STAND. COM. REP. NO. 2332

Honolulu, Hawaii

FEB 1 4 2018

RE: S.B. No. 2955

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Transportation and Energy, to which was referred S.B. No. 2955 entitled:

"A BILL FOR AN ACT RELATING TO ZERO-EMISSION VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to require rental motor vehicle lessors operating in Hawaii to incorporate zero-emission vehicles into the lessors' fleets.

Your Committee received testimony in support of this measure from Blue Planet Foundation; 350Hawaii.org; We are One, Inc.; Tell Tale Eye; and eighteen individuals. Your Committee received testimony in opposition to this measure from Enterprise Holdings.

Your Committee finds that the State is committed to its goal of clean energy and transportation. Your Committee concludes that this is only possible if the rental motor vehicle industry, which is responsible for a significant amount of carbon emissions in this State, is working toward that goal as well. Your Committee also finds that requiring motor vehicle lessors to include more zero-emission vehicles in their fleet will increase the number of zero-emission vehicles owned by residents, as lessors sell their vehicles after twelve to eighteen months.

However, your Committee believes that the schedule for when lessors must incorporate zero-emission vehicles as a certain percentage of their fleet is overly ambitious.

In addition, during the hearing, your Committee heard testimony that it is unclear whether Hawaii has the infrastructure in place to accommodate such a large increase in zero-emission vehicles. Specifically, if eighty-five percent of rental vehicle customers are tourist, there is a question about whether the airport, hotels, and other tourist destinations will have enough charging stations to handle the influx of these vehicles on the road.

Your Committee is concerned that without proper infrastructure, people who rent zero-emission vehicles will be severely limited in their ability to drive. As this measure moves through the legislative process, your Committee requests that your Committee on Commerce, Consumer Protection, and Health examine the issue of whether the State has the necessary infrastructure for the influx zero-efficiency vehicles required by this measure and to consider further extending the required dates should more time be required to establish the necessary infrastructure.

Accordingly, your Committee has amended this measure by extending the dates for when lessors must incorporate the benchmarks of zero-emission vehicles by five years each.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2955, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2955, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Respectfully submitted on behalf of the members of the Committee on Transportation and Energy,

LORRAINE R. INOUYE, Chair.

2018-1400 SSCR SMA.doc

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Transportation and Energy TRE

Bill / Resolution No.:*	Committee Referral:			Date:	
582955	TIPE, CPH			2/9/2018	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
INOUYE, Lorraine R. (C)		K			
ESPERO, Will (VC)					
ENGLISH, J. Kalani		X			
HARIMOTO, Breene		X			
SHIMABUKURO, Maile S.L.		X			
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TOTAL		5			
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes