

**Testimony of the Motor Vehicle Industry Licensing Board**

**Before the  
House Committee on Consumer Protection & Commerce  
Thursday, February 11, 2021  
2:00 a.m.  
Via Videoconference**

**On the following measure:  
H.B. 393, H.D. 1, RELATING TO GROUND TRANSPORTATION**

Chair Johanson and Members of the Committee:

My name is Kedin Kleinhans, and I am the Executive Officer of the Motor Vehicle Industry Licensing Board (Board). The Board appreciates the intent of and offers comments on this bill.

The purposes of this bill are to: (1) establish goals for the State to reduce emissions that cause climate change and build energy efficiencies across all sectors, including establishing a clean ground transportation target for light duty vehicles; and (2) prohibit the sale of new motor vehicles that are solely powered by fossil fuels and designed for personal use beginning at an unspecified date by motor vehicle dealers and salespersons, effective July 1, 2050.

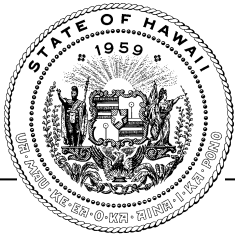
At its February 9, 2021 meeting, the Board discussed this bill and expressed concerns regarding the: (1) possibility of costs passed down to consumers; and (2) difficulty of enforcement and its consequent impact to small businesses in Hawaii. The Board considered the current state of technology and the cost of batteries required to assemble a non-fossil fuel powered vehicle. A motor vehicle manufacturer (manufacturer) and/or a motor vehicle dealer (dealer) may need to sell new motor vehicles at a higher price to make a profit; this increased cost could ultimately be passed onto to consumers. Additionally, while this bill does not prohibit the sale of used motor vehicles solely powered by fossil fuels, the cost and frequency of repairing used motor vehicles that are solely powered by fossil fuels may impact lower-income households that purchase used motor vehicles for cheaper prices and lower insurance rates.

Although this bill prohibits dealers licensed in accordance with Hawaii Revised Statutes chapter 437 to sell new motor vehicles solely powered by fossil fuels, it does

not preclude a Hawaii consumer from purchasing new motor vehicles solely powered by fossil fuels from an out-of-state dealer. Should this trend emerge, Hawaii dealers would be unable to compete with states that allow the sale of new motor vehicles solely powered by fossil fuels.

Recognizing the need for change, manufacturers are currently moving quickly to convert products to non-fossil fuel powered motor vehicles, and some are even pivoting to a 100% electric fleet. Nevertheless, manufacturers may take several years to evaluate their current assets, and then several more years to fully transition their vehicle fleet.

Thank you for the opportunity to testify on this bill.



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of  
**SCOTT J. GLENN, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE**

Thursday, February 11, 2021  
2:00 P.M.

House conference room via videoconference

COMMENTS on  
**HB 393 HD1**  
**RELATING TO GROUND TRANSPORTATION.**

Chair Johanson, Vice Chair Kitagawa, and Members of the Committee, the Hawaii State Energy Office (HSEO) offers comments for HB 393 HD1, which establishes goals for the State to reduce emissions including establishing a clean ground transportation target for light duty vehicles and prohibits the sale of new motor vehicles that are solely powered by fossil fuels and designed for personal use. HB 393 HD1 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.

Emissions from ground transportation account for 47 percent of Hawaii's 8.69 million metric ton of transportation emissions as noted in the 2016 Greenhouse Gas Inventory. Ground transportation accounted for 47 percent of the transportation emissions. For Hawaii to meet its statutory 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.

HB 393 HD1 explicitly incorporates a clean ground transportation goal within 225P acknowledging the significance that decarbonization of ground transportation

plays in achieving statewide policy objectives. It is essential that fossil fuel emissions are minimized to the fullest extent possible during the transition to a net-negative carbon economy. HSEO suggests that the legislation be amended to identify that satisfying the criteria of “solely powered by fossil fuels” is met by Full<sup>1</sup> or Plug in Hybrid Electric Vehicles for vehicles that are not zero emission vehicles. HSEO also seeks clarification on the intent to incorporate vehicles capable of being powered by biofuels.

Finally, HSEO recommends consultation with the Attorney General’s Office to ensure the requirements of the bill comply with the Clean Air Act.

Thank you for the opportunity to testify.

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<sup>1</sup> A Full HEV has the ability to propel the vehicle solely off the electric motor and utilizes a more sophisticated control system to optimize efficiency. Typical fuel efficiency increase is around 40-45% compared to a non-hybrid.



**Hawaiian  
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION & COMMERCE**

**HB 393, HD 1**

**Relating to Ground Transportation**

February 11, 2021

2:00 PM, Agenda Item # 17

State Capitol, Conference Room 329 / VIDEO CONFERENCE

June Chee

Program Manager, Electrification of Transportation  
Hawaiian Electric Company, Inc.

Aloha Chair Johanson, Vice Chair Kitagawa and Committee Members,

My name is June Chee and I am testifying on behalf of Hawaiian Electric Company **supporting the intent of HB393, HD1**, Relating to Ground Transportation. Hawaiian Electric Company supports the intent of this measure as it helps to address the State's climate change goals and accelerate the transition to clean transportation alternatives such as electric vehicles.

In 2019, Hawaiian Electric conducted its Electric Vehicle Critical Backbone Study, which looked at the forecasted need for public and private electric vehicle charging infrastructure in the next 10 years. The backbone study projected a need of seven times more public charging by 2030. This insight helped the Company focus its planning for the coming influx of electric vehicles through electrification of transportation programs such as specific EV rates to encourage daytime charging; our proposed Charge Ready Hawaii pilot to provide make ready infrastructure support to commercial properties and multi-unit dwellings; and a request to expand our public charging network. By the end of February 2021, the Company will own and operate 25 fast chargers with 13 on O'ahu, six on Hawai'i Island, five on Maui, and one on Moloka'i. As the largest provider of electric

vehicle fast charging in the state, Hawaiian Electric Company remains committed to EV strategies that are sustainable and help create a bridge to a cleaner future.

Thank you for this opportunity to testify.



Email: [communications@ulupono.com](mailto:communications@ulupono.com)

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE  
Thursday, February 11, 2021 — 2:00 p.m.

**Ulupono Initiative supports the intent of HB 393 HD 1, Relating to Ground Transportation.**

Dear Chair Johanson and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

**Ulupono supports the intent of HB 393 HD 1**, which establishes goals for the State to reduce emissions that cause climate change and build energy efficiencies across all sectors, including establishing a clean ground transportation target for light-duty vehicles and prohibits the sale of new motor vehicles that are solely powered by fossil fuels and designed for personal use by motor vehicle dealers and salespersons.

Ulupono supports Hawai'i's reduction of fossil fuel use as we strive to meet the State's 100% renewable goal by 2045. This measure seeks to make a large impact on the renewable energy goal by transitioning State and public light-duty vehicles to vehicles powered by renewable energy sources.

Ulupono finds that zero-emission vehicles (ZEVs) are an important avenue to address Hawai'i's pressing climate issues and align with the State's energy and environmental goals. ZEVs currently offer an effective option to advance clean, renewable ground transportation and provide immediate benefits to Hawai'i.

Simply put, zero-emission vehicles are the future, but we need to ensure we future-proof our infrastructure to support them. EV sales grew by more than 40% in 2020, but ZEVs still only represent about one percent of all passenger vehicles in the state. By the State setting clear goals, Hawai'i aligns with similar commitments worldwide.

We strongly support the State setting goals to transition State-owned and public light-duty vehicles. We believe this is an important market signal as the State competes in the global

*Investing in a Sustainable Hawai'i*

vehicle market and further showcases Hawai‘i’s commitment to decarbonize our economy.

Furthermore, we support the intent of prohibiting the sale of new fossil fuel vehicles, which aligns with similar prohibitions and commitments made around the globe.

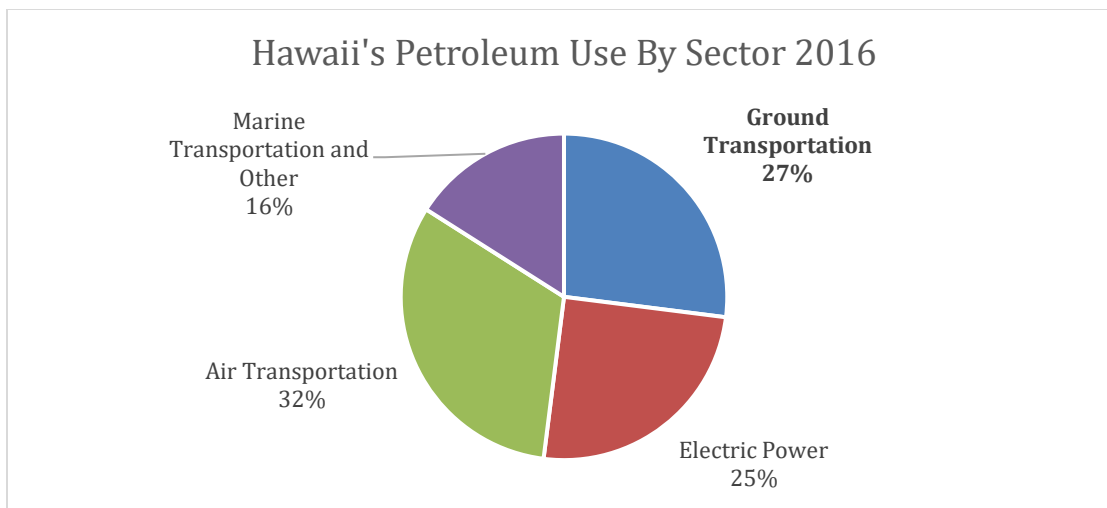
In fact, the Governor of California recently signed an executive order to eliminate the sale of new gas cars and trucks by 2035. California joins a multitude of countries and cities across Europe, as well as China and British Columbia, who have taken similar measures to eliminate the sale of new fossil fuel vehicles with target dates ranging from as soon as 2025 to 2040.

Auto manufacturers are also making similar commitments. Most recently, Nissan committed to having every new vehicle in major markets (including the US) be electrified by the early 2030s. Last week, General Motors (GM) committed to stop making gasoline and diesel cars, vans and SUVs by 2035.

However, we would prefer the State influence the light-duty vehicle market via additional surcharges on fossil fuel vehicles (similar to SB 1309) that increase over time, eventually ensuring that purchasing a new fossil fuel vehicle is cost prohibitive. Funds from this surcharge could then be utilized to support EV charging infrastructure and other needs to further enable this transition, while ensuring that all capture the benefits of zero-emission vehicles.

### **EVs Provide Immediate Energy and Environmental Impact**

Ground transportation alone utilizes more than a quarter of the state’s imported petroleum. Electrifying ground transportation will reduce our demand for imported fossil fuels, keeping millions of dollars in the state and cutting harmful pollution.



*Source: Hawai‘i State Energy Office – Hawai‘i Energy Facts & Figures*





Converting from petroleum-based vehicles to EVs immediately reduces greenhouse gas (GHG) emissions, helping combat climate change and its impacts on our islands. EVs produce zero-emissions at the tailpipe, and even when full lifecycle emissions (from manufacturing through disposal) are considered, EV emissions are approximately 50 percent lower than internal combustion engine (ICE) vehicles.

EVs can also support the integration of more renewables on the electric grid with smart charging technology and rate structures. Thus, proliferating EVs throughout Hawai'i can help accelerate progress towards the State's 100 percent RPS goal, as well as contribute to the State's Paris Agreement commitments and carbon neutral goal.

This bill is an important measure for the State to push for the decarbonization of our economy, while continuing to show the world that Hawai'i is a clean energy leader.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata  
Director of Government Affairs



## HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 11, 2021, 2:00 P.M.

Video Conference

### TESTIMONY IN SUPPORT OF HB 393 HD1, SUGGESTED AMENDMENT

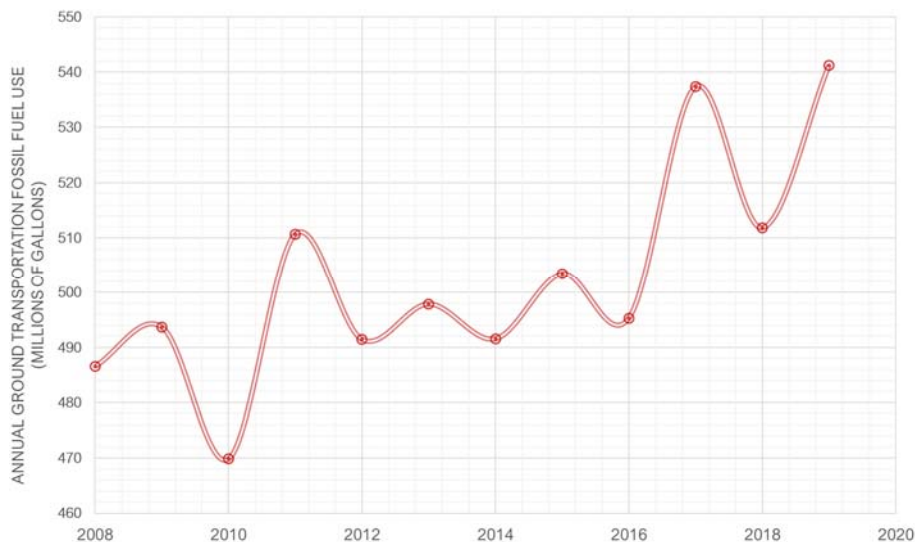
Aloha Chair Johanson, Vice Chair Kitagawa, and members of the Committee:

Blue Planet Foundation **supports HB 393 HD1**, which phases out the sale of new cars powered solely by fossil fuels by an unspecified date and sets a goal for 100% renewable ground transportation by 2045. This measure is a needed and important first step to ensure that Hawai'i is taking meaningful action to reduce greenhouse gas emissions in the ground transportation sector. Blue Planet encourages the Committee to amend the bill to set the same goal as California and require that all new cars and passenger trucks sold in the state be zero-emission vehicles by 2035.

### Existing policies and initiatives have failed to reduce carbon emissions from Hawai'i's cars and trucks

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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.



[info@blueplanetfoundation.org](mailto:info@blueplanetfoundation.org)

55 Merchant Street 17<sup>th</sup> Floor • Honolulu, Hawai'i 96813 • 808-954-6161 • [blueplanetfoundation.org](http://blueplanetfoundation.org)

In 2019, more gasoline was sold in the islands than in 2018.<sup>1</sup> Without deliberate and forward-thinking leadership, we risk accelerating this trend of increased transportation emissions as Hawai'i residents go back to school and the office and as tourists return, especially with lower than usual oil prices. In addition, the quicker we turn our private and public fleets over to electric, the faster we turn the spigot off that leaks billions out of our economy annually to buy gasoline. Mobility should be powered by homegrown power, not imported carbon.

Even today, over one million gasoline-powered vehicles are on the roads in Hawai'i—and from them comes nearly five million metric tons of climate-changing carbon pollution. Although we now have over 13,000 electric vehicles (EVs) on the state's roads, they still only make up a mere 1% of all registered vehicles in the state.<sup>2</sup> Hawai'i drivers are increasingly choosing larger, heavier vehicles, which are often less fuel efficient. According to the Hawaii Auto Dealers Association, pickup trucks and sport utility vehicles—still largely powered solely by fossil fuels—accounted for 69.2% of Hawai'i vehicle sales in 2019, a sharp increase from 48.7 per cent in 2012.<sup>3</sup>

## Clean transportation is part of a brighter, resilient future

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House Bill 393 can help Hawai'i shift this trajectory. In addition to climate benefits, zero-emission vehicles, like EVs, have myriad community benefits including quieter roads, less air pollution, and lower vehicle maintenance costs for residents and fleet operators. EVs will also play an integral role in Hawai'i's clean energy future. While EVs that use the existing electricity grid to charge still use mostly fossil fuel, they use that fuel more effectively than burning fuel directly in a typical gasoline engine. This is why EVs are much less expensive to “fuel” per mile than their gasoline counterparts.

Further, by using stored electrical energy, EVs can take advantage of intermittent solar, wind, and other clean energy resources. Most vehicles sit idle over 22 hours of the day, so they can become *de facto* energy storage devices if their batteries are plugged into the grid when they are not in use. With smart grid infrastructure in place, EVs become an essential component to electricity load and clean energy resource balancing—in addition to providing clean mobility solutions for Hawai'i residents.

## Others have already committed to a zero-emission future

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In September 2020, California made headlines when Governor Gavin Newsom signed an executive order directing the state to require **all new cars and passenger trucks sold in California to be zero-emission vehicles by 2035**, after a summer of devastating wildfires fueled by climate-change-induced extreme weather. California joined the ranks of several countries who have also recognized that fossil fuel-powered ground transportation needs to

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<sup>1</sup> “Monthly Energy Trends,” DBEDT, accessed June 9, 2020, <http://dbedt.hawaii.gov/economic/energy-trends-2>.

<sup>2</sup> Ibid.

<sup>3</sup> Hawaii Dealer, “Hawaii Auto Dealers Association, 2020 Spring Edition, [https://issuu.com/traveler-media/docs/hawaiidealer\\_2020\\_spring\\_edition](https://issuu.com/traveler-media/docs/hawaiidealer_2020_spring_edition).

end. **France** plans to phase out gas-powered car sales by 2040. **Britain announced in November that it will ban the sale of new gasoline and diesel cars by 2030**, a decade earlier than its previous commitment of 2040. **India, Netherlands, Israel, and Denmark** have set a similar goal for 2030. And **Norway** plans to have all new cars, buses, and light commercial vehicles be zero emission vehicles by 2025.

Auto manufacturers are similarly making bold commitments to phase out fossil-fuel-powered vehicles. **General Motors—one of the world’s largest automakers**—announced in January 2021 that it would phase out petroleum-powered cars and trucks and **sell only vehicles that have zero tailpipe emissions by 2035**. As a mere sampling of other examples, Ford is launching all-electric versions of its popular Mustang (launching 2021) and F-150 (expected in 2022), and Volkswagen is targeting electric options for all of its vehicle models by 2030.

## **Conclusion and Suggested Amendment**

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Through HB 393, Hawai‘i can take decisive action to rise to the challenge of climate change. Fossil fuel-powered internal combustion engines are simply incompatible with a stable climate. Not only can this bill draw a line in the sand on continuing to rely on imported fossil fuel to power our passenger vehicles, it can spur markets; encourage auto-dealers to bring diverse zero-emission models to Hawai‘i; and spark innovation, collaboration, and alignment in ongoing and future planning efforts for Hawai‘i’s transportation and clean energy network as a whole.

### **Suggested Amendment:**

Blue Planet suggests that the measure be amended to set the same goal as California: Require that all new cars and passenger trucks sold in the state be zero-emission by at least 2035. The quickening impacts of climate change demand that we transition more swiftly and urgently away from fossil fuels. If the Committee is inclined to adopt a more phased approach, Blue Planet suggests that HB 393 HD1 be amended to add back in its original 2030 target for hybrid vehicles, but set a 2035 target to prohibit the sale of new motor vehicles that are not zero-emission vehicles. Beyond new car sales, Blue Planet supports setting a statewide target for transitioning to a fully renewable ground transportation system by 2045.

Thank you for the opportunity to provide testimony.



## HB 393, HD1, RELATING TO GROUND TRANSPORTATION

FEBRUARY 11, 2021 · HOUSE CONSUMER  
PROTECTION AND COMMERCE COMMITTEE ·  
CHAIR REP. AARON LING JOHANSON

**POSITION:** Support.

**RATIONALE:** Imua Alliance supports HB 393, HD1, relating to ground transportation, which establishes goals for the state to reduce emissions that cause climate change and build energy efficiencies across all sectors, including establishing a clean ground transportation target for light duty vehicles; and prohibits the sale of new motor vehicles that are solely powered by fossil fuels and designed for personal use by motor vehicle dealers and salespersons.

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 reducing combustion-engine powered vehicles on our state's streets. **Norway will end the sale of new cars that use fossil fuels in 2025. The Netherlands will enact a similar plan, but by 2030. France and the UK have called for total internal-combustion vehicle bans by 2040.** Hawai'i should do the same, since these nations prove that we can transition our transportation sector to EV technology without damaging our economy. 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](mailto:kris@imuaalliance.org)**

**HB-393-HD-1**

Submitted on: 2/9/2021 11:38:44 PM

Testimony for CPC on 2/11/2021 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jason Shon	Individual	Support	No

Comments:

I support this effort to reduce fossil fuel emissions.



To: The House Committee on Consumer Protection & Commerce Committee  
From: Sherry Pollack, 350Hawaii.org  
Date: Thursday, February 11, 2021, 2pm

### **Support for HB393**

Aloha Chair Johanson, Vice Chair Kitigawa, and Consumer Protection & Commerce Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. On behalf of our 6,000 members and supporters, 350Hawaii.org supports this measure, but with the original language in HB393.

Ending the sale of new motor vehicles solely powered by fossil fuels by 2030 is essential. It is this type and scale of actions that are needed if we are to follow what scientists are urging, a rapid and significant reduction in our greenhouse gas emissions to avert climate breakdown.

In Hawaii, the transportation sector uses nearly two-thirds of the imported petroleum consumed and discharges over half of the state's greenhouse gas emissions, making electric transportation increasingly important to achieve a clean energy future. Electric vehicles reduce fossil fuel use and emissions and will help support the state's goal to achieve 100 percent clean energy.

In order to reach Hawaii's sustainable transportation and climate goals, we have to electrify ground transportation on our islands as soon as possible. Moreover, in addition to significant greenhouse gas reductions achieved, EVs offer consumers a vehicle that is more efficient than conventional gasoline options and costs less to operate. Bottomline, zero-emission vehicles are better for the environment and the economy. They are the future for Hawaii, a future we need to begin now.

**Fossil fuel use needs to be phased out by 2030.** We respectfully request the committee restore HB393 to the original language. Scientists have made clear that we must swiftly phase out fossil fuel use or face untold suffering. We no longer have the luxury to wait to take the necessary actions to drastically reduce our greenhouse gas emissions. Addressing the climate crisis now requires strong and decisive leadership before it is too late.

Mahalo for the opportunity to testify.

Sherry Pollack  
Co-Founder, 350Hawaii.org





John Uekawa, President  
Dave Rolf, Executive Director



## HADA Testimony with COMMENTS on HB393 HD1

### RELATING TO GROUND TRANSPORTATION

Presented to the House Committee on Consumer Protection and Commerce at the  
Public Hearing 2 p. m. Thursday, February 11, 2021 in Room 329

VIA VIDEO CONFERENCE

Hawaii State Capitol

by David H. Rolf for the members of the Hawaii Automobile Dealers Association

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

A single-state ban on certain vehicle sales causes customers to purchase those vehicles from other states, and then simply ship them in.

The result of such a ban would be damage to local businesses, loss of local jobs, and a further decline in the Hawaii economy.

A preferred approach is a transitional one.

Hawaii has been instrumental on the national scene in helping longtime American-based manufacturers --those that compose what was once referred to as the “Arsenal of Democracy” -- transition to electric vehicles.

Right now, the massive electric grid infrastructure, electric power production that will be needed from renewable sources, and the charging network needed for a widespread transition to renewable-fuel-powered vehicles poses financial challenges for all.

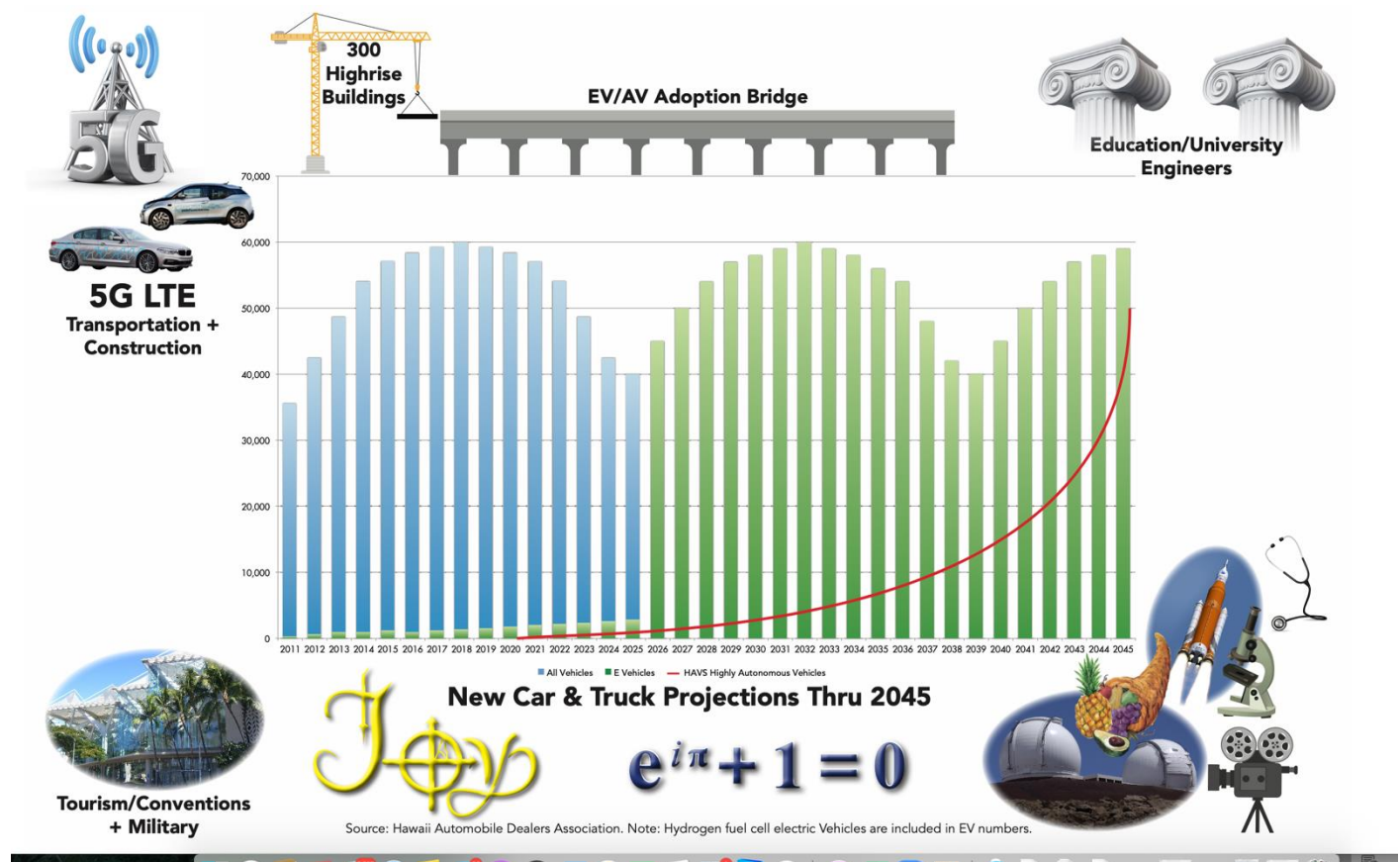
Hybrid vehicles will be key to the transition; it was good to see that sales of gas-electric vehicles were not included in the proposed ban.

Our dealers look forward to working will all in drafting the roadmap that is needed for all to see how the distance to the goal can be covered in the shortest amount of time.

The goal for seeing all light-duty vehicles in the state operating on clean energy by 2045, however, would require a customer EV purchase jump of 20-fold (20x) in just four years.

The Hawaii new vehicle purchase rate over the past forty years has averaged 50,000 new vehicles per year—a rate that sees the replacement of the 1 million private vehicles in Hawaii over a 20-year period—which the approximate life of a motor vehicle.

A graphic illustrating the magnitude of the jump required by 2025 is shown below.



From 2010 to 2020--for the last 10 years—the vehicle uptake has closely followed the HADA predictions. Auto industry researchers predict that EV sales nationwide will be 9.5% of sales in 2025 and 19% in 2030. Uncertainty around the EV adoption rate is due to a confluence of confounding factors:

- some automakers are losing Federal EV credits
- customers are concerned about rapid depreciation and battery replacement
- the wide access to inexpensive gasoline
- an EV price difference still remains on many vehicles
- and many more factors relating to range, HOV lane use, and more.

What is needed is a Roadmap to EV adoption. Customers purchase vehicles to meet individual, family and business needs. HADA dealers have spent millions and millions of dollars in EV investments. We look forward to working together with all in the transition to clean energy in Hawaii.

Respectfully submitted,  
David H. Rolf for the Hawaii Automobile Dealers Association

**68 new car dealerships, 4,383 direct jobs, \$5.8 billion total sales, \$269 Gross Excise Taxes paid**





**MOTORCYCLE  
INDUSTRY  
COUNCIL®**

February 10, 2021

The Honorable Aaron Johanson  
Chairman, House Consumer Protection and Commerce Committee  
415 South Beretania St.  
Hawaii State Capitol, Room 436  
Honolulu, HI 96813

**RE: EXCLUDE MOTORCYCLES FROM HB 393**

Dear Chairman Johanson:

The Motorcycle Industry Council (MIC) is a not-for-profit, national trade association representing hundreds of manufacturers, distributors, dealers and retailers of motorcycles, scooters, motorcycle parts, accessories and related goods, and allied trades.

MIC opposes HB 393, which would prohibit new motor vehicle dealers from selling or offering for sale a new motor vehicle that is solely powered by fossil fuels.

Motorcycle manufacturers are committed to environmental responsibility and to reducing motorcycle emissions. Many are making significant financial and research investments in new vehicle technologies, including electric options. However, compared to the automobile industry, the motorcycle industry does not have anywhere near the same resources that the automobile industry has to meet such an aggressive goal.

Excluding motorcycles from HB 393 would have little effect on air pollution in Hawaii. According to Federal Highway Administration statistics, the number of motorcycles registered in Hawaii in 2017 was approximately 7 percent of the number of automobiles. Nationally, the average miles traveled per light-duty vehicle in 2017 was 11,467 whereas the average motorcycle mileage in 2017 was 2,312. That number may be even smaller for your island state. Overall, the percentage contribution of motorcycles to vehicle miles traveled in the state is negligible.

Motorcycles benefit transportation by reducing congestion on our roads, improving traffic flow, and reducing congestion in parking lots. Motorcycles also result in far less wear-and-tear on highway infrastructure when compared to other motor vehicles. It is for these reasons we believe motorcycles should be an encouraged form of transportation and not forced to comply with this unattainable goal.

We urge that HB 393 be amended to clarify that motorcycles are not included in the provisions of the bills.

Thank you very much for your consideration of these comments. Should you have any questions, please contact me at 703-416-0444 ext. 3202.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott P. Schloegel".

Scott P. Schloegel  
Senior Vice President, Government Relations

cc: House Consumer Protection and Commerce Committee Members



**SanHi**

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 10, 2021

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

FROM: Tiffany Yajima / Curt Augustine

RE: **H.B. 393 H.D.1, Relating to Ground Transportation**  
**Hearing Date: Thursday, February 11, 2021 at 2:00 p.m.**  
**Conference Room: 329**

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

On behalf of the Alliance for Automotive Innovation (“Auto Innovators”) we submit this testimony in **opposition** to H.B. 393, H.D.1, Relating to Ground Transportation. This measure would prohibit the sale of new motor vehicles solely powered by fossil fuels beginning on a to-be-determined date. This measure also would establish a statutory timeline for the ultimate elimination of all gasoline-powered passenger vehicles in the state, requiring instead that every vehicle driven in the state be 100% fossil fuel-free by the end of 2045.

The Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. Members include motor vehicle manufacturers, original equipment suppliers, technology, and other automotive-related companies and trade associations.

Automakers are committed to electric vehicles and have a vested interest in the success of the zero-emission vehicle (ZEV) market. In fact, Auto Innovator members are projected to spend a quarter trillion dollars by 2023 to develop, produce, and market electric vehicles. Today, there are 40 ZEV (Battery Electric Vehicle (BEV), Plug-in Hybrid Electric Vehicle (PHEV), and Hydrogen Fuel Cell Electric Vehicle (FCEV)) models offered for sale in the U.S., and that number will only grow in the future. Based on publicly available product planning announcements, the number of available models is projected to exceed 100 by 2025.

While we share the goal of increasing Hawaii’s ZEV market, automakers are opposed to vehicle mandates and bans because we have learned that these mandates do not build markets or attract consumers. Rather, achieving the state’s shared goals for the transportation sector requires aggressive action to develop the state’s electric vehicle market.

Those actions include, for example, increasing electric and hydrogen fueling infrastructure, updating building codes for electric vehicle charging in new residential and commercial properties, retrofitting buildings for EV charging, and supporting public fleet requirements to allow our state government to lead by example. Auto Innovators have also supported consumer purchase incentives for electric vehicles, including tax credits and rebates, and fuel cost reductions for electricity and hydrogen production. Raising consumer awareness of electric vehicle options and charging infrastructure are also key components of a more robust consumer market for these vehicles.

Furthermore, the Alliance for Automotive Innovation is concerned that this measure establishes a target date of 2045 for the ultimate elimination of all gasoline-powered vehicles driven in the state of Hawaii.

Many countries and states including Hawaii are contemplating bans on the sales of new internal combustion engine (ICE) vehicles at various dates in the future. However, no serious proposal has ever considered a complete ban on previously purchased ICE-powered vehicles. Even California with its new Zero Emission Vehicles-only sales goal date of 2035 does not consider a total prohibition of fossil fuel vehicles. In fact, under California's new plan, a third of all vehicles on the road will use either gasoline-only or a combination of gasoline and electricity in 2045. Additionally, California's plan allows the sale of new Plug-in Hybrid (PHEV) vehicles which use both gasoline and electricity after its 2035 ban date.

Realistically, gasoline-powered vehicles will still be part of Hawaii's vehicle mix for years to come unless the state is prepared to take all used vehicles off Hawaii's roads and require consumers and businesses to purchase zero-emission vehicles. Given that the average life of a vehicle is 12 years but can be much longer, the state at a minimum would have to require that all vehicles sold in the state be gasoline free by 2030 to meet the ZEV-only requirement of this bill by 2045.

Establishing such an unrealistic goal for Hawaii and tasking state agencies to develop strategies to meet this goal would have serious implications. This could have the unintended consequence of disrupting all segments of business that rely on light-duty vehicles as well as burdening low-income working people and families who cannot afford the higher prices of new or used electric vehicles.

Based on the reasons above we respectfully request that this measure be held.

Thank you for the opportunity to submit this testimony.