STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 0 9 , 2021

RE: H.B. No. 433

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 433 entitled:

"A BILL FOR AN ACT RELATING TO CLIMATE CHANGE MITIGATION," begs leave to report as follows:

The purpose of this measure is to:

- (1) Assess a climate change mitigation impact fee on every customer who rents, leases, or utilizes a rental motor vehicle;
- (2) Establish the climate change mitigation special fund; and
- (3) Designates the uses for the impact fees.

Your Committee received testimony in support of this measure from the Hawaii Climate Change Mitigation and Adaptation
Commission; The Trust for Public Land; Surfrider Foundation, O'ahu Chapter; Imua Alliance; Climate Protectors Coalition; Kupu; Hawaii Electric Vehicle Association; Blue Planet Foundation; Hawaiii Alliance for Community-Based Economic Development; and twelve individuals. Your Committee received testimony in opposition to this measure from Avis Budget Group, Enterprise Holdings, and Maui Chamber of Commerce. Your Committee received comments on this

measure from the Department of Budget and Finance, Department of Transportation, Department of Health, Office of Planning, and Tax Foundation of Hawaii.

Your Committee finds that the impacts of cars, buses, shuttles, and other road vehicles, which emit carbon dioxide and other greenhouse gases, contribute to climate change. To ensure the quality of life of residents, the health of the environment, and continued value for the visitor experience, management efforts to maintain the State's infrastructure and environment are imperative. This measure establishes a fee with an environmental focus that is designed to manage the impacts of tourism on climate change and the environment as an integral part of the State's management efforts.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 433, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 433, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

NICOLE E. LOWEN, Chair

2021-1318 HB433 HD1 HSCR HMSO

State of Hawaii House of Representatives The Thirty-first Legislature

Record of Votes of the Committee on Energy & Environmental Protection

HB 433 EEF	P, CPC,	FIN Date:	2/4/21	
θ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: θ Pass, unamended (as is) θ Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	/			
2. MARTEN, Lisa (VC)				
3. HASHEM, Mark J.				
4. MATAYOSHI, Scot Z.	/			
5. PERRUSO, Amy A.				
6. TODD, Chris				
7. TOKIOKA, James Kunane	y y n'y gly ganad e e chall c'emande ad au ply e e e cog		Andreit Permitted to the household of the 1911	/
8. MATSUMOTO, Lauren				
TOTAL (8)	1	0	0	1
The recommendation is: 9 Adopted 0 Not Adopted if joint referral, committee acronym(s) did not support recommendation.				
Vice Chair's or designee's signature: hate				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				