

STAND. COM. REP. NO. 445

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 973
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 973 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to require lessors of rental motor vehicles to incorporate zero-emission vehicles or plug-in hybrid electric vehicles, or both, into the lessor's rental motor vehicle fleets.

Your Committee received testimony in support of this measure from the Hawaii Climate Change Mitigation and Adaptation Commission, Ulupono Initiative, Kauai Climate Action Coalition, Chamber of Sustainable Commerce, Blue Planet Foundation, 350Hawaii.org, and thirteen individuals. Your Committee received testimony in opposition to this measure from Avis Budget Group and Enterprise Holdings. Your Committee received comments on this measure from the Hawaii State Energy Office.

Your Committee finds that many major vehicle manufacturers are planning to phase out the sale of new fossil fuel vehicles by 2035. However, rental fleets in Hawaii will be unable to adapt unless sufficient electric vehicle charging infrastructure is available at rental hubs and destinations. Transitioning rental motor vehicle fleets to zero-emission vehicles will reduce carbon emissions and increase the number of zero-emission vehicles



entering the secondary market, making clean electric vehicles more affordable and lowering the cost of transportation for residents.

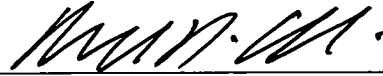
Your Committee has amended this measure by:

- (1) Deleting language that would have required lessors of rental motor vehicles to incorporate zero-emission vehicles or plug-in hybrid electric vehicles, or both, into the lessor's rental motor vehicle fleets;
- (2) Inserting language that requires rental car companies using state facilities to pay or reimburse the State to install new or utilize existing electric vehicle charging infrastructure at public facilities beginning January 1, 2028;
- (3) Establishing a task force to determine implementation of electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental fleets in the State by 2035;
- (4) Amending section 1 to reflect its amended purpose;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 973, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 973, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.



Respectfully submitted on
behalf of the members of the
Committee on Transportation and
Culture and the Arts,



CHRIS LEE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and Culture and the Arts
TCA

Bill / Resolution No.:* <i>SB973</i>	Committee Referral: <i>TCA, CPN</i>	Date: <i>2/9/23</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
KEOHOKALOLE, Jarrett	✓			
AWA, Brenton			✓	<i>WJ</i>
TOTAL	<i>4</i>		<i>1</i>	<i>WJ</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Lorraine R. Inouye</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes