STAND. COM. REP. NO.

1022

Honolulu, Hawaii

MAR 0 1 2019

RE: S.B. No. 739 S.D. 1

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

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 739 entitled:

"A BILL FOR AN ACT RELATING TO PARKING,"

begs leave to report as follows:

The purpose and intent of this measure is to require employers of fifty persons or more who provide a parking subsidy to employees to offer a parking cash-out program.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ulupono Initiative, and three individuals. Your Committee received testimony in opposition to this measure from the Department of Health and The Queen's Health Systems. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that ground transportation alone uses approximately one-third of the State's imported fossil fuels. To reduce imported fossil fuel usage, employees should be encouraged to drive less and use alternative forms of transportation, such as walking, bicycling, bus, rail, or carpooling. A parking cash-out program may help provide incentives for other forms of transportation. Your Committee further finds that parking cash-out is a requirement in California for certain employers, and studies have shown a ten to twelve percent decrease in drive-alone

commute trips and related vehicle-miles traveled. Other results from California include curtailing air pollution and greenhouse gas emissions, fewer crashes, and livability enhancements.

Your Committee notes the concerns raised in testimony that this measure may be more appropriately placed in a different chapter of the Hawaii Revised Statutes, does not provide funding or personnel to carry out the requirements, and does not provide a department under which the program will be implemented. Your Committee therefore finds that, due to concerns associated with the immediate implementation of a parking cash-out program, a working group is a more appropriate option at this time.

Accordingly, your Committee has amended this measure by deleting its contents and replacing them with language establishing a parking cash-out working group that shall:

- (1) Research and explore the idea of a parking cash-out program that would enable businesses and employers to offer cash allowances instead of parking subsidies to provide incentives for other forms of transportation that are less dependent on fossil fuels;
- (2) Address and make recommendations on the program's benefits, approximate cost and other impacts, and the most appropriate department to administer, implement, and enforce the program;
- (3) Consider other programs, such as carbon pricing mechanisms that minimize regressivity, equity-based tax credits or carbon fee and dividends, and whether a pilot program or other method would be better suited to accomplish the goals and implementation of the parking cash-out or similar program;
- (4) Report its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020; and
- (5) Dissolve on June 30, 2020.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 739, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 739, S.D. 1.

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

ROSALYN H. BAKER, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

SB 739	TRS, CPH		ט	Date: 2/27/19	
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
BAKER, Rosalyn H. (C)		V			_
CHANG, Stanley (VC)					
KEOHOKALOLE, Jarrett		V			
NISHIHARA, Clarence K.		ang kaling ang ang			/
RUDERMAN, Russell E.					
THIELEN, Laura H.		V			
FEVELLA, Kurt		V			
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TOTAL		5			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