

STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

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**Testimony of
Leah Laramee
Coordinator, Hawaii Climate Change Mitigation and Adaptation Commission**

**Before the House Committee on
ENERGY AND ENVIRONMENTAL PROTECTION**

**Tuesday January 30, 2024
9:00 AM**

State Capitol, Via Videoconference, Conference Room 325

**In consideration of
HOUSE BILL 2616
RELATING TO TRANSPORTATION**

Senate Bill 2616 establishes the Electric Vehicle Charging System and Infrastructure Funding Program. This bill increases the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount. **The Climate Change Mitigation and Adaptation Commission (Commission) supports this bill.**

The Commission is a multi-jurisdictional effort between 20 different State and county departments, and Legislative committees. This bill calls for increased resources for electric vehicle charging infrastructure and fits into the Commission's priorities to curb emissions from ground transportation. The Commission is working with DAGS and other state, county and non-government stakeholders on a project to develop a plan for assessing State parking facilities on O'ahu that will allow for multi-modal use. It proposes to identify and describe State parking facilities, including their utilization rates; evaluate and price various ways to make better use of these State assets in ways that encourage the use of alternative transportation and mobility options; and help optimize state and county goals for clean transportation while maximizing the public benefit.

If the State's goals for a clean energy future are to be realized, it must plan and implement smarter strategies for parking. To encourage the optimal use of these spaces, private and public, it is necessary to begin planning for parking infrastructure that will support transportation of the future. This bill supports actions towards planning for transportation and mobility for achieving Hawaii's climate goals.

Mahalo for the opportunity to testify in support of this measure.



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
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DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Energy & Environmental Protection
Tuesday, January 30, 2024
9:00 a.m.
Conference Room 325**

**On the following measure:
H.B. 2616, RELATING TO ELECTRIC VEHICLES**

Chair Lowen and Members of the Committee:

My name is Michael Angelo, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department offers comments on this bill.

The purpose of this bill is to establish the Electric Vehicle Charging System (EVCS) and Infrastructure Funding Program (EVCS Program) and increase the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount.

The Department agrees with the intent of this measure and its goals to incentivize the development of electric vehicle infrastructure as a steppingstone to achieving larger clean energy and climate goals. Equity is a high priority for the Department. The Department appreciates the attention to prioritizing the installation of charging infrastructure at locations that are publicly accessible or serve low-income, moderate-income, underserved, or environmental justice communities. The Department offers comments that Hawaii Energy, which currently administers programs such as the EVCS

Program on behalf of the Public Utilities Commission, could be a key candidate to administer the EVCS and Infrastructure Funding Program contemplated by this bill.

By increasing the allocation of the state environmental response, energy, and food security tax to the electric vehicle charging system subaccount to 10 cents per \$1.05 of tax (increased from the current allocation of 3 cents per \$1.05 of tax), funding for the EVCS and Infrastructure Funding Program appears to have minimal impacts on consumers and ratepayers. The Department is supportive of increasing the allocation and appreciates the increase in benefit to consumers and ratepayers with minimal financial impact on utility bills.

Thank you for the opportunity to testify on this bill.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2024**

ON THE FOLLOWING MEASURE:

H.B. NO. 2616, RELATING TO ELECTRIC VEHICLES.

BEFORE THE:

HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

DATE: Tuesday, January 30, 2024 **TIME:** 9:00 a.m.

LOCATION: State Capitol, Room 325 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Marjorie A. Lau, Deputy Attorney General

Chair Lowen and Members of the Committee:

The Department of the Attorney General provides the following comments on this bill.

This bill establishes the Electric Vehicle Charging Systems and Infrastructure Funding Program (Program) that incentivizes the installation, maintenance, and upgrade of electric vehicle charging systems and infrastructure throughout the State to achieve and maintain a zero emissions clean energy economy. The bill also increases the amount of petroleum tax to be deposited into the Electric Vehicle Charging System Subaccount (Subaccount), which was previously established within the Public Utilities Commission Special Fund by section 269-33(e), Hawaii Revised Statutes (HRS), and allows for funding from the Subaccount for the purposes of funding the Program.

While the bill requires the Public Utilities Commission (PUC) to expend up to sixty percent of the moneys in the Subaccount to fund the Program, it does not include an appropriation out of the Subaccount, so if any other bill, such as a budget bill, does not appropriate the moneys out of the Subaccount, the moneys in the Subaccount may not be legally expended for the Program. See article VII, section 5, of the Hawai'i State Constitution ("No public money shall be expended except pursuant to appropriations made by law"). To address this issue, we suggest adding a new section to the bill by inserting the following before section 5, at page 10, line 8 (and renumbering the subsequent bill sections appropriately):

SECTION 5. There is appropriated out of the electric vehicle charging system subaccount established pursuant to section 269-33(e), Hawaii Revised Statutes, within the public utilities commission special fund the sum of \$ _____ or so much thereof as may be necessary for fiscal year 2024-2025 for the purpose of funding the electric vehicle charging systems and infrastructure funding program established pursuant to this Act.

The sum appropriated shall be expended by the public utilities commission for the purposes of this Act.

Additionally, article VII, section 4, of the Hawai'i State Constitution provides that, "[n]o grant of public money or property shall be made except pursuant to standards provided by law." This bill does not appear to include adequate standards by which the PUC or its contracted third-party administrator is to distribute the funds to eligible recipients. We therefore recommend that this bill be amended to insert sufficient standards for the PUC or the third-party administrator to distribute the funds to eligible recipients installing, maintaining, and upgrading electric vehicle charging systems and infrastructure. Examples of existing statutes that provide standards for agencies to expend funds are part II of chapter 9, and sections 10-17, 210D-11, and 383-128, HRS. Additionally, we have attached draft standards to this testimony as a sample to work from, and we are happy to work with you on developing more specific standards.

As an additional comment, the term "rebate" is used to describe the funding provided by the Program on page 5, line 3. However, it appears that, unlike the Electric Vehicle Charging System Rebate Program established pursuant to section 209-72, HRS, this proposed Program is not a rebate program. With this, please consider amending "rebate" to "funding."

We respectfully ask the Committee to consider our comments. Thank you for the opportunity to testify.

POSSIBLE STANDARDS FOR THE FUNDING PROGRAM IN THIS BILL

(a) Each application for funding provided by the electric charging systems and infrastructure funding program shall at a minimum:

- (1) State the name of the applicant requesting program funds;
- (2) State the amount of program funds being requested; and
- (3) Describe the specific electric vehicle charging system or infrastructure to be installed, maintained, or upgraded.

(b) An applicant may be eligible for program funds under the funding program if the applicant uses the funds to:

- (1) Install a new electric vehicle charging system or infrastructure where none previously existed to either:
 - (A) An alternating current Level 2 station with one port;
 - (B) An alternating current Level 2 station with one or more ports that provide electricity to one or more electric vehicles; or
 - (C) A direct current fast charging system; or
- (2) Upgrade an existing electric vehicle charging system or infrastructure to either:
 - (A) An alternating current Level 2 station with one port;
 - (B) An alternating current Level 2 station with one or more ports that provide electricity to one or more electric vehicles; or
 - (C) A direct current fast charging station.

(c) Program funds shall be distributed as follows:

- (1) Each eligible installation of an electric vehicle charging system or infrastructure may receive:
 - (A) Up to \$_____ for the installation an alternating current Level 2 station with one port;
 - (B) Up to \$_____ for the installation of an alternating current Level 2 station with one or more ports that provide electricity to one or more electric vehicles; and
 - (C) Up to \$_____ for the installation of a direct current fast charging station; and
- (2) Each eligible upgrade of an electric vehicle charging system or infrastructure shall receive:

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Thirty-Second Legislature, 2024

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- (A) Up to \$_____ for the upgrade to an alternating current Level 2 station with one port;
- (B) Up to \$_____ for the upgrade to an alternating current Level 2 station with one or more ports that provide electricity to one or more electric vehicles; and
- (C) Up to \$_____ for the upgrade to a direct current fast charging station.

(d) Any grant of program funds shall be used exclusively for the purposes under this section.

(e) The applicant shall have applied for or received all applicable licenses and permits.

(f) The applicant for or recipient of the program funds shall comply with other requirements or conditions as the commission may prescribe, including those prescribed by the commission to implement the program.

(g) The recipient of the program funds shall comply with all federal, state, or county statutes, rules, or ordinances, necessary to conduct the activities for which a program funding is given, including building codes.

(h) The applicant for or recipient of the program funds shall comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability, or any other characteristic protected under applicable law.

(i) The applicant for or recipient of the program funds shall allow the commission, and its staff or contractor, and the auditor full access to the applicant's records, reports, files, and other related documents and information for purposes of monitoring and ensuring the proper expenditure of program funds.

(j) The recipient of the program funds shall indemnify and save harmless the State of Hawaii and its officers, agents, and employees from and against any and all claims arising out of or resulting from activities carried out or projects undertaken with funds provided hereunder and procure sufficient insurance to provide this indemnification.

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(k) The commission or its contractor shall not release the public funds approved for an applicant unless a contract is entered into between the commission or its contractor and the recipient of the program funds. The commission shall develop and determine, in consultation with and subject to the review and approval of the attorney general, the specific contract form to be used. Each such contract shall be monitored by the commission or its contractor to ensure compliance with this part. Each such contract shall be evaluated annually to determine whether the program funds attained the intended results in the manner contemplated.

(l) The applicant shall satisfy any other standards that may be required by the source of funding.

(m) Any recipient of program funds who withholds or omits any material fact or deliberately misrepresents facts to the commission shall be in violation of this section. In addition to any other penalties provided by law, any recipient found by the commission to have violated this section or the terms of its contract shall be prohibited from applying for any commission program grants for a period of five years from the date of termination.

(n) For the purposes of this section:

"Alternating current Level 2 charging station" has the same meaning as in section 269-72.

"Direct current fast charging system" has the same meaning as in section 269-72.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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LT. GOVERNOR

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Testimony of
MARK B. GLICK, CHIEF ENERGY OFFICER

before the
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, January 30, 2024
9:00 AM
State Capitol, Conference Room 325 and Videoconference

In Support of
HB 2616

RELATING TO ELECTRIC VEHICLES.

Chair Lowen, Vice Chair Cochran, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 2616 which establishes the Electric Vehicle Charging System and Infrastructure Funding Program and increases the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount.

To decarbonize our economy and meet Hawai'i's goal of reducing carbon emission to 50% by 2030, Hawai'i will need significant reductions in emissions from ground transportation by 2030 and a net negative carbon economy by 2045. HSEO's Hawai'i Pathways To Decarbonization, Act 238, Session Laws of Hawai'i 2022 highlights transitioning toward Zero Emission Vehicles as one of the two major facets to reducing emissions in ground transportation. This includes promoting the transition to battery electric vehicles (BEVs) which can significantly reduce emissions from vehicle operation¹.

The need for significant investment in charging infrastructure to meet Hawai'i's 2030 goal is substantiated by estimates for reliable access to at home charging and availability of public charging. The California Energy Commission (CEC) concluded that

¹ Page 104, 2. Transitioning toward Zero Emission Vehicles a) Transition to Zero-Emission Vehicles (ZEVs): Promoting the transition to battery electric vehicles (BEVs) can significantly reduce emissions from vehicle operation.

a ratio of 7 EVs per public charger is needed to support the EV market and Hawaii currently has 35 registered EVs per public charger². The significant spread between current conditions and the CEC's estimate is evident that there is an unmet need in reasonably estimated public charging demand to support current adoption rates whether or not the CEC estimate is directly applicable to Hawai'i. HB 2616 also goes beyond explicitly supporting public charging by broadening the reach of the new Electric Vehicle Charging Systems and Infrastructure funding program to address charging that serves multiple tenants, employees, or customers; serves electric vehicle fleets; support the visitor industry in transitioning to clean transportation; or serve low income, moderate-income, underserved, or environmental justice communities.

All vehicle owners must participate to have a meaningful chance to achieve the State's statutory decarbonization objectives. All three mitigation scenarios in HSEO's Hawai'i Pathways to Decarbonization assume Hawai'i will have 100% zero-emission light-duty vehicle sales by 2035, which equates to 21% of registered light duty passenger vehicles operating zero emission vehicles by 2030. Hawai'i needs to expand access to at home EV charging beyond the early adopters in single family unit dwellings.

HSEO wishes to remind the Committee and public that cost share for federal grants that meet the criteria of the program is an eligible use of the funds under the new Electric Vehicle Charging Systems and Infrastructure funding program. The U.S. Joint Office of Energy and Transportation Charging and Fueling Infrastructure (CFI) discretionary program is a significant opportunity to leverage state dollars to bring federal funding to Hawai'i to support EV charging infrastructure buildout. There are 3 more rounds to the CFI program with a total of \$1.8 billion available. However, the program requires a 20% cost share and a state or local agency to serve as the lead applicant. The state has been successful in pursuing federal funding. HSEO proposals have been selected under FEMA's Building Resilient Infrastructure and Communities program for \$8 million to deploy 3 microgrids to support emergency response in partnership with HECO, two applications under the U.S. Department of Energy Grid Resilience and Innovation Partnerships program for \$18 million in partnership with KIUC for grid forming inverters

² From Alliance for Automotive Innovation "Get Connected Electric Vehicle Quarterly Report, Second Quarter, 2023"

and synchronous condensers, and recently \$1 million for planning and development of projects to support resilient EV charging for state and local fleet vehicles used for emergency response in partnership with HDOT, DAGS, OHS, and HIEMA. Ballpark estimates from NREL's study suggest that roughly \$200 million or more will be needed to meet public charging infrastructure needs for 2030. The ability to multiply state funds with federal dollars would materially support achieving state energy and decarbonization goals.

Promoting the transition to battery electric vehicles is an identified strategy in HSEO's report, *Hawai'i Pathways to Decarbonization*. There is a significant need for expanded access to public, fleet, LMI, and workplace charging in Hawai'i, and the participation of everyone, including low- and moderate-income communities and the private sector, is both necessary and equitable in achieving Hawaii's energy and decarbonization goals.

HSEO Supports HB 2616 as long as its passage does not replace or adversely impact priorities indicated in the Executive Budget.

Thank you for the opportunity to testify.

TESTIMONY OF
LEODOLOFF R. ASUNCION, JR.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

January 30, 2024
9:00 a.m.

Chair Lowen, Vice Chair Cochran, and Members of the Committee:

MEASURE: H.B. No. 2616

TITLE: RELATING TO ELECTRIC VEHICLES.

DESCRIPTION: Establishes the Electric Vehicle Charging System and Infrastructure Funding Program. Increases the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount.

POSITION:

The Public Utilities Commission (“Commission”) offers the following comments for consideration.

COMMENTS:

The Commission appreciates the intent of this measure to incentivize development of electric vehicle charging systems and infrastructure in the State and support the State’s target of a zero emissions clean energy economy by no later than 2045.

The Commission recognizes that this measure would build on the existing electric vehicle charging system rebate program by adding a broader funding program that includes additional eligible funding opportunities (i.e., electric vehicle infrastructure, maintenance, related technologies, and related grid services). These two modifications are likely to enable more robust financial support for electric vehicle charging and infrastructure projects and enable projects to come online more quickly.

The Commission also recognizes that this measure would significantly increase the amount of the petroleum tax which would be deposited into the electric vehicle charging

system account for use by both the rebate and funding programs. This increase may be appropriate, considering the broader nature of eligible resources for the funding program and the likely need for additional monitoring and oversight by the administrator given the expanded program scope.

The Commission appreciates the proposed guidance provided in the measure regarding the proportion of the electric vehicle charging system subaccount which the administrator may expend on each of the rebate and funding programs. The Commission notes that this may limit flexibility in program expenditures between the rebate and funding programs should one program receive significantly more applications than the other, especially during the initial implementation of the funding program. Additionally, the Commission would monitor public utilities that apply for funding under this program to ensure consistency with existing or future electric vehicle programs and to ensure appropriate cost recovery.

Thank you for the opportunity to testify on this measure.



Email: communications@ulupono.com

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
Tuesday, January 30, 2024 — 9:00 a.m.

Ulupono Initiative supports HB 2616, Relating to Electric Vehicles.

Dear Chair Lowen and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy, clean transportation choices, and better management of freshwater resources.

Ulupono supports HB 2616, which establishes the Electric Vehicle Charging System and Infrastructure Funding Program and increases the amount of petroleum tax to be deposited into the Electric Vehicle Charging System subaccount.

Ulupono supports Hawai'i's reduction of fossil fuel use as we strive to meet the State's 100% renewable energy goal and its carbon net neutral goal by 2045. The EVCS Rebate Program has been a critical catalyst to infrastructure development within the State. Just last month in December 2023, the Hawai'i State Energy Office specifically recommended that we needed to “[p]ursue incentives for and streamline permitting for public EV charging infrastructure[,]” to meet our climate goals and exceed the current projected reductions of 54%.¹

Ulupono is very supportive of policies and programs that can accelerate the state's transition to greater electric vehicle (EV) adoption, especially ones that increase access to EV charging for low- to moderate-income households. The lack of access to charging is one of the top barriers to EV adoption.² This clearly plays out here since 80% of Hawai'i EV drivers predominantly charge at home.³ However, more than 40% of Hawai'i residents live in multi-family unit housing and likely lack convenient home charging options.⁴

Significant impact has been made from the current EVCS Rebate Program with more than \$1.3 million expended so far to help install almost 300 charging stations, including those at

¹ https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238_HSEO_Decarbonization_Report.pdf

² <https://www.osti.gov/biblio/1854730>

³ ³ <https://www.ulupono.com/media/xj4cayeh/the-extra-mile-why-electric-vehicles-make-sense-for-hawaii-economy-environment-and-communities.pdf>

⁴ <https://dbedt.hawaii.gov/hhfdc/files/2017/03/Inventory-Report-2016.pdf>

Investing in a Sustainable Hawai'i

affordable housing developments.⁵ Continued support is still needed as we increase our dependence of charging infrastructure to transition the economy away from fossil fuel-based mobility. We are supportive of the on-going attempt to serve low- and moderate-income communities more effectively, which helps to ensure that all community members stand to benefit from access to EVs.

As Hawai'i's energy issues become increasingly complex and challenging, we appreciate this committee's efforts to look at policies that support the continued implementation of renewable energy resources throughout the islands.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

⁵ <https://hawaiienergy.com/for-business/rebates-for-business/electric-vehicle-charging-stations/>



HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

January 30, 2024, 9:00 AM

Room 325

TESTIMONY IN SUPPORT OF HB 2616

Aloha Chair Lowen, Vice Chair Cochran, and Committee members:

Blue Planet Foundation **supports HB 2616**, which proposes to create an Electric Vehicle Charging System and Infrastructure Funding Program to increase funding for clean transportation and accelerate the deployment of EV chargers throughout the state of Hawai'i.

Developing a robust community charging network remains a critical step in reducing the state's carbon emissions. There are now over 29,000 EVs registered in the state,¹ but a lack of adequate and accessible vehicle charging infrastructure remains a roadblock to further adoption. The International Energy Agency found that "the availability of chargers emerged as one of the key factors for contributing to the market penetration of EVs."² Unlike gasoline car owners, 80% of EV drivers charge their cars at home or at work.³ Residents in multi-unit dwellings or condos, however, are often unable to find a place to charge, preventing them from receiving the benefits of EVs. This is a fundamental equity issue in Hawai'i: a large segment of residents in Hawai'i live in multi-family housing, in part because single-family homes are financially out of reach for many.

In addition, expanding access to EV charging is critical to unlock benefits for all electricity users, not just for EV drivers. Enabling EV charging during the middle of the day allows more low cost solar to be added to the grid and helps the overall energy system. When large numbers of EVs—which are essentially batteries on wheels—are connected to the electricity grid simultaneously, they could be used to help manage the system through demand response, load shifting, and other grid services. But most workplaces lack such charging infrastructure currently. What's more, how we define "workplaces" may also be shifting. With increases in remote working situations, more homes could permanently morph into offices, underscoring the need to prioritize expanded charging access at both residential and commercial properties.

¹ DBEDT Monthly Energy Trends, December 2023
(https://dbedt.hawaii.gov/economic/files/2024/01/Energy_Trend.pdf).

² *Global EV Outlook 2017*, International Energy Agency, June 2017, <https://www.iea.org/reports/global-ev-outlook-2017>.

³ Ibid.

With this comes the need for more flexibility and funding for EV charging infrastructure. HB 2616 can help ensure that the EV charging is adequately and sufficiently developed, deployed, and maintained in furtherance of the Hawai'i's clean energy, carbon reduction, and equity goals.

Thank you for the opportunity to provide testimony.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: FUEL, Increase Earmark to Electric Vehicle Charging System Funding Program

BILL NUMBER: HB 2616, SB 3309

INTRODUCED BY: HB by LOWEN, TODD; SB by KANUHA

EXECUTIVE SUMMARY: Establishes the Electric Vehicle Charging System and Infrastructure Funding Program. Increases the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount.

SYNOPSIS: Adds two new sections to chapter 269, HRS, that establishes an electric vehicle charging systems and infrastructure funding program and provides for its administration.

Amends section 243-3.5, HRS, to increase the amount of the barrel tax earmarked for the electric vehicle charging system subaccount (established in section 269-33(e), HRS) from 3 cents to 10 cents per barrel.

Makes technical and conforming amendments to section 269-33, HRS.

EFFECTIVE DATE: Upon Approval.

STAFF COMMENTS: By Act 25, SLH 2021, the legislature established the electric vehicle charging system subaccount within the Public Utilities Commission special fund for the purposes of funding the electric vehicle charging system rebate program in sections 269-72 and -73, HRS.

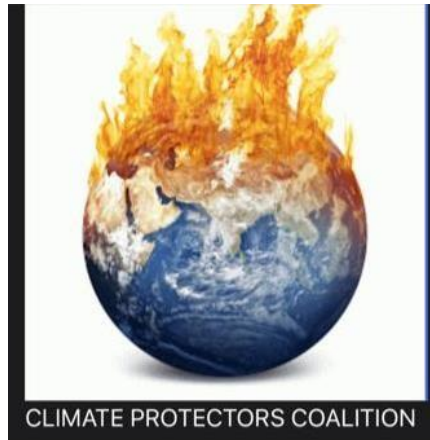
The proposed measure would perpetuate the earmarking of tax revenues. Incentives for electric vehicle infrastructure may be a worthy expense if considered alone. But does that justify bypassing the normal appropriation and budgeting process that also considers invasive species, unique health risks like the Wuhan coronavirus, and the aging infrastructure in our educational system?

Earmarking revenues from any tax type for a particular purpose decreases transparency and accountability.

Next, it should be remembered that revenues diverted for a special purpose, in this case to fund electric vehicle infrastructure, will not be counted against the state's spending ceiling or debt limit and will obscure the state's true financial condition.

If the program is worthy, it should be funded out of the general fund where lawmakers can more easily exercise their constitutionally mandated duty of oversight over public spending.

Digested: 1/26/2024



To: The Honorable Representative Nicole Lowen, Chair, the Honorable Elle Cochran, Vice Chair, and Members of the Committee on Energy and Environmental Protection.

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing **HB2616 RELATING TO ELECTRIC VEHICLES**

Hearing: Tuesday January 30, 2024 9:00 a.m.

Aloha Chair Lowen, Vice Chair Cochran, and Energy and Environmental Protection Committee Members:

The mission of the Climate Protectors Hawai'i is to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate.

The Climate Protectors Hawai'i STRONGLY SUPPORTS HB2616!

Hawai'i has an excellent opportunity to save people money and meet its carbon negative target (as soon as practicable but not later than 2045) by transitioning to 100% clean energy, including electric vehicles. But the transition requires electric vehicle charging systems be publicly available, and the charging systems are

currently lagging far behind the need. This bill would help facilitate the transition to clean energy by creating a funding program administered by the Public Utilities Commission that incentivizes the installation, maintenance and upgrading of electric vehicle charging systems and infrastructure development throughout Hawai'i.

The bill would provide funding by increasing the amount of the petroleum tax to be deposited in the electric vehicle charging system account. This is appropriate since over two-thirds of the oil imported into Hawai'i is for vehicles that run on fossil fuels.

Please pass this bill.

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



To: The House Committee on Energy and Environmental Protection
From: Sherry Pollack, 350Hawaii.org
Date: Tuesday, January 30, 2024, 9am

In strong support of HB2616

Aloha Chair Lowen, Vice Chair Cochran, and Energy and Environmental Protection Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports HB2616** that establishes the Electric Vehicle Charging System and Infrastructure Funding Program. This measure also increases the amount of petroleum tax to be deposited into the electric vehicle charging system subaccount.

The transportation sector contributes more to the climate crisis than any other sector in Hawaii. Moreover, current charging facilities for electric vehicles are woefully insufficient for Hawaii's needs. Consequently, the lack of adequate public charging stations is creating a significant barrier in the State's progress to achieve its transportation sector goal of zero emissions by 2045.

The 'Decade of Action' calls for accelerating sustainable solutions to confront the climate crisis. Creating a funding program that incentivizes electric vehicle charging systems and infrastructure development is greatly needed and will accelerate Hawaii towards our clean transportation future.

350Hawaii strongly supports efforts to prioritize electric vehicle charging systems that are publicly available; serve multiple tenants, and serve low income, moderate-income, underserved, and environmental justice communities, as is specified in this measure. For Hawaii to achieve its sustainable transportation and climate goals, we must electrify ground transportation on our islands as soon as possible. **And in a just transition, no one is left behind.**

Access to vehicle charging infrastructure presents a barrier and an equity issue for low-income families who are unable to access the savings and other benefits associated with electric vehicle ownership because they lack access to charging infrastructure. Clearly, adequate vehicle charging infrastructure is a MUST for the democratization of transportation. To adopt electric cars, everyone must have access to charging. Providing incentives for electric vehicle charging systems that are publicly available, as in HB2616, is an effective step to address this important equity issue.

Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org



TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAII
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

JANUARY 30, 2024

HB 2616, RELATING TO ELECTRIC VEHICLES

POSITION: SUPPORT

The Democratic Party of Hawai'i **supports** HB 2616, relating to electric vehicles. Pursuant to the "Transportation" section of the official Democratic Party of Hawai'i platform, the party endorses "efforts to promote less reliance on imported fossil fuel and to support energy-efficient methods of transportation" and supports "tax incentives that encourage renewable energy initiatives" in the transportation sector.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding. Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, such as seawalls.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we

must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Last year, we witnessed the impact of the climate emergency on our shores. On August 8, 2023, wildfires swept across Maui and killed at least 100 people, making it one of the nation's deadliest natural disasters. The spread of the fires has been attributed to climate change conditions, such as unusually dry landscapes and the confluence of a strong high-pressure system to the north and Hurricane Dora to the south. The wildfires destroyed over 2,200 structures, including numerous residential buildings, historic landmarks, and school facilities. In September 2023, a report from the United States Department of Commerce estimated the total economic damage of the wildfires to be roughly \$5.5 billion. Investing in renewable energy generation could not be more urgent, given the growing threat of climate-induced catastrophes to our island home.

Therefore, **our state should take steps to accelerate our transition to a clean energy economy and continue our fight against climate change, including by strengthening electric vehicle charging infrastructure.** A growing number of people are adopting electric vehicles in Hawai'i. As of March 2022, there were about 19,000 registered electric vehicles in the state—a 35 percent increase from the prior year—and 24,000 hybrid vehicles. Yet, a lack of sufficient charging infrastructure presents a persistent impediment to expansion, especially for renters or and residents who live in apartment buildings.

We note that according to the National Low-Income Housing Coalition's *Out of Reach 2023* report, there are 38,820 renter households earning below 30 percent of area median income (21 percent of renter households) in the islands and 67,519 renter households earning below (36 percent of renter households) earning below 50 percent of area median income. As this measure's preamble states, this barrier creates an equity issue for low-income families who are unable to access the savings associated with electric vehicle ownership because they lack access to charging infrastructure and financial security.

Mahalo nui loa,

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**Hawaiian
Electric**

**TESTIMONY BEFORE THE
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION**

**HB 2616
RELATING TO ELECTRIC VEHICLES**

January 30, 2024

9:00AM AGENDA #10

Conference Room 325

Aki Marceau

Director Electrification of Transportation

Hawaiian Electric

Aloha Chair Lowen, Vice Chair Cochran, and Members of the Committee:

My name is Aki Marceau, and I am testifying on behalf of Hawaiian Electric **in strong support of HB 2616**. The State of Hawaii has passed some of the most progressive emission reduction goals in the country. These aggressive goals require funding to accomplish:

By 2030 – reduce emissions by 50% from 2005 levels

By 2035 – 100% of State’s light-duty fleet is fueled by renewable energy

By 2045 – 100% Zero emissions clean energy economy

Transportation emissions are responsible for over 50 percent of the State’s greenhouse gas emissions, and nearly 40 percent of those emissions stem from ground transportation. The 2024 Report to the Legislature, Hawaii Pathways to Decarbonization makes the recommendation: “Transition to Zero-Emission Vehicles (ZEVs): Promoting the transition to battery electric vehicles (BEVs) can significantly reduce emissions from vehicle operations”. It also states that community discussions highlighted the “lack of EV

charging for rural communities and the general population”. While Hawaii has the second highest EV ownership per capita, we provide some of the lowest amounts of charging ports per EV nationwide.

This bill seeks to establish an EV charging system and infrastructure funding program by allocating 10 cents of the established \$1.05 Environmental Response, Energy, and Food Security Tax on petroleum distributors directly to transportation charging systems and infrastructure in the state. By reallocating funds into this already established electric vehicle charging system subaccount administered by the PUC, the State will support offsetting the cost of the infrastructure necessary for our transition to electric transportation. Hawaiian Electric strongly supports this bill. Thank you for the opportunity to testify.



Before the House Committee on Energy & Environmental Protection
Tuesday, January 30, 2024 at 9:00 a.m.

Testimony in Support of HB2616: Relating to Electric Vehicles

Chair Lowen, Vice Chair Cochran, and Members of the Committee:

Thank you for the opportunity to testify in support and provide comments on House Bill 2616.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Energy efficiency – the energy we do not use – is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient.

Hawai'i Energy applauds the legislature's efforts to support the continued impact of electrical vehicle charging station (EVCS) infrastructure on Hawai'i's residents and businesses as an integral component of the State's Clean Energy Initiative, which calls for Hawai'i to achieve 100% clean energy by 2045.

Hawai'i Energy administers the state-funded EVCS Incentive Program on behalf of the Public Utilities Commission, which was established through Act 75 (2021) and Act 202 (2022) by the Hawai'i State Legislature. We are also proud to be emphasizing EVCS installations for our underserved communities via a bonus incentive for affordable housing developments for AC Level 2 single- and multi-port EV charging stations with network connectivity. The bonus incentive, which is in addition to the state-funded rebate, is \$5,000 per station for existing affordable housing developments, and \$1,500 per station for new affordable housing developments.

House Bill 2616 establishes an electric vehicle charging systems and infrastructure funding program to incentivize the development of electric vehicle charging systems and infrastructure across the Hawaiian Islands, and it increases the amount of the petroleum tax to be deposited into the existing electric vehicle charging system account. That increase would in turn allow the PUC to fund the newly established electric vehicle charging systems and infrastructure funding program.

Efforts to ensure more of our state is equipped to support electric vehicle charging systems and infrastructure will only further accelerate our important momentum toward making electric vehicles more affordable to our local families. That, in turn, will only further accelerate Hawai'i's overall pursuit of a 100% clean energy future.

Thank you for the opportunity to testify in support of House Bill 2616.

Sincerely,
Caroline Carl
Executive Director
Hawai'i Energy



DATE: 01/30/2024

TO: Representative Nicole E. Lowen
Chair, Committee on Energy & Environmental Protection
Submitted Via Capitol Website

FROM: Tiffany Yajima

RE: **HB 2616 – Relating to Electric Vehicles**
Hearing Date: Tuesday, January 30, 2024 at 9:00 a.m.
Conference Room: 325

Dear Chair Lowen, Vice-Chair Cochran, and Members of the Committee on Energy & Environmental Protection:

The Alliance for Automotive Innovation (“Auto Innovators”) submits this testimony in **support** of H.B. 2616, which creates a funding mechanism to grow Hawaii’s electric vehicle charging infrastructure in support of the state’s transition to a clean transportation future.

The Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – the association is committed to a cleaner, safer and smarter personal transportation future.

Government support for electric vehicle charging infrastructure is a key component to any state’s comprehensive vision and strategy for EVs. By 2025, the auto industry will have invested more than \$330 billion to reach the goal of an electrified future. **In addition, the auto industry is ramping up by delivering a new generation of ZEVs that includes 130 models for sale in the U.S. market by 2026, up from over 70 models today.**

As Hawaii continues to be a front runner across the nation with respect to EV adoption and Hawaii purchasers of these vehicles increasingly embrace this newer technology, growth in statewide EV charging infrastructure must keep pace with consumer demand for these vehicles. Because many EV owners are unable to charge their vehicles at home, government investment in publicly available charging stations will help to ensure that Hawaii residents can

conveniently and reliably charge their vehicles. For these reasons, Auto Innovators support this measure.

Thank you for the opportunity to submit this testimony.



January 30, 2024

Representative Nicole Lowen, Chair
Representative Elle Cochran, Vice Chair
Committee on Energy & Environmental Protection

RE: **HB 2616 HD1 – RELATING TO ELECTRIC VEHICLES**
Hearing date – January 30, 2024 at 9:00 AM

Aloha Chair Lowen, Vice Chair Cochran and members of the committee,

Thank you for allowing NAIOP Hawaii to submit testimony in **SUPPORT OF HB 2616 HD1 – RELATING TO ELECTRIC VEHICLES**. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders, and other professionals. NAIOP Hawaii is generally supportive of efforts to incentivize sustainability.

HB 2616 HD1 seeks to establish an Electric Vehicle Charging System and Infrastructure Funding Program (the "Program") through the Public Utilities Commission. Further, the measure allocates funding from the petroleum tax to the Program.

NAIOP Hawaii supports the legislature's intent to incentivize the installation of EV charging stations and infrastructure. Currently, Hawaii is experiencing higher construction costs due to inflation and interest rates have significantly risen in the past year making affordable housing projects nearly infeasible.

NAIOP Hawaii appreciates the intent of the measure to incentivize electric vehicle charging and infrastructure across the State. We support this program which may aid in offsetting installation and maintenance cost for charging stations installed in housing projects throughout Hawaii.

We look forward to working with the legislature to address this important issue. Thank you for the opportunity to testify on this measure.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read "Reyn Tanaka".

Reyn Tanaka, President
NAIOP Hawaii

HB-2616

Submitted on: 1/26/2024 4:09:05 PM

Testimony for EEP on 1/30/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

Please pass HB2616. De-carbonization of Hawaii's transportation sector continues to be crippled by an inadequate charging infrastructure. It is critical and urgent to address this by providing funding to build out the necessary infrastructure for charging electric vehicles. Without adequate availability of chargers, most of the public will not invest in electric vehicles.

HB-2616

Submitted on: 1/27/2024 2:17:44 PM

Testimony for EEP on 1/30/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Victor K. Ramos	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this proposal. Climate change as described in this bill fails to provide clear recognized scientific fact and promotes a political (almost) religious point of view. No thank you.