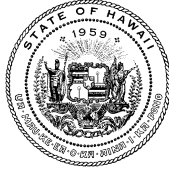


DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
CURT T. OTAGURO, STATE COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEE ON WAYS AND MEANS

WEDNESDAY, FEBRUARY 24, 2021, 10:00 A.M.
CONFERENCE ROOM 211 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 798, SD1

RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.

Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee, thank you for the opportunity to testify on S.B. 798, SD1.

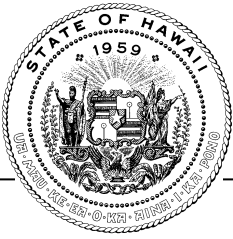
The Department of Accounting and General Services (DAGS) provides comments on S.B. 798, SD1 which proposes that:

1. Beginning January 1, 2022, all new vehicles purchased for the state motor pools shall not be powered by internal combustion engines; and
2. The Comptroller may authorize an exemption for new motor pool vehicle purchases determined cost-prohibitive or unsuitable for the vehicles planned purposes.

The DAGS motor pool program has about 435 vehicles available for use by various State Departments such as the Department of Health, Human Services and Judiciary. Also note that the DAGS motor pool is a revolving fund which operates without State general fund subsidy. DAGS must sustain revenue to keep the program solvent. The State of Hawaii as a whole has about 5,000

vehicles through various State agencies. These agencies own and manage their own expenses to support their respective fleet.

Thank you for the opportunity to testify on this matter.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-3807
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Web: energy.hawaii.gov

Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, February 24, 2021
10:00 A.M.
Senate conference room via videoconference

COMMENTS on
SB 798 S.D. 1
RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, the Hawaii State Energy Office (HSEO) offers comments for SB 798 S.D.1, which requires the Department of Accounting and General Services to purchase only zero-emission vehicles for its motor pool fleet beginning on 1/1/22 and, in coordination with other state agencies, to submit a plan to convert the State's motor pool fleet to zero emissions vehicles (ZEVs) to the Legislature no later than twenty days prior to the convening of the regular session of 2022. (SD1).

As noted in the 2016 Greenhouse Gas Inventory, ground transportation emissions account for roughly one quarter of all energy sector 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.

Accelerating the deployment of electric vehicles is an area of focus of the Hawaii Clean Energy Initiative Transportation Energy Analysis, prepared for HSEO by the International Council on Clean Transportation. In order to achieve the decarbonization goals set forth in statute it is essential that the conversion of the State's motor pools to zero emission vehicles (ZEVs) begin as soon as practicable. By starting to transition

DAGs motor pool fleet in January 2022 provides time to align with their fleets otherwise applicable replacement cycle mitigating potential cost pressure. Continuing to purchase new ICEs for DAGs motor pool fleet would put unnecessary barriers to achieving a 100% ZEV fleet as many vehicles are currently held for ten to fifteen years.

Light duty passenger ZEVs are readily available in the market today with vehicle ranges exceeding 200 miles making them suitable for most applications from a range perspective. Including the authority for the comptroller to authorize an exemption for new motor pool vehicle purchases determined to be cost—prohibitive or unsuitable for the vehicle's planned purpose allows the pace of transition to ZEVs to match the available market offerings. HSEO does seek clarification on the intent to incorporate vehicles capable of being powered by biofuels which utilize an internal combustion engine.

HSEO is ready to coordinate with DAGs to support their submittal of a plan to convert the State's motor pool fleet to zero emissions vehicles to the legislature no later than twenty days prior to the convening of the regular session of 2022.

Thank you for the opportunity to testify.



LATE

STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/24/2021
Time: 10:00 AM
Location: CR 211 & Videoconference
Committee: Senate Ways and Means

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: SB 0798, SD1 RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.

Purpose of Bill: Requires the Department of Accounting and General Services to purchase only zero-emission vehicles for its motor pool fleet beginning on 1/1/22. Requires the Department of Accounting and General Services, in coordination with other state agencies, to submit a plan to convert the State's motor pool fleet to zero emissions vehicles to the Legislature no later than twenty days prior to the convening of the regular session of 2022. (SD1)

Department's Position:

The Hawaii State Department of Education (Department) would like to provide comments for SB 0798, SD1.

While the Department supports the state's efforts to reducing carbon emissions, conversion to zero-emission vehicles will implicate significant upgrades to Department infrastructure at schools, offices, and baseyards. Additions to electrical systems at all Department facilities to ensure adequate electrical capacity will require the installation of new circuits, conduits and charging stations. These changes are necessary before the Department can convert to zero-emission vehicles and will require significant financing.

Additionally, the majority of the tasks performed by the Department's School Facilities Maintenance Branch requires the use of trucks. Electric trucks are not widely available at this time and the limited options that currently exist do not render conversion to electric trucks economically viable.

Thank you for the opportunity to testify on this measure.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Wednesday, February 24, 2021 — 10:00 a.m.

Ulupono Initiative supports SB 798 SD 1, Relating to the Department of Accounting and General Services.

Dear Chair Dela Cruz 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 SB 798 SD 1, which requires the Department of Accounting and General Services to purchase only zero-emission vehicles for its motor pool fleet beginning on 1/1/22. This bill also requires the Department of Accounting and General Services, in coordination with other state agencies, to submit a plan to convert the State's motor pool fleet to zero emissions vehicles to the Legislature no later than twenty days prior to the convening of the regular session of 2022.

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 the State's fleet to zero-emission vehicles. In our view, zero-emission vehicle costs continue to decrease while vehicle options continue to increase, making such a transition to zero-emission vehicles very feasible in the near-term.

Given the recent contract signed by the Hawaii Department of Transportation (HDOT) for electric vehicles and charging infrastructure services, we hope all Departments can start transitioning to zero-emission vehicles this year, and not have to wait for a full plan to be in place. We applaud HDOT's leadership here and expect others to begin utilizing zero-emission vehicles this year as well, especially if such options are more cost effective at this point in time.

Hawai'i Should Be Doing More

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

Investing in a Sustainable Hawai'i

provide immediate benefits to Hawai'i. Though EVs currently only represent about one percent of all passenger vehicles in the state, EV sales grew by more than 40% in 2020. Simply put, zero-emission vehicles are the future and policies like this align with similar commitments around the globe.

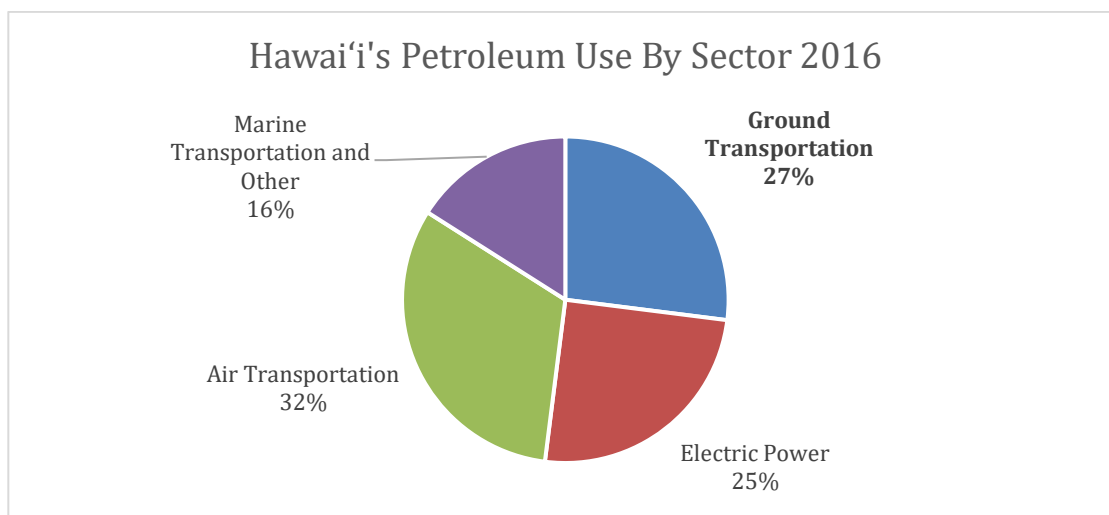
In fact, the Governor of California recently signed an executive order to eliminate the sale of new gas cars and trucks by 2035. California joins a multitude of countries and cities across Europe, as well as China and British Columbia, who have taken similar measures to eliminate the sale of new fossil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

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

The future of transportation does not depend on fossil fuels and the State of Hawai'i should continue to lead by example and further show the world that Hawai'i is serious about the sustainability and resiliency of our community by encouraging EVs as this bill proposes.

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 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



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS	DIRECTORS		MAILING ADDRESS	
John Bickel, President	Melodie Aduja	John Miller	Bill South	P.O. Box 23404
Alan Burdick, Vice President	Juliet Begley	Jenny Nomura	Zahava Zaidoff	Honolulu
Dave Nagajji, Treasurer	Stephanie Fitzpatrick	Stephen O'Harrow		Hawaii 96823
Doug Pyle, Secretary	Jan Lubin	Lyn Pyle		

February 22, 2021

TO: Chair Dela Cruz and members of WAM Committee

RE: SB 798 SD1 Relating to the Departmente of Accounting & General Services

Support for hearing on Feb. 24

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We support SB 798 SD1 as it would require the State to purchase only zero-emission vehicles for its motor pool fleet beginning on 1/1/22.

Carbon-emissions are causing climate change. We are pleased President Biden has restored the United States into the Paris Agreement within the U.N. Framework Convention on Climate Change. Yet Hawaii must do its part. This bill is a part of us doing our part.

Thank you for your favorable consideration.

Sincerely,
John Bickel, President



SB-798-SD-1

Submitted on: 2/22/2021 8:15:07 PM

Testimony for WAM on 2/24/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert B Huber	Testifying for Environmental Causus of Democratic Party of Hawaii	Support	No

Comments:

Aloha All ! This really is a no brainer , I'm in full support of this bill . If Nevada is saving millions why shouldn't we . Require all purchases from the Dept. of Accounting and General Services to only purchase EV sholud have happened years ago .



To: The Senate Committee on Ways and Means
From: Sherry Pollack, 350Hawaii.org
Date: Wednesday, February 24, 2021, 10am

Comments for SB798 SD1

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means,

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 offers the following comments on this bill.

SB798 SD1 is a small step forward but is woefully insufficient given the climate emergency we face. Scientists have made clear that we must swiftly phase out fossil fuel use or face untold suffering. We no longer have the luxury to take baby steps (like SB798 SD1) towards reducing our greenhouse gas emissions.

We are in strong support of the original language in SB798 that required all new vehicles purchased for the State's motor pools not be powered by internal combustion engines. In Hawaii, ground transportation consumes a large portion of the imported petroleum and discharges a large share 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.

Incorporating zero-emission vehicles into the State's motor pool would significantly reduce carbon emissions, increase the number of zero-emission vehicles entering the secondary market, making them more affordable to more Hawaii residents. 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. The State's motor pool fleet is a logical place to accelerate progress on EV adoption statewide.

Please restore the original language in this bill. Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org



**Hawaiian
Electric**

TESTIMONY BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

SB 798, SD1

Relating to the Department of Accounting and General Services

February 24, 2021

10:00 AM, Agenda Item # 5

State Capitol, Conference Room 211 / VIDEO CONFERENCE

June Chee

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

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members,

My name is June Chee and I am testifying on behalf of Hawaiian Electric Company in **support of SB798 SD1**, relating to the Department of Accounting and General Services. Hawaiian Electric Company supports this measure as it strengthens Hawaii's commitment to decarbonizing the ground transportation sector by converting the State's motor pool fleet to zero emissions vehicles.

SB798, SD1 encourages the State's leadership in transitioning vehicle fleets away from fossil fuels by requiring the Hawaii State Department of Accounting and General Services motor pool program to no longer purchase internal combustion engine vehicles beginning January 1, 2022. If passed, this bill will send a strong signal to vehicle manufacturers and local auto dealers to increase the inventory of electric vehicles in Hawaii and would create positive momentum in developing much needed charging infrastructure throughout the State.

Facilitating the electrification of transportation is one of Hawaiian Electric's top priorities established in our *Electrification of Transportation Strategic Roadmap*. The Company has focused its planning for the coming influx of electric vehicles through

electrification of transportation programs such as EV-specific rates to encourage daytime charging; our proposed Charge Ready Hawai'i pilot to provide make ready infrastructure support to commercial properties, workplaces, and multi-unit dwellings; and a request to expand our public charging network. These programs will provide additional support to State agencies as they transition to electric vehicle fleets and deploy charging infrastructure at state facilities. The Charge Ready Hawai'i pilot implementation is planned for 2022 and covers costs associated with service drop, meter, panel, and circuit dedicated to EV charging; significantly reducing infrastructure costs for participants. The Department of Accounting and General Services motor pool fleet would be eligible to participate in the pilot as they are a workplace fleet.

Hawaiian Electric supports the proliferation of zero-emission vehicles and recognizes the importance and positive impact this bill can play. As the largest provider of EV 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.

LATE

SB-798-SD-1

Submitted on: 2/23/2021 12:05:00 PM
Testimony for WAM on 2/24/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Climate Protectors Hawaii (by Ted Bohlen)	Testifying for Climate Protectors Hawaii	Support	No

Comments:

The Honorable Donovan Dela Cruz, Chair, The Honorable Gilbert Keith-Agaran, Vice Chair, and members of the Senate Committee on Ways and Means

From: Climate Protectors Hawaii (by Ted Bohlen)

Re: SB798 SD1 RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Decision making hearing: Wednesday February 24, 2020, 10:00 am, CR 211 and videoconference

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means!

THE CLIMATE PROTECTORS HAWAII **STRONGLY SUPPORTS** SB798 SD1. This bill would require DAGS to purchase only zero-emission vehicles for its motor pool fleet beginning January 1, 2022.

In Hawaii, the ground transportation sector consumes a large portion of the imported petroleum and discharges a large share of greenhouse gases. Electric transportation is increasingly important to achieving a clean energy future. Electric vehicles reduce fossil fuel use and emissions, and will be needed to reach the state's 100% clean energy goal. Incorporating zero-emission vehicles into the State's motor pool would significantly reduce carbon emissions, increase the number of zero-emission vehicles entering the secondary market, making them more affordable to more Hawaii residents, and demonstrate to all who visit the State that Hawaii is a leader in clean energy and sustainable transportation. Zero-emission vehicles are simply better for the environment and the economy. They are the future for Hawaii, a future we need to begin now. The DAGS motor pool fleet is a logical place to accelerate progress on EV adoption statewide.

Please pass this bill! Mahalo for the opportunity to testify in STRONG SUPPORT of SB798 SD1!

Climate Protectors Hawaii (by Ted Bohlen)

Hawaii Electric Vehicle Association

PO BOX 6310

Hilo, HI 96720

hawaiidriveelectric@gmail.com



LATE

February 24, 2021

Dear Chair Donovan M. Dela Cruz, Vice-Chair Gilbert S.C. Keith-Agaran, and Committee on Ways and Means members,

Hawaii Electric Vehicle Association is in **SUPPORT** of **SB798 SD1**.

To achieve Hawaii's sustainability and climate action goals, we must electrify our ground transportation ASAP. Automakers are heeding the demand for zero-emission vehicles and anticipating more bans on the sales of new gas-powered vehicles. They are expanding their electric vehicle offerings or have announced plans to do so. Importantly, major auto manufacturers have announced plans to deprecate their fossil-fuel-powered vehicles by the 2030s. There are many other reasons to consider prompt electrification of our transportation, e.g.,

- EVs reduce air pollution, a leading cause of health issues and mortality across the globe. (academic.oup.com/circvasres/article/116/2/279/5579822; lung.org/clean-air/outdoors/who-is-at-risk/highways)
- EVs reduce our greenhouse gas emission footprint and they get better at it as our grid is decarbonized, something Hawaii is making good progress at (greentechmedia.com/articles/read/hawaii-is-ahead-of-schedule-for-renewable-power-adoption).
- EVs cost less to maintain. (consumerreports.org/car-repair-maintenance/pay-less-for-vehicle-maintenance-with-an-ev/)
- EVs are very efficient - up to 90% of the stored energy makes it to the wheels whereas it is around 25% for conventional vehicles (fueleconomy.gov/feg/atv-ev.shtml).

Our state motor pool managers should be able to find electric vehicle replacements for many of the gas-powered vehicles in the fleet. Given the increasing availability of electric vehicles and the various benefits that they offer operators and the public, making this shift is not only feasible, but it is also responsible. The state can lead our effort to decarbonize and can set the example for other fleet owners.

Please support **SB798 SD1** and vote to electrify the State of Hawaii's motor pool fleet.

Thank you for this opportunity to offer testimony.

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