

STAND. COM. REP. NO. **599**-22

Honolulu, Hawaii

**FEB 18**, 2022

RE: H.B. No. 2090  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2090, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ZERO EMISSION TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to establish a Zero-Emission Vehicle Rebate Program within the Public Utilities Commission to enable low- and moderate-income families greater access to zero-emission vehicles by providing a rebate on the point-of-sale purchase price of qualifying vehicles.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; Hawaii State Energy Office; Public Utilities Commission; Hawaii Climate Change Mitigation and Adaptation Commission; one member of the Hawai'i County Council; Ulupono Initiative; 350Hawaii.org; Climate Protectors Hawai'i; Hawaii Electric Vehicle Association; KauaiEV; Blue Planet Foundation; Hawaiian Electric Company; Alliance for Automotive Innovation; and seven individuals. Your Committee received testimony in opposition to this measure from Hawaii Automobile Dealers' Association and one individual. Your Committee received comments on this measure from Hawai'i Energy.

2022-1615 HB2090 HD2 HSCR HMSO



Your Committee finds that for Hawaii to meet its statutory greenhouse gas sequestration target by 2045, significant reductions in emissions from ground transportation must be made. This includes significant reductions throughout all market segments in the State, including low- to moderate-income households.

Your Committee further finds that neighborhoods with higher percentages of low- to moderate-income households generally have a significantly lower adoption rate of electric vehicles as a percentage of total vehicles in those neighborhoods. The Zero-Emission Vehicle Rebate Program proposed by this measure is intended to provide flexibility for the administrator of the program, including the ability to adjust to the changing needs of low- to moderate-income communities and changes in market conditions.

Your Committee notes and appreciates the Administration's desire for flexibility in the operation of the Zero-Emission Vehicle Rebate Program. However, your Committee is concerned that the lack of specificity in certain provisions of the rebate program may have an unintentional negative impact on the State's motor vehicle dealer industry. Should this measure advance in the legislative process, your Committee believes further deliberations are needed to ensure that the flexibility provided in this measure does not unfairly impact the motor vehicle dealers in the State.

Your Committee has amended this measure by:

- (1) Clarifying that only a new or used light-duty zero-emission vehicle must be purchased from a dealer to be considered a qualifying vehicle, and that neighborhood electric vehicles, zero-emission motorcycles, zero-emission motor scooters, and zero-emission mopeds need not necessarily be purchased from a dealer to be a qualifying vehicle; and
- (2) 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2090, H.D. 1, as amended herein, and



recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2090, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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AARON LING JOHANSON, Chair



