Honolulu, Hawaii

FEB 1 5 2019

RE: S.B. No. 664

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Government Operations, to which was referred S.B. No. 664 entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTING FOR PUBLIC FACILITIES,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow state and county agencies to enter into performance contracts to undertake or implement energy conservation or alternate energy measures for vehicles;
- (2) Amend the definition of "energy performance contract" to include vehicles; and
- (3) Define "vehicle".

Your Committees received testimony in support of this measure from the Department of Transportation; Department of Research and Development, Hawaii County; Ulupono Initiative; and three individuals. Your Committees received comments on this measure from the Department of Budget and Finance and League of Women Voters of Hawaii.

Your Committees find that electric and fuel-efficient vehicles require an upfront investment but will prove to be long-term cost savings. This measure allows state and county agencies to enter into energy-performance contracts for electric vehicles, which will allow for the increased use of more efficient, cleaner forms of ground transportation in state and county fleets, ultimately reducing Hawaii's dependence on imported fossil fuels.

Your Committees have amended this measure by:

- (1) Adding a "vehicle fleet" definition;
- (2) Authorizing state and county agencies to enter into performance contracts to undertake or implement energy conservation or alternative energy measures for vehicle fleets, in addition to a single vehicle, and making conforming amendments; and
- (3) Amending the definition of "energy performance contract" to:
 - (A) List vehicle fueling or charging infrastructure as types of energy services and equipment that may be provided under an energy performance contract; and
 - (B) Include avoided operations and avoided fuel as additional types of savings realized by an agency for which a portion of payments may be made to a private sector person under an energy performance contract.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 664, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 664, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy, Economic Development, and Tourism and Government Operations,

GLENN WAKA

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Energy, Economic Development, and Tourism EET

	Committee F		Dat	e: ,)					
SB 664 1	1337/GVD, WALL 2/12/19								
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 (WR)	Nay	Excused				
WAKAI, Glenn (C)									
TANIGUCHI, Brian T. (VC)				1					
INOUYE, Lorraine R.									
KEOHOKALOLE, Jarrett					_				
FEVELLA, Kurt	_								
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				<u></u>					
TOTAL		3			2				
Recommendation:					1				
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

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:* SB 664	Committee Referral: EET/GVO, WAM			Date: 2/12/2019					
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 (W	'R)	Nay	Excused			
THIELEN, Laura H. (C)		✓							
INOUYE, Lorraine R. (VC)		V							
BAKER, Rosalyn H.						√			
KANUHA, Dru Mamo									
FEVELLA, Kurt						✓			
									
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TOTAL	/	3				2			
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