climate change mitigation measures as well as help off-set
14 the impact of tourism on Hawaii's natural environment. It is important to note that climate change
15 mitigation extends beyond the listed potential uses of the special fund and it may be a valuable to the
16 extend the scope of the designated goals. Overall, climate change mitigation measures will help protect
17 the health of Hawaii's people and natural environment.

18 **Offered Amendments:** None

19 Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
Anukriti Hittle
Coordinator, Hawaii Climate Change Mitigation and Adaptation Commission

Before the House Committee on
CONSUMER PROTECTION AND COMMERCE
Tuesday, February 16, 2021
2:00 pm
State Capitol, Conference Room 329

In support of
HOUSE BILL 433 HD1
RELATING TO CLIMATE CHANGE MITIGATION

House Bill 433 HD1 proposes to assess a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle, and establishes the climate change mitigation special fund. **On behalf of the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) I support this measure, and offer the following comments.**

The Hawaii Climate Change Mitigation and Adaptation Commission “recognizes the urgency of climate threats and the need to act quickly. It promotes ambitious, climate-neutral, culturally responsible strategies for climate change adaptation and mitigation in a manner that is clean, equitable and resilient.” The Commission, established by Act 32 SLH 2017 to uphold the United States’ pledges under the Paris Agreement, is the coordinating body for policies on climate change mitigation and adaptation for the state. It is a high-level multi-jurisdictional body that guides the priorities of the state’s climate response. Co-chaired by DLNR and Office of Planning, it consists of 20 members—chairs of four legislative committees, and executive department heads at the county and state levels.

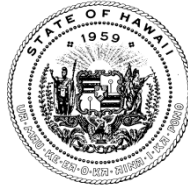
The Commission recognizes that ground transportation contributes significantly to Hawai‘i’s share of greenhouse gas emissions. It supports mechanisms to reduce overall vehicle miles traveled, as well as converting all remaining vehicle-based ground transportation to renewable, zero-emission fuels and technologies. This measure addresses this priority of the Commission to help achieve the state’s climate change goals.

Thank you for the opportunity to offer comments in support of this measure.

Co-Chairs:
Chair, DLNR
Director, Office of Planning

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WTH
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawai‘i DP
Director, Kaua‘i DP
The Adjutant General
Manager, CZM

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 16, 2021
2:00 p.m.
State Capitol, Via Videoconference

H.B. 433, H.D. 1
RELATING TO CLIMATE CHANGE MITIGATION

House Committee on Consumer Protection and Commerce

The Department of Transportation (DOT) offers **comments** on this bill which assesses a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle.

The DOT appreciates the intent of this bill that will provide funds to help with climate change mitigation. However, any additional fees to on-airport rental car users may decrease rental car transactions. As a result, customers may opt for another mode of transportation, thereby still affecting the climate change this bill is trying to achieve.

Thank you for the opportunity to provide testimony.

HB-433-HD-1

Submitted on: 2/13/2021 9:05:14 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dyson Chee	Hawai'i Youth Climate Coalition	Support	No

Comments:

Aloha Chair Johanson, Vice-chair Kitagawa, and members of the CPC Committee,

My name is Dyson Chee, I am 18 years old, and I am submitting written testimony on behalf of the Hawai'i Youth Climate Coalition (HYCC) in support of HB433 HD1.

Thanks to the efforts and vision of the Hawai'i State Legislature, Hawai'i has been a national and global leader in the fight against climate change and the battle to protect our natural resources. In 2017, we were the first state in the nation to enact legislation that implements portions of the Paris agreement. In 2018, Hawai'i took strong action to protect our ocean resources and fragile marine ecosystems by banning sunscreens with oxybenzone and octinoxate.

Hawai'i took these strides because we recognized one essential truth: we cannot disentangle our environment from our economy. If our natural resources degrade and decline, so does our overall quality of life and the strength of our economy. Nature is our Taj Mahal. Visitors rank nature and the ocean as the top two details that make their trip to Hawaii excellent (Hawaii Tourism Authority, 2017). It is our shared responsibility, both resident and visitor, to ensure the protection and survival of our greatest asset, so that our natural resources continues to protect and sustain future generations.

Unfortunately, the current funding for our reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment, such that Hawai'i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). Each year that we delay adequately funding these efforts, the interest on that debt to nature grows. At the same time, the COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a more sustainable tourism sector, and put people back to work in resilient careers. For this reason, I support visitor green fee legislation, such as HB433_HD1, that creates a solution to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs.

With 75% of polled residents supporting a "visitor green fee" (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

I propose an amendment in the bill to establish public private governance of the special fund to safeguard the fund towards conservation and climate mitigation efforts. Specifically, I encourage oversight from conservation, climate, and industry experts in the non-profit sectors. Research of over a dozen visitor green fee systems around the world demonstrates that public private partnership governance models have been effective in ensuring the transparency and effectiveness of visitor green fee programs and their associated revenue uses (Conservation International, 2019).

Now more than ever, Hawai'i faces challenges beyond the environment, such as housing, healthcare, and affordability. As the State addresses many urgent issues, we urge legislators to continue to prioritize the environment as it underpins every aspect of life and wellbeing on our islands. We hope that this committee will pass HB4333, and mahalo for considering our testimony.

Sincerely,

Dyson Chee



HB 433, HD 1, RELATING TO CLIMATE CHANGE MITIGATION

FEBRUARY 16, 2021 · HOUSE COMMERCE AND
CONSUMER PROTECTION COMMITTEE · CHAIR
REP. AARON LING JOHANSON

POSITION: Support.

RATIONALE: Imua Alliance supports HB 433, HD 1, relating to climate change mitigation, which assesses a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle; establishes the climate change mitigation special fund; specifies that the impact fees collected shall be deposited to the credit of the general fund; provided that beginning July 1, 2024, the impact fees shall be deposited to the credit of the climate change mitigation special fund.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

Furthermore, according to research conducted by Michael B. Gerrard from Columbia Law School, modern-day slavery tends to increase after natural disasters or conflicts where large numbers of people are displaced from their homes. In the decades to come, says Gerrard, **climate change will very likely lead to a significant increase in the number of people who are displaced and, thus vulnerable, to human trafficking.** While the Paris Climate Agreement of 2015 established objectives to limit global temperature increases and several international agreements are aimed at combating modern-day slavery, it is highly uncertain whether they will be adequate to cope with the scale of the problem that is likely to occur as a result of climate change.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Therefore, we should take steps to accelerate Hawai'i's efforts to address climate change and develop a clean economy, including by implementing "green fees" that ensure our state's visitors pay their fair share to sustain our 'āina. New Zealand, the Maldives, Cancun, and Venice, and numerous other countries have green fee programs for visitors, which vary from \$1 per night to a \$100 entrance fee for the purpose of environmental conservation. **Palau's per-tourist investment in its natural environment is \$92, New Zealand's is \$188, and the Galapagos Islands' is \$373. Hawai'i's is just \$9 per tourist,** according to a report from Conservation International's Green Passport initiative. We need to catch up. For the sake of our keiki, we cannot afford to wait to solidify strategies to preserve our island home for generations to come.

Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · kris@imuaalliance.org

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: RENTAL MOTOR VEHICLE, Climate Change Mitigation Surcharge

BILL NUMBER: HB 433, HD1

INTRODUCED BY: House Committee on Energy & Environmental Protection

EXECUTIVE SUMMARY: Assesses a climate change mitigation impact fee on every customer who rents, leases, or, utilizes a rental motor vehicle. Establishes the climate change mitigation special fund. Specifies that the impact fees collected shall be deposited to the credit of the general fund; provided that beginning 7/1/2024, the impact fees shall be deposited to the credit of the climate change mitigation special fund.

SYNOPSIS: Adds two new sections to chapter 171, HRS. One imposes a “climate change mitigation impact fee” of \$ ____ per day or portion of a day a rental motor vehicle is rented. The other establishes the climate change mitigation special fund.

EFFECTIVE DATE: 7/1/2050.

STAFF COMMENTS: First, chapter 251, HRS, already imposes a tax on the renting of motor vehicles. The Department of Taxation has administered this tax and continues to do so. The bill proposes to tax the same class of business transactions, but places the operative provisions in chapter 171 which is in the jurisdiction of the Department of Land and Natural Resources. Thus, DLNR is put in the awkward and inefficient situation of having to administer what appears to be a surcharge on a tax that DOTAX already administers.

Next, the tax creates a special fund with scant justification. Yes, we could benefit by having some money spent on our land and natural resources, but does that justify burdening the visitor industry with yet another tax and without going through the normal appropriation and budgeting process that also considers sweltering primary schools, underfunded state pensions, or the economic decimation caused by COVID-19? Rather than the continual earmarking of revenues, a direct appropriation of general funds would be preferable. Earmarking revenues from any tax type for a particular purpose decreases transparency and accountability.

Digested 2/13/2021



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 15, 2021

TO: Representative Aaron Johanson
Chair, Committee on Consumer Protection and Commerce

FROM: Mihoko Ito

RE: **H.B. 433 HD1, Relating to Climate Change Mitigation**
Hearing Date: Tuesday February 16, 2021 at 2:00 p.m.
Conference Room: 329

Dear Chair Johanson, Vice Chair Kitagawa, and members of the Committee on Consumer Protection and Commerce:

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

Enterprise **opposes** H.B. 433 Relating to Climate Change Mitigation, which assesses a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle. The bill further deposits the fees into the general fund between July 1, 2022 through July 1, 2024, at which time the impact fees will be deposited into a newly created climate change mitigation special fund.

While Enterprise appreciates the State's budget deficit and concerns about climate change, we are very concerned that creating this new fee will negatively impact an already hurting industry. At the peak of the COVID 19 pandemic, the rental car industry was down 95%, and is only now starting to slowly make a recovery that is projected to take several years.

As it is, the state already collects from rental car customers substantial sums of money to be used for state purposes. Just two years ago, the Governor signed Act 174 into law which increased the rental motor vehicle surcharge tax from \$3 to \$5 a day. H.B. 433 now proposes to add yet another fee of unspecified amount onto each transaction. We do not feel that it is justified to solicit additional contributions from renters, and feel that it will alienate our customers.

The tax burden on rental cars to support state priorities is also already quite disproportionate to what other vehicles pay. While rental cars only comprise about 5% of the total vehicles in the State, the rental car surcharge tax represents approximately 26% of the total funds in the highway special fund. And right now, that reliance on rental car revenue is hurting the highway fund because of the significant decrease in revenues due to the pandemic.

Enterprise understands the State's concerns about climate change impacts, and already offers a voluntary contribution for research to offset carbon emissions on each contract.

However, Enterprise is very concerned that creating a new fee as proposed in H.B. 433 H.D.1 singles out an industry to solve the budget deficit and climate change, when the industry is already contributing more than its fair share to the State.

For the above reasons, we oppose this bill and respectfully request that it be held. Thank you for the opportunity to submit testimony on this bill.



Robert Muhs, Esq.
Vice President Government Affairs
T - 973 496-3532
Robert.muhs@avisbudget.com

Representative Aaron Ling Johanson, Chair
Representative Lisa Kitagawa, Vice Chair
Committee on Consumer Protection & Commerce

Tuesday, February 16, 2021, 2:00 p.m.
Via Videoconference

RE: HB 433 HD1 – Relating to Climate Change Mitigation – In Opposition

Aloha Chair Johanson, Vice Chair Kitagawa and members of the committee:

My name is Robert Muhs, Vice President Government Affairs for Avis Budget Group. Avis Budget appreciates this opportunity to offer testimony in opposition to HB 433 HD1, which among other things, would assess a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle and establishes the climate change mitigation special fund.

Avis Budget Group is aligned to the UN Sustainable Development Goals in climate change by advancing low carbon mobility solutions and community resilience.

We oppose another fee on the industry, which we believe contributes more than its fair share. In 2019, the Legislature increased the amount of the rental motor vehicle surcharge tax from \$3.00 to \$5.00. Hawaii rental car customers currently pay the following charges – a rental motor vehicle customer facility charge of \$4.50 per day and a rental motor vehicle surcharge tax of \$5.00 per day which is applied to the state highway fund. The total surcharge amount before GET is among the highest in the country.

This fee imposed on airport rentals also violates federal law which prohibits the diversion of revenues from airport transactions for non-airport purposes.

Avis Budget Group's Hawaii operations suffered a significant revenue loss in 2020 due to the pandemic and is still struggling. We request that the industry be allowed to recover before additional fees and increases be considered.

For this reason, we ask that the committee defer this measure. Thank you.



2/15/2021

Energy and Environmental Protection Committee
Hawai'i State Capitol
Honolulu, Hawai'i 96813

Dear Chair Johansen, and Members of the Consumer Protection and Commerce Committee,

The Surfrider Foundation would like to offer this testimony in support of HB433.

The Surfrider Foundation is a national nonprofit organization dedicated to the protection and enjoyment of our ocean, waves, and beaches. Surfrider maintains a network of over 150 chapters and academic clubs nationwide, including 4 chapters in the Hawaiian Islands. The Surfrider Foundation focuses on many aspects of the environment such as coastal protection, plastic pollution, and water quality.

Being so immersed in environmental protection means that as an organization we have witnessed the lack of financial support the natural resource sector has. We are constantly being told that there is not enough money, especially after the COVID-19 pandemic, where we witnessed the need to diversify our economy and jobs, and buffer the economy with income that doesn't rely on tourism alone. This is one reason that Surfrider supports any green fee legislation, to hopefully use Hawai'i's large tourist base to make money that supports a growing sustainable infrastructure.

HB433 would help achieve that desired result. The funds generated with this kind of green fee could open up jobs like *coral reef restoration, invasive species removal, native tree planting, campsite and trail maintenance, beach restoration and dune erosion recovery, ditch clearing, wildfire prevention and recovery, or fishpond restoration and monitoring*, going further to protect our natural areas.

In a poll of residents, 75% of those living in Hawai'i who took the survey supported a green fee for visitors (Conservation International, 2020). There are many conservation milestones as well here in Hawai'i that we would be in a better position to hit with better funding and support, for instance the 30 x 30 marine protection goal that has been a priority of DLNR's for a while.

These are just some of the reasons why we support a visitor green fee here in Hawai'i, and we thank you for your consideration of this testimony in support of HB433, submitted on the behalf of the Surfrider Foundation's 4 Chapters in Hawai'i and all of our members who live in the state and visit to enjoy the many coastal recreational opportunities offered by all of the islands' coastlines.

Sincerely,

Kaitlyn Jacobs
Volunteer Policy Coordinator
Surfrider Foundation, O'ahu Chapter

HB-433-HD-1

Submitted on: 2/15/2021 1:23:15 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Climate Protectors Hawaii	Climate Protectors Hawaii	Support	No

Comments:

To: The Honorable Aaron Ling Johanson, Chair,

The Honorable Lisa Kitagawa, Vice Chair, and Members of the

House Committee on Consumer Protection and Commerce

From: Climate Protectors Coalition

Hearing Date: Tuesday, February 16, 2021, 2:00 pm

Position: STRONG SUPPORT of HB433 HD1 RELATING TO CLIMATE CHANGE MITIGATION!

Aloha Chair Johanson, Vice Chair Kitagawa, and Consumer Protection and Commerce Committee members:

The Climate Protectors Coalition is a group 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.

We cannot disentangle our environment from our economy. If our natural resources degrade and decline, so does our overall quality of life and the strength of our economy. Visitors rank nature and the ocean as the top two details that make their trip to Hawaii excellent (Hawaii Tourism Authority, 2017). It is our shared responsibility, both resident and visitor, to ensure the protection and survival of our greatest asset, so that our natural resources continues to protect and sustain future generations. Unfortunately,

current funding for our reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment/ Hawai'i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). The COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a more sustainable tourism sector, put people back to work in resilient careers, and the value of the outdoors to residents and visitors alike.

The Climate Protectors Hawaii supports visitor green fee legislation, such as HB433 HD1, that creates a solution to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs. With 75% of polled residents supporting a "visitor green fee" (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

This bill would provide needed funding for preservation of the beautiful nature upon which our tourist and recreation-based economy depend. It would also potentially provide green jobs by assessing a climate mitigation impact fee for every customer who rents, leases, or utilizes a rental motor vehicle. The bill establishes the climate change mitigation special fund. The impact fees would be credited to the general fund until June 30, 2024, after which they would be deposited to the special fund.

Please pass this important bill!

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

Climate Protectors Coalition (by Ted Bohlen)



HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 16, 2021, 2:00 P.M.

Video Conference

TESTIMONY IN SUPPORT OF HB 433 HD1, SUGGESTED AMENDMENT

Aloha Chair Johanson, Vice Chair Kitagawa, and members of the Committee:

Blue Planet Foundation **supports HB 433 HD1**, which assesses a climate change mitigation fee on rental motor vehicles and other vehicles used primarily in the visitor industry. **Hawai'i's visitor industry can play a role in shifting our economy.** As Hawai'i seeks to recover from the coronavirus pandemic, we are offered an unparalleled opportunity to build back better and press the reset button on sustainable tourism. House Bill 433 is an important measure to align the visitor industry with Hawai'i's clean energy future.

Tourism has played a substantial role in Hawai'i's economy for over half a century. Until the COVID-19 pandemic hit, the sector directly employed over 123,000 residents, with an equal amount in the supporting industries of retail, trade, and transportation.¹ Hawai'i's beauty, beaches, shopping, culture, and attractions appeal to visitors globally, with over 10 million vacationing in the state in 2019.

For all of its economic benefits, however, tourism growth has created and exacerbated myriad challenges on the islands. Hawai'i's "carrying capacity" is increasingly in question as a larger number of tourists strain the islands' infrastructure and environment. Given this impact, we would hope to see commensurate economic growth for the state. Unfortunately, attempts to grow visitor spending while decreasing the actual number of visitors have failed. Spending per visitor has decreased over the past decade, and competition from other visitor destinations worldwide makes changing this calculus unlikely. Visitor arrivals and spending will be depressed considerably for the next few years due to the pandemic.

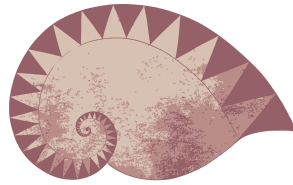
As such, the tourism sector has an unprecedented opportunity to transform substantially in order to be sustainable, both economically and environmentally. Hawai'i's visitor industry should rise to meet our global climate challenge and position itself as the clean energy islands of the world. Hawai'i should be the epicenter for climate solutions, a living laboratory for renewable energy and mobility solutions. What's more, this concept needs to infuse every aspect of the visitor experience, from arrival to departure—Hawai'i can be a postcard from our sustainable climate future.

¹ Hawai'i Department of Labor and Industrial Relations, Research and Statistics Office, 2018.

Through a “climate change mitigation fee,” House Bill 433 puts in place a framework to begin this shift by focusing on carbon-intensive ground transportation. While Hawai‘i has made substantial progress on policies, programs, and actions to reduce burning fossil fuels in the electricity sector, **we are falling short on decarbonizing our ground transportation sector.** Greenhouse gas emissions from transportation have been climbing steadily for years prior to the coronavirus pandemic.

The rental car industry operates the state’s largest vehicle fleets. By assessing a climate change mitigation fee on gas-powered vehicles that are rented or leased short term (six months or less), HB 433 can spur the integration of zero-emission vehicles into the state’s rental car fleets. Many visitors have yet to drive or ride in an electric or zero-emission vehicle—Hawai‘i should be the place where they have that initial experience. In turn, the frequent turnover of rental vehicles that is common in the industry could mean greater availability of clean vehicles for local residents and businesses to purchase at discounted prices.

Thank you for the opportunity to provide testimony.



Pono Hawai'i Initiative

Patrick Shea - Treasurer • Lena Mochimaru - Secretary
Nelson Ho • Summer Starr

Monday, February 15, 2021

Relating to Climate Change Mitigation
Testifying in Support

Aloha Chair and members of the committee,

The Pono Hawai'i Initiative (PHI) **supports HB433 HD1 Relating to Climate Change Mitigation**. This measure establishes an impact fee on every customer who rents, leases, or utilizes a rental motor vehicle and creates a special fund to collect those fees

Hawaii's natural resources are some of many reasons tourists flock to our islands every year. These natural resources need to be protected and maintained if they are to be enjoyed by our local community as well as visitors from across the globe. This impact fee helps to ensure that our motor vehicle rental industry has a positive effect on our natural resources.

We urge you to support HB433 HD1.

Mahalo for the opportunity to testify,

Gary Hooser
Executive Director
Pono Hawai'i Initiative

Hawaii Electric Vehicle Association

PO BOX 6310
Hilo, HI 96720
hawaiidriveelectric@gmail.com



February 3, 2021

Dear Chair Johanson, Vice Chair Kitagawa, and Consumer Protection and Commerce Committee members,

Hawaii Electric Vehicle Association is in SUPPORT of HB443.

It will enable a more sustainable tourist industry – visitors will have an efficient mechanism to reduce the climate impact of their visit and allow our state to invest in urgently-needed climate change mitigation strategies.

Thank you for your support of **HB443**.

Sincerely,

A handwritten signature in black ink, appearing to read "Noel Morin". The signature is written over a thin horizontal line.

Noel Morin - President

Hawaii EV Association is a grassroots non-profit group representing electric vehicle owners in Hawaii. Our mission is to accelerate the electrification of transportation through consumer education, policy advocacy, and electric vehicle charging infrastructure expansion. For more information, please visit hawaiiev.org.

HB-433-HD-1

Submitted on: 2/15/2021 6:43:07 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Charlie Quesnel	Surfrider Maui Chapter	Support	No

Comments:

I fully support this bill.

HB-433-HD-1

Submitted on: 2/12/2021 7:29:45 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Angela Huntmer	Individual	Support	No

Comments:

Yes to funding for climate change mitigation. It's a pity the funding shouldn't get to the Climate Change fund sooner but yes, better late than never. Mahalo.

HB-433-HD-1

Submitted on: 2/13/2021 4:05:10 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Rylee Brooke Kamahele	Individual	Support	No

Comments:

Dear Chair Johanson, Vice Chair Kitagawa, and members,

My name is Rylee Brooke Kamahele and I am testifying in support of HB433_HD1, Relating to Climate Change Mitigation.

Thanks to the efforts and vision of the Hawai'i State Legislature, Hawai'i has been a national and global leader in the fight against climate change and the battle to protect our natural resources. In 2017, we were the first state in the nation to enact legislation that implements portions of the Paris agreement. In 2018, Hawai'i took strong action to protect our ocean resources and fragile marine ecosystems by banning sunscreens with oxybenzone and octinoxate.

Hawai'i took these strides because we recognized one essential truth: we cannot disentangle our environment from our economy. If our natural resources degrade and decline, so does our overall quality of life and the strength of our economy. Nature is our Taj Mahal. Visitors rank nature and the ocean as the top two details that make their trip to Hawaii excellent (Hawaii Tourism Authority, 2017). It is our shared responsibility, both resident and visitor, to ensure the protection and survival of our greatest asset, so that our natural resources continues to protect and sustain future generations.

Unfortunately, the current funding for our reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment, such that Hawai'i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). Each year that we delay adequately funding these efforts, the interest on that debt to nature grows. At the same time, the COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a

more sustainable tourism sector, and put people back to work in resilient careers. For this reason, I support visitor green fee legislation, such as HB433_HD1, that creates a solution to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs.

With 75% of polled residents supporting a “visitor green fee” (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

I propose an amendment in the bill to establish public private governance of the special fund to safeguard the fund towards conservation and climate mitigation efforts. Specifically, I encourage oversight from conservation, climate, and industry experts in the non-profit sectors. Research of over a dozen visitor green fee systems around the world demonstrates that public private partnership governance models have been effective in ensuring the transparency and effectiveness of visitor green fee programs and their associated revenue uses (Conservation International, 2019).

Now more than ever, Hawai'i faces challenges beyond the environment, such as housing, healthcare, and affordability. As the State addresses many urgent issues, we urge legislators to continue to prioritize the environment as it underpins every aspect of life and wellbeing on our islands.

Mahalo for the opportunity to testify,

Rylee Brooke Kamahale

Testimony in **SUPPORT** of:
HB433_HD1 Relating to Climate Change Mitigation

Submitted by:
Gordon E. Hammond
4300 Waiialae Ave B-1301
Honolulu, HI 96813

CPC Hearing Held
February 16th, 2021

Dear Chair Johanson, Vice Chair Kitagawa, and members,

My name is Gordon Hammond ; an Oahu resident and businessman, and I am testifying in **support of HB433_HD1, Relating to Climate Change Mitigation.**

Thanks to the efforts and vision of the Hawai‘i State Legislature, Hawai‘i has been a national and global leader in the fight against climate change and the battle to protect our natural resources. In 2017, we were the first state in the nation to enact legislation that implements portions of the Paris agreement. In 2018, Hawai‘i took strong action to protect our ocean resources and fragile marine ecosystems by banning sunscreens with oxybenzone and octinoxate.

Hawai‘i took these strides because we recognized one essential truth: we cannot disentangle our environment from our economy. If our natural resources degrade and decline, so does our overall quality of life and the strength of our economy. ***Nature is our Taj Mahal.*** Visitors rank nature and the ocean as the top two details that make their trip to Hawaii excellent (Hawaii Tourism Authority, 2017). It is our shared responsibility, both resident and visitor, to ensure the protection and survival of our greatest asset, so that our natural resources continues to protect and sustain future generations.

Unfortunately, the current funding for our reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment, such that Hawai‘i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). Each year that we delay adequately funding these efforts, the interest on that debt to nature grows. At the same time, ***the COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a more sustainable tourism sector, and put people back to work in resilient careers.*** For this reason, I support visitor green fee legislation, such as HB433_HD1, that ***creates a solution to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs.***

With 75% of polled residents supporting a “visitor green fee” (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

I propose an amendment in the bill to establish public private governance of the special fund to safeguard the fund towards conservation and climate mitigation efforts. Specifically, I encourage oversight from conservation, climate, and industry experts in the non-profit sectors. Research of over a dozen visitor green fee systems around the world demonstrates that public private partnership governance models

have been effective in ensuring the transparency and effectiveness of visitor green fee programs and their associated revenue uses (Conservation International, 2019).

Now more than ever, Hawai'i faces challenges beyond the environment, such as housing, healthcare, and affordability. As the State addresses many urgent issues, ***we urge legislators to continue to prioritize the environment as it underpins every aspect of life and wellbeing on our islands.***

Mahalo for the opportunity to testify,

Gordon E. Hammond

HB-433-HD-1

Submitted on: 2/13/2021 10:26:46 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tina Taniguchi	Individual	Support	No

Comments:

I agree with a visitor tax and feel that residents should be exempt. I also want to be sure that there is enforcement on private vehicle rentals to be taxed as well. It seems this would effect large rental companies and here on kauai I see many more private vehicle rentals happening. Resorts or timeshares with their own fleet (such as Waipouli Resort in Kapaa) residents who run their own at home "bussinesses" renting out island vehicles.. All rentals should be key and enforced on.

HB-433-HD-1

Submitted on: 2/13/2021 7:00:23 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Will Caron	Individual	Support	No

Comments:

Aloha Committee Members,

I support HB433 HD1, but respectfully request an amendment to the bill to establish public private governance of the special fund to safeguard the fund towards conservation and climate mitigation efforts. Specifically, I encourage oversight from conservation, climate, and industry experts in the nonprofit sectors.

Research of over a dozen visitor green fee systems around the world demonstrates that public private partnership governance models have been effective in ensuring the transparency and effectiveness of visitor green fee programs and their associated revenue uses (Conservation International, 2019).

We cannot separate our environment from our economy. If our natural resources degrade and decline, so does our overall quality of life and the strength of our economy. The beauty of Hawai'i is what brings visitors to these islands. Maintaining the natural environment is all of our shared responsibility, both resident and visitor. We must ensure the protection and survival of our greatest asset so that future generations will be able to thrive here in Hawai'i.

Unfortunately, the current funding to preserve and maintain our precious coral reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment placed on it by an increasingly exploitative tourist industry. Hawai'i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). Each year that we delay adequately funding these efforts, the interest on that debt to nature grows. The climate chaos we are beginning to feel is intertwined with this failure to upkeep the environment.

At the same time, the COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a more sustainable tourism sector, and put people back to work in green careers. For this reason, I support visitor green fee legislation, such as HB433, HD1. We must create solutions like this to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs.

With 75% of polled residents supporting a “visitor green fee” (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

Now more than ever, Hawai'i faces challenges beyond the environment, such as housing, healthcare, and affordability. As the state addresses many urgent issues, legislators must continue to prioritize the environment, as it underpins every aspect of life and wellbeing in our islands.

Mahalo for the opportunity to testify.

Testimony in **SUPPORT** of:
HB433_HD1 Relating to Climate Change Mitigation

Submitted by:
Emelia von Saltza
67-419 Kukea Circle, Waialua, HI 96791

CPC Hearing Held
February 16th, 2021

Dear Chair Johanson, Vice Chair Kitagawa, and members,

My name is Emelia von Saltza. I am an environmental economist from the North Shore, and I am testifying in **support of HB433_HD1, Relating to Climate Change Mitigation.**

Thanks to the efforts and vision of the Hawai‘i State Legislature, Hawai‘i has been a national and global leader in the fight against climate change and the battle to protect our natural resources. In 2017, we were the first state in the nation to enact legislation that implements portions of the Paris agreement. In 2018, Hawai‘i took strong action to protect our ocean resources and fragile marine ecosystems by banning sunscreens with oxybenzone and octinoxate.

Hawai‘i took these strides because we recognized one essential truth: we cannot disentangle our environment from our economy. If our natural resources degrade and decline, so does our overall quality of life and the strength of our economy. ***Nature is our Taj Mahal.*** Visitors rank nature and the ocean as the top two details that make their trip to Hawaii excellent (Hawaii Tourism Authority, 2017). It is our shared responsibility, both resident and visitor, to ensure the protection and survival of our greatest asset, so that our natural resources continues to protect and sustain future generations.

Unfortunately, the current funding for our reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment, such that Hawai‘i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). Each year that we delay adequately funding these efforts, the interest on that debt to nature grows. At the same time, ***the COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a more sustainable tourism sector, and put people back to work in resilient careers.*** For this reason, I support visitor green fee legislation, such as HB433_HD1, that ***creates a solution to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs.***

With 75% of polled residents supporting a “visitor green fee” (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

I propose an amendment in the bill to establish public private governance of the special fund to safeguard the fund towards conservation and climate mitigation efforts. Specifically, I encourage oversight from conservation, climate, and industry experts in the non-profit sectors. Research of over a dozen visitor green fee systems around the world demonstrates that public private partnership governance models have been effective in ensuring the transparency and effectiveness of

visitor green fee programs and their associated revenue uses (Conservation International, 2019).

I have personally spent the last two years researching visitor green fee systems around the world, as summarized in the Green Passport Report (Conservation International, 2019), and am happy to answer any questions relevant to these findings.

Now more than ever, Hawai'i faces challenges beyond the environment, such as housing, healthcare, and affordability. As the State addresses many urgent issues, ***we urge legislators to continue to prioritize the environment as it underpins every aspect of life and wellbeing on our islands.***

Mahalo for the opportunity to testify,

Emelia von Saltza

HB-433-HD-1

Submitted on: 2/14/2021 11:30:39 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sunny Savage	Individual	Support	No

Comments:

in support

HB-433-HD-1

Submitted on: 2/14/2021 11:43:43 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Pollock	Individual	Support	No

Comments:

Aloha,

I strongly support this bill. I have watched the huge increase in numbers of rental cars on Kauai for the last forty years, and the impact on our roads, our air, and ultimately all our beautiful natural resources the tourists come here to enjoy. We have watched as corporate interests in profit have become so pervasive it is destroying the delicate ecosystems of our islands. We need to do everything we can to mitigate this!

Mahalo for voting YES on this bill.

Sherry Pollock

Sherry Pollock

HB-433-HD-1

Submitted on: 2/14/2021 11:58:23 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Judith Perino	Individual	Support	No

Comments:

I urge passage of this bill.

HB-433-HD-1

Submitted on: 2/14/2021 1:41:15 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Greg Puppione	Individual	Support	No

Comments:

Whatever we can do to lessen our environmental footprint, we should. This is a great way to do it, and a smart way to generate more revenue for the state.

HB-433-HD-1

Submitted on: 2/14/2021 4:35:39 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

Comments:

Strongly support!

HB-433-HD-1

Submitted on: 2/14/2021 9:56:29 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
janice palma-glennie	Individual	Support	No

Comments:

aloha,

it's high time to support a "Green Fee" On Rental Cars. With the costs of covid and the ability of tourists to afford to travel when so many are suffering from economic malaise, this is what lawmakers must do to support all that makes Hawai`i special -- and livable.

mahalo and sincerely,

janice palma-glennie

HB-433-HD-1

Submitted on: 2/15/2021 6:51:16 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joan Gannon	Individual	Support	No

Comments:

Hi Joan Gannon here from West Hawaii asking you to please vote for HB433. This requires Green fees on rental cars.

Thank you

Joan Gannon

HB-433-HD-1

Submitted on: 2/15/2021 7:31:23 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michal Fentin Stover	Individual	Support	No

Comments:

I support HB433. We need a "green fee" on car rentals to protect our environment. Thank you.

HB-433-HD-1

Submitted on: 2/15/2021 9:16:15 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia Punihaole Kennedy	Individual	Support	No

Comments:

I strongly support his Bill

HB-433-HD-1

Submitted on: 2/15/2021 9:57:33 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Forest Frizzell	Individual	Support	No

Comments:

Aloha Committee,

I stand in full support of this bill.

Mahalo,

Forest

HB-433-HD-1

Submitted on: 2/15/2021 9:58:08 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Diane Ware	Individual	Support	No

Comments:

I strongly support visitor emissions and carbon footprint be taxed to offset consequences to our environment and health.

mahalo,

Diane Ware

99-7815 Kapoha Volcano 96785

HB-433-HD-1

Submitted on: 2/15/2021 10:54:09 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Brandt	Individual	Support	No

Comments:

Support

HB-433-HD-1

Submitted on: 2/15/2021 11:13:32 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara L. George	Individual	Support	No

Comments:

SUPPORT!

HB-433-HD-1

Submitted on: 2/15/2021 11:34:25 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carl J. Berg	Individual	Support	No

Comments:

I support HB433

HB-433-HD-1

Submitted on: 2/15/2021 11:36:01 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tawn Keeney	Individual	Support	No

Comments:

Chair Johanson and members of the House Committee on Consumer Protection and Commerce,

I offer testimony in strong support of HB433. I also offer an important amendment for consideration.

I am author of a 'white paper' entitled 'Reexamination: Air Travel of Visitors to Hawaii as Contributor to Global Warming' which was presented to the Honolulu Climate Change Commission in November and was published in the e-periodical Climate Emergency Digest. At the commission, it was described as a very important paper and was recommended to be presented to the Hawaii State Climate Commission. That paper can be accessed here:

<http://air-travel-CO2.hawaii.red>

Documentation for the following statements is found in that paper.

Tourists to Hawaii are lured by State sponsored advertising (through the Hawaii Tourism Authority) to travel to 'the worlds most distant inhabited archipelago from any continental land mass' for a week of fun and frolic in the sand and surf. In 2019 Hawaii had 10 million visitors with a population of 1.4 million. From HTA's determination of number of visitors from each of 8 regions of origin, the average visitor traveled roundtrip 7,000 miles for this sun and surf. The carbon offset websites calculate the CO2(equivalent) emissions for a given flight itinerary. Using a calculator that most closely approximates the average or 'mid-range' calculations of the 8 most prominent carbon offset sites, the CO2(equivalent) emissions for the average round trip traveler to Hawaii is 1.8 tons CO2(e). With 10 million visitors the emissions from air travel in 2019 was 18 million tons CO2(e). All electricity generation and oil refining in Hawaii in 2019 emitted 8 million tons CO2(e) and all ground transportation emitted 4 million tons CO2(e). The IPCC has determined that in order to keep global warming below 2C beyond preindustrial level, each world citizen has a yearly equitable 'carbon budget' of 2.3 tons CO2(e). As the State sponsors promotion of Hawaii as a tourist destination through the HTA, each of Hawaii's 1.4 million residents have responsibility for this 18 million tons flight emissions, or each citizen appropriates 13 tons of emissions, or the carbon budget of 6 world citizens, by air travel of visitors here.

I have introduced my comments on Bill 433 in this way in order to stress that there is no such thing as 'sustainable tourism' to Hawaii. The number of visitors to Hawaii must be very substantially reduced. Hawaii Tourism Authority has proposed that a reduction in the overall numbers of visitors may be desirable alongside of encouragement of the higher spending visitors. The State does not have legal access to directly placing a 'green fee' on visitation here. The fees that are available to be collected are fees on rented vehicles and visitor accommodations. I propose that it would be desirable to place this fee on vehicle rental at a rate which would be effective in achieving HTA's proposal to discourage the 'budget' traveler into a vacation closer to home. I therefore would propose a fee of \$20 per day. I believe that I have seen figures that the average visitor spends \$1800 on their 'trip to Hawaii'. To add \$200 to this figure may discourage some of the 'low-end' travelers, which should be, in HTA's design at least, desirable. The larger spenders will hardly take notice.

I wish to emphasize that the fee is proposed in HB433 only on gasoline (does diesel need to be specified?) powered vehicles. A high fee on the cost of renting gasoline vehicles will encourage rental of electric vehicles which have no fee and which would be desirable. The daily fee should be set high enough that this substitution of electric vehicles actually takes place. The fee needs to be high enough that the customer will ask for an electric vehicle even though the base rental rate might be higher. In that circumstance the rental company will make a substantial investment in electric vehicles to stay competitive.

However this brings me to the imperative of recommending an amendment to this Bill. Section 171-B should be amended to allow the expenditure of the funds collected to be used for installation of an extensive network of electric vehicle charging stations, such that it would be practical to encourage the rapid transition to an all electric rental car fleet which is potentially an important implication of this bill. In fact, this should be the initial priority for expenditure of the generated funds so as to facilitate this transition. This would be consistent with a proper function of the climate change mitigation special fund. This would have profound implications for all ground transportation in Hawaii. Several times in HB433 reference is made to 'the department'. It is unclear what department this is but administration of this fund should be allowed to the department of transportation as well as 'the department'.

So, this bill could serve the important function of reducing the number of visitors to Hawaii if the fee is placed high enough. But even at the modest level of \$20 per day, funds could be generated sufficient to establish an extensive electric vehicle charging station network throughout each of the islands and as such this bill could have a profound impact on Hawaii's contribution to mitigation of the crisis of Climate Change.

Tawn Keeney MD

HB-433-HD-1

Submitted on: 2/15/2021 11:45:49 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Maki Morinoue	Individual	Support	No

Comments:

Aloha

I support HB433

Visitors not only cause more carbon footprint, but the amount of cars and traffic they create for our day to day living. Every non residential visitor from outside of the State of Hawai'i should help participate in reversing our carbon footprint in the State of Hawai'i.

Local residents visiting other islands should not have to pay these green fees on rental cars to allow islanders to visit their friends and Ohana.

Mahalo

Maki

HB-433-HD-1

Submitted on: 2/15/2021 12:04:37 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Meredith Buck	Individual	Support	No

Comments:

My name is Meredith Buck, I live in Kailua Kona, Hawai'i Island, and I strongly support HB433. There absolutely needs to be a green fee on rental cars, at least for visitors to the island, and this fee should direct support climate resilience efforts.

HB-433-HD-1

Submitted on: 2/15/2021 12:41:10 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Emily Garland	Individual	Support	No

Comments:

Aloha,

Please support HB433.

Mahalo,

Emily

HB-433-HD-1

Submitted on: 2/15/2021 1:44:29 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Setsuko Morinoue	Individual	Support	No

Comments:

I strongly support HB433

Visitors not only cause more carbon footprint, but the amount of cars and traffic they create for our day to day living. Every non residential visitor from outside of the State of Hawai'i should help participate in reversing our carbon footprint in the State of Hawai'i.

Local residents visiting other islands should not have to pay these green fees on rental cars to allow islanders to visit their friends and Ohana.

Mahalo

Setsuko Morinoue

HB-433-HD-1

Submitted on: 2/15/2021 1:44:35 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Deborah Ward	Individual	Support	No

Comments:

This bill could assist Hawaii in reducing our carbon burden that leads to climate change.

HB-433-HD-1

Submitted on: 2/15/2021 1:52:28 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eileen K Nanni	Individual	Support	No

Comments:

Hearing: Tuesday 2/16 @ 2pm

Aloha!

I strongly support HB433

Visitors not only cause more carbon footprint, but the amount of cars and traffic they create for our day to day living. Every non residential visitor from outside of the State of Hawai'i should help participate in reversing our carbon footprint in the State of Hawai'i.

Local residents visiting other islands should not have to pay these green fees on rental cars to allow islanders to visit their friends and Ohana.

Mahalo

Eileen Kiyoko Nanni

HB-433-HD-1

Submitted on: 2/15/2021 1:58:55 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Matthew Geyer	Individual	Support	No

Comments:

Aloha Council,

Please pass as many measures that address climate change as possible!

We need to do as much as we possibly can to reduce the impact of climate change on generations to come.

Matthew Geyer

HB-433-HD-1

Submitted on: 2/15/2021 5:06:21 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicholas A Kida-Rodrigues	Individual	Support	No

Comments:

I support this bill that assesses a climate change mitigation impact fee on every customer who rents, leases or utilizes a rental motor vehicle. Establishes the climate change mitigation special fund. Specifies that the impact fees collected shall be deposited to the credit of the general fund; provided that beginning July 1, 2024, the impact fees shall be deposited to the credit of the climate change mitigation special fund. Effective 7/1/2050. (HD1)

HB-433-HD-1

Submitted on: 2/15/2021 5:54:48 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nedi McKnight	Individual	Support	No

Comments:

Aloha kākou,

I strongly support HB433. It is a brilliant bill! Part of the mismanagement of Hawai'i's tourism has been rental cars. Our roads are clogged with them, secret and scenic places overrun. The rental cars should be limited in numbers and forced to convert their fleet to electric and electric hybrid. Regardless- a fee of \$20 a day should be applied to every rental car in order to fund an extensive electric vehicle charging station throughout each of the islands.

Rental car corporations may say this is too expensive, but with ecologically friendly programs- Hawai'i's tarnished image will be restored. If Gen Z manages to survive the climate catastrophe we have left to them- they will be the people who travel. Those sophisticated and informed young folks are not going to travel to a passe, overcrowded, polluted, environmentally degraded traffic jam. Putting a fee on rental cars on a daily basis to pay for the electrical charging network is the right thing to do. For the residents of Hawai'i, for the climate and for future generations.

Kind regards,

Nedi McKnight

Pa'auilo

HB-433-HD-1

Submitted on: 2/15/2021 9:40:49 PM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Max Castanera	Individual	Support	No

Comments:

Aloha,

I strongly support the passing of HB 433. The high volume of rental car use by tourists leads to increased carbon dioxide emissions, increased traffic for locals, and poor road conditions. Tourists should be responsible for offsetting these costs. Mahalo for your time.

Testimony in **SUPPORT** of:
HB433_HD1 Relating to Climate Change Mitigation

Submitted by:
John N. (Jack) Kittinger, PhD
5578 Kawaikui Street, Honolulu, HI 96821

CCP Hearing
February 16th, 2021

Dear Chair Johanson, Vice Chair Kitagawa, and members,

My name is Dr. Jack Kittinger, and I am testifying in **support of HB433_HD1, Relating to Climate Change Mitigation.**

Thanks to the efforts and vision of the Hawai'i State Legislature, Hawai'i has been a national and global leader in the fight against climate change and the race to protect our natural resources. In 2017, we were the first state in the nation to enact legislation that implements portions of the Paris agreement. In 2018, Hawai'i took strong action to protect our ocean resources and fragile marine ecosystems by banning sunscreens with harmful agents. The state legislature has also championed our Aloha+ sustainability targets.

Hawai'i is a leader in the conservation movement globally, which was put on display at the World Conservation Congress four years ago. We made commitments at that convening to conserve and effectively manage 30% of our lands and waters. We must make good on that promise, which is critical to our culture and to our economy.

Our visitor industry and communities alike depend on a healthy environment. To put it simply, if our natural resources degrade and decline, so does our overall quality of life and the backbone of our tourism-based economy. Visitors rank nature and the ocean as the top two factors that make their trip to Hawaii excellent (Hawaii Tourism Authority, 2017). It is our shared responsibility, among both residents and visitors, to ensure the protection and survival of our greatest asset, so that our natural resources continues to protect and sustain future generations.

Unfortunately, the current funding for our reefs, forests, beaches, and watersheds has not kept pace with the stresses and impacts on our environment, such that Hawai'i is running an estimated 40% deficit on its investment in nature (Conservation International, 2018). Each year that we delay adequately funding these efforts, the interest on that debt to nature grows. At the same time, **the COVID-19 pandemic has revealed the critical need to diversify our economy to withstand future shocks, rebuild a more sustainable tourism sector, and put people back to work in resilient careers.** For this reason, I support visitor green fee legislation, such as **HB433_HD1**, that **creates a solution to close this conservation budget gap, while increasing community resiliency by diversifying our economy and creating green jobs.**

With 75% of polled residents supporting a "visitor green fee" (Ward Research, 2020), this revenue generating mechanism to fund a resilient and green transition forward is a win-win for the community.

I strongly support this bill, and **propose an amendment in the bill to establish public private governance of the special fund** to safeguard the fund towards conservation and climate mitigation efforts. Specifically, I encourage oversight from conservation, climate, and industry experts in the non-profit sectors. Research of over a dozen visitor green fee systems around the world demonstrates that public private partnership governance models have been effective in ensuring the transparency and effectiveness of visitor

green fee programs and their associated revenue uses (Conservation International, 2019).

Now more than ever, Hawai'i faces challenges beyond the environment, such as housing, healthcare, and affordability. As the State addresses many urgent issues, ***we urge legislators to continue to prioritize the environment as it underpins every aspect of life and wellbeing on our islands.***

Mahalo for the opportunity to testify,

John N. (Jack) Kittinger, PhD

A handwritten signature in black ink, appearing to read "Jack Kittinger". The signature is written in a cursive, somewhat stylized font.

HB-433-HD-1

Submitted on: 2/16/2021 9:26:13 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Phaethon Keeney	Individual	Support	No

Comments:

Aloha, please support HB433 HD1

I offer testimony in strong support of HB433. I also suggest Section 171-B should be amended to allow the expenditure of the funds collected to be used for installation of an extensive network of electric vehicle charging stations, such that it would be practical to encourage the rapid transition to an all electric rental car fleet.

Thank you,

Phaethon Keeney, Honokaa Hawaii 96727

HB-433-HD-1

Submitted on: 2/16/2021 9:29:52 AM

Testimony for CPC on 2/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ryan Christopher	Individual	Support	No

Comments:

I support HB433 and encourage its passing. We need to encourage electric cars as rentals. This bill would help that happen.