

STAND. COM. REP. NO.

1225

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 552
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Transportation, to which was referred H.B. No. 552, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ENVIRONMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require that the procurement policy for each agency purchasing or leasing medium- and heavy-duty motor vehicles shall be to seek vehicles that reduce dependence on petroleum-based fuels that meet the needs of the agency, where feasible and cost-effective;
- (2) Establish clean ground transportation goals for state agencies on a staggered basis until achieving a complete inventory of clean state-owned, light-duty motor vehicles by December 31, 2035; and
- (3) Require state and county agencies to purchase building materials that reduce the carbon footprint of the project for use on the construction of new roads, where feasible and cost-effective.



Your Committees received testimony in support of this measure from the Department of Transportation, Hawaii State Energy Office, Hawaiian Electric, SanHi Government Strategies, Hawaii Electric Vehicle Association, Big Island Electric Vehicle Association, Kauai Electric Vehicle Association, Pacific Biodiesel Technologies, Sustainable Energy Hawai'i, Ulupono Initiative, Blue Planet, Sierra Club of Hawai'i, Environmental Caucus of The Democratic Party of Hawai'i, Hawaii Automobile Dealers' Association, Climate Protectors Hawaii, and eight individuals. Your Committees received comments on this measure from the State Procurement Office, Hawaii Petroleum Marketers Association, 350Hawaii, and one individual.

Your Committees find that it is vital that the State begin transitioning away from imported fossil fuel-power ground transportation and toward a cleaner and more efficient transportation system powered by renewable, local energy sources.

Your Committees further find that an effective way to combat the State's reliance on imported fossil fuels is to transition to the use of electric vehicles, which are less expensive to operate on a per-mile basis than their gas-powered counterparts. This measure ensures that the State is progressing toward its goal of one hundred percent clean energy ground transportation by 2035.

Your Committees have amended this measure by:

- (1) Removing the requirement that the Department of Transportation and the Hawaii State Energy Office to develop strategies to transition all light-duty motor vehicles in the State to meet the clean ground transportation goals;
- (2) Removing the requirements that state and county agencies purchase building materials that reduce the carbon footprint of the project for use on the construction of new roads, where feasible and cost-effective;
- (3) Updating the priority list for selecting vehicles for lease or purchase to include vehicles that are one hundred percent biodiesel fueled, as fifth on the priority list for vehicle selection;



- (4) Adjusting the clean ground transportation goals for state agencies on a staggered basis, with forty percent of its fleet of light-duty motor vehicles powered by renewal sources by December 31, 2025, and one hundred percent of its fleet powered by renewable sources by December 31, 2030;
- (5) Requiring the Hawaii State Energy Office to lead the efforts to incorporate energy efficiency, renewable energy, energy resiliency, and clean transportation to reduce costs and achieve clean energy goals across all public facilities;
- (6) Requiring that all new light-duty passenger vehicles purchased for the state's fleet are zero emission vehicles and that the comptroller may authorize an exemption for new fleet vehicle procurements if the zero emission vehicles are cost-prohibitive on a lifecycle basis or unsuitable for the vehicle's planned purpose;
- (7) Requiring that the vehicle selection criteria include one hundred percent biodiesel fueled vehicles, and electric vehicles and fuel cell vehicles using one hundred percent renewable hydrogen are among the priorities for vehicles selected;
- (8) Allowing state and county agencies to include trees and plants with lifespans longer than twenty years as a part of capitol improvement projects;
- (9) Adding the term "green infrastructure" as a new definition;
- (10) Updating the definitions of "capital investment costs" and "construction costs"; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

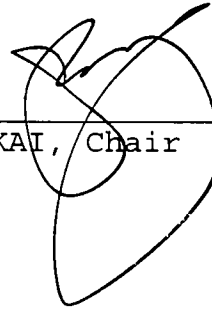


As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 552, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 552, H.D. 1, 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
Transportation,



CHRIS LEE, Chair



GLENN WAKAI, Chair



