

**STATE OF HAWAI'I
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

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Statement of
SCOTT GLENN, Director

before the
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Thursday, February 23, 2023, 10 AM
State Capitol, Conference Room 229

in consideration of
SB 973 SD1
RELATING TO TRANSPORTATION

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committee on Commerce and Consumer Protection:

The Office of Planning and Sustainable Development (OPSD) **supports the intent and requests an amendment to SB 973 SD1**, which requires rental vehicle companies using state facilities to pay or reimburse the State to install new or utilize existing state electric vehicle charging infrastructure at public facilities beginning January 1, 2028. It also establishes a task force to develop and implement electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental car fleets in the State by 2035.

The OPSD supports the purpose and need for a task force to determine, develop, and implement electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental fleets by 2035. The OPSD, not being a subject matter expert in the matter, believes another agency such as the Department of Transportation would be better suited to serve as the Chair while OPSD serves as a member to support the appropriate implementation agencies and private sector in planning for this transition.

Thank you for the opportunity to testify on this measure.



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

Co-Chairs:
Chair, DLNR
Director, OPSD

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WAL
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawaii DP
Director, Kauai DP
The Adjutant General
Manager, CZM

**Testimony of
Leah Laramee
Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission**

**Before the Senate Committee on
COMMERCE AND CONSUMER PROTECTION**

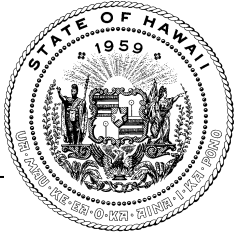
**Thursday, February 23, 2023
10:00 AM
State Capitol, Via Videoconference, Conference Room 229**

**In support of
Senate Bill 973 Senate Draft 1
RELATING TO TRANSPORTATION**

Senate Bill 973 SD1 Requires rental vehicle companies using state facilities to pay or reimburse the State to install new or utilize existing state electric vehicle charging infrastructure at public facilities beginning January 1, 2028. Establishes a task force to develop and implement electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental car fleets in the State by 2035. Requires annual reports to the Legislature. **The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this measure.**

Hawai'i's Climate Change Mitigation and Adaptation Commission recognizes that ground transportation contributes significantly to Hawai'i's share of greenhouse gas emissions. The Commission supports mechanisms to reduce overall vehicle miles traveled as well as converting all remaining vehicle-based ground transportation to renewable, zero-emission fuels and technologies. Requiring rental vehicle companies to install charging infrastructure is a way to leverage public private partnerships to reach the State's 2045 net negative emission's goals.

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



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

JOSH GREEN, M.D.
GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-3807
Web: energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Thursday, February 23, 2023
10:00 AM
State Capitol, Conference Room 229 and Videoconference

In SUPPORT of
SB 973, SD1

RELATING TO TRANSPORTATION.

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 973, SD1, which 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; and establishes a task force to determine the implementation of electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental car fleets in the State by 2035. HSEO's testimony is guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

Hawaii has been a leader in making necessary changes towards reducing greenhouse gas emissions, mitigating climate change impacts, and has taken strides towards securing a more sustainable future. Notably, it was the first state to mandate that all electricity sold by utilities be 100% renewable by 2045. It has committed to the Paris agreement and was the first state to declare a climate emergency. Additionally, Hawaii set the most ambitious goal in the country of becoming carbon net negative by 2045. Decarbonization of ground transportation by shifting towards zero-emission vehicles that utilize local, renewable, and clean (i.e. with low carbon footprint) energy sources will be a necessary and integral part of meeting these goals and commitment.

Rental motor vehicles represent one of the largest passenger vehicle fleets in Hawaii and are responsible for a significant amounts of carbon emissions. Transitioning rental motor vehicle fleets to zero-emission vehicles would reduce carbon emissions and increase the number of ZEVs entering the secondary market, making them more affordable to more Hawaii residents. A ZEV rental fleet would also help accelerate charging infrastructure deployment at hotels, resorts and other tourist destinations, and demonstrate to all who visit the State that Hawaii is a leader in clean energy and sustainable transportation.

Charging infrastructure and charging capabilities at rental hubs, hotels, and visitor attractions will require significant upgrades. Airports facilities, where many rental car companies are located, will need to be retrofitted with adequate power to support the charging/fueling infrastructure that rental fleets will require to convert to zero-emission vehicles. HSEO has engaged with the Office of Planning and Sustainable Development and the Hawaii Department of Transportation (HDOT) and respectfully suggest that HDOT be designated as the lead of the task force consistent with their oversight of airport and associated rental car facilities. Also, Section 2 of SB973 SD1 adds a new section to HRS 347D requiring all rental car companies utilizing state facilities to pay for construction of, or reimburse the State for, construction of new charging infrastructure or use of existing charging infrastructure starting January 1, 2028. HSEO requests additional clarity on the intent of the language in Section 2 in relation to the purpose of the task force which is “to determine, develop, and implement electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental fleets by 2035.” HSEO is engaging with departments and agencies regarding implementation of task force charging infrastructure recommendations.

Thank you for the opportunity to testify.



Robert Muhs, Esq.
Vice President, Government Affairs &
Counsel
T-973-496-532
Robert.muhs@avisbudget.com

Senator Jarrett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair
Committee on Commerce and Consumer Protection

Thursday, February 23, 2023; 10:00 a.m.
Conference room 229 & Videoconference

RE: SB 973 SD1 Relating to Transportation – Comments, request amendments

Aloha Chair Keohokalole, Vice Chair Fukunaga and members of the committee:

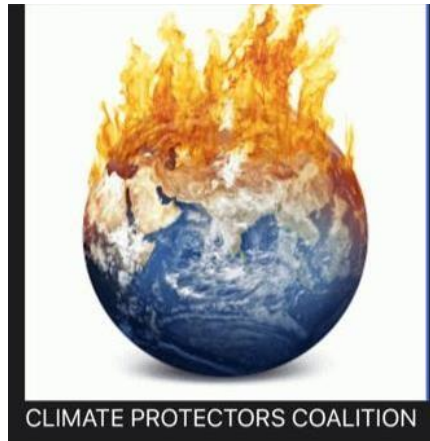
My name is Robert Muhs, Vice President, Government Affairs & Counsel for Avis Budget Group. Avis Budget Group appreciates the opportunity to offer comments on SB 973 SD1, which requires rental vehicle companies using state facilities to pay or reimburse the State to install new or utilize existing state electric vehicle charging infrastructure at public facilities beginning January 1, 2028 and establishes a task force to develop and implement electric vehicle charging infrastructure to support one hundred percent electric vehicle rental car fleets in the State by 2035.

Avis Budget Group agrees that establishing a task force to develop and implement electric vehicle charging infrastructure is not only warranted but indeed is a necessary first step and would like to participate. We ask for your consideration of the following amendments to support the bill's intent:

1. Amend Section 1, page 2, lines 15-18 to read: Establish a task force to determine the implementation of electric vehicle charging infrastructure at airports, hotels, and other tourist destinations to support one hundred percent electric vehicle rental car fleets by 2035.
2. Amend Section 1, page 2, lines 11-14 and delete Section 2 as the timeline for EV implementation should be addressed by the task force
3. Page 4, line 4 (6) [~~A representative~~] Three representatives from the rental car industry. This will ensure appropriate representation from the lion share of the industry;
4. Page 4, line 5 (7) [~~A representative~~] Three representatives from the hotel industry;

We are in the process of installing EV charging stations on Oahu and Maui. Expansion will require sufficient electric grid support to the airports and throughout the islands, an infrastructure of chargers needed to accommodate consumers on and off the airport and the resources to assist the industry in these endeavors.

Thank you for the opportunity to offer comments. We ask for your favorable consideration of our requested amendments.



To: The Honorable Chair Jarrett Keohokalole, Vice Chair Carol Fukunaga, and members of the Senate Committee on Commerce and Consumer Protection

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

Re: Hearing SB973 SD1 **RELATING TO TRANSPORTATION**

Hearing: Wednesday, February 22, 2023, 10:00 a.m., room 229

Aloha Chair Keohokalole, Vice Chair Carol Fukunaga, and members of the Committee:

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 SUPPORTS SB973 SD.

This bill in SD1 form would call for rental car companies to pay for, or reimburse the State for, the electric vehicle charging infrastructure costs in State facilities that they utilize (for example airports) beginning in 2028. This is appropriate, where they are major users of our facilities,

The bill also would establish a task force to determine the implementation of electric vehicle charging infrastructure to support 100% electric vehicle rental car fleets in the state by 2035.

Electric cars are coming! Major markets like California, New York, and Europe have already prohibited the sale of fossil fuel vehicles after 2035. Hawaii needs to prepare for this transition by planning for the electric vehicle infrastructure that will be needed to support this change, which is needed to mitigate the effects of climate change.

Please pass this bill!

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 22, 2023

TO: Senator Jarrett Keohokalole
Chair, Committee on Commerce and Consumer Protection
Submitted Via Capitol Website

FROM: Matt Tsujimura

RE: **S.B. 973, SD1, Relating to Transportation**
Hearing Date: Thursday, February 23, 2023 at 10:00AM
Conference Room 229

Dear Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee on Commerce and Consumer Protection

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

Enterprise Holdings **submits comments** S.B. 973, SD1, which would require rental vehicle companies to pay or reimburse the State to install or utilize existing electric vehicle charging infrastructure and would establish a task force to develop and implement electric vehicle charging infrastructure to support one hundred percent electric vehicle rental car fleets by 2035.

Enterprise supports the incorporation of the electric vehicles into rental car fleets, and Enterprise supports the establishment of a collaborative task force consisting of all stakeholders who would be impacted by the larger-scale incorporation of electric vehicles into rental vehicle fleets.

While Enterprise supports the intent and creation of the task force, Enterprise believes that the purpose of the task force and the membership of the task force are too narrow as currently written.

Enterprise is supportive of the state's efforts to move toward sustainable transportation and has participated in several working groups over the years that were tasked with increasing zero-emission vehicle charging infrastructure. We appreciate the opportunity to continue to engage in productive conversations about ways to increase the availability of charging infrastructure and the growth of the electric vehicle market in a sustainable way without mandating requirements on private business.

Enterprise has concerns about section 2 of the bill which would require rental vehicle companies to pay or reimburse the State to install or utilize existing electric vehicle

charging infrastructure. While Enterprise appreciates the intent, Enterprise feels that any deadlines and timelines would be best determined by the working group established in section 3 of the bill. For this reason, **we ask that section 2 of the bill be removed**, and left for the task force to determine an appropriate timeline.

The charging infrastructure issue is a statewide issue that needs to be addressed by multiple industries and stakeholders, including the rental car and hotel industries. While rental car companies and hotels are in the same business market, each company operates independently with different timelines. As such, Enterprise believes the task force should be expanded to allow for multiple representatives from the rental car industry and the hotel industry to ensure that no single company is put in the position of having to speak for the entire industry.

For these reasons, Enterprise requests that the purpose of the bill be amended to read as follows, **“Establish a task force to determine the implementation of electric vehicle charging infrastructure at Airports, Hotels, and other tourist destinations to support one hundred per cent electric vehicle rental car fleets.”**

Enterprise further requests that **section 3(b) to be amended to include three representatives from the rental industry, and three representatives from the hotel industry.**

For the above reasons, we respectfully oppose this measure and ask that it be held. Thank you for the opportunity to submit this testimony.



Email: communications@ulupono.com

SENATE COMMITTEE ON COMMERCE & CONSUMER PROTECTION
Thursday, February 23, 2023 — 10:00 a.m.

Ulupono Initiative supports SB 973 SD1, Relating to Transportation.

Dear Chair Keohokalole 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 and clean transportation choices, and better management of freshwater resources.

Ulupono supports SB 973 SD1, which requires rental vehicle companies using state facilities to pay or reimburse the State to install new or utilize existing state electric vehicle charging infrastructure at public facilities beginning January 1, 2028; and establishes a task force to develop and implement electric vehicle charging infrastructure to support one hundred per cent electric vehicle rental car fleets in the State by 2035.

Ulupono finds that zero emission vehicles (ZEVs), such as electric vehicles, are an important avenue to address Hawai'i's pressing climate issues and align with the State's energy and environmental goals. ZEVs currently offer an effective option to advance clean, renewable ground transportation and provide immediate benefits to Hawai'i. Establishing a plan to support 100% ZEV rental fleet by 2035 is an important step forward and furthers the State's commitment to clean transportation.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

Investing in a Sustainable Hawai'i

SB-973-SD-1

Submitted on: 2/18/2023 10:00:23 AM

Testimony for CPN on 2/23/2023 10:00:00 AM

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

Comments:

While SB973 SD1 is essentially an entirely different bill from SB973, it still has merit, as it should speed up the process of creating the necessary charging infrastructure to support Hawaii's conversion to zero-emission vehicles. I support this bill, however I do hope that somewhere in the sausage-making process legislators will restore the original language requiring a graded transition to low-emission vehicles in car rental fleets. Since that language allowed PHEVs to meet the requirements, the objections of rental fleet owners that tourists will be unable to charge the vehicles do not hold water. PHEVs can operate without charging when charge stations are not available.

SB-973-SD-1

Submitted on: 2/20/2023 9:10:25 AM

Testimony for CPN on 2/23/2023 10:00:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Theresa Holderread | Individual | Comments | Written Testimony Only |

Comments:

While reaching a goal to require rental cars to be electric sounds good, we do not have the infrastructure to put it in place. We need to have well thought through plans before passing bills. For example, the rental car facility was built at HNL without any planning for charging stations for electric cars. Sounds like the facility can't even install a few charging stations for each rental company without changing the infrastructure on a facility that is brand new. That was extremely bad planning that somehow no one thought about. Now you want to require rental car companies to have a completely electric vehicle fleet but no plan on how to charge those vehicles either at the facility or at lodging, attraction, etc locations. We can't continue passing bills because it's great for the environment, great for whatever etc., and not have a plan on how to implement them.

SB-973-SD-1

Submitted on: 2/20/2023 6:23:19 PM

Testimony for CPN on 2/23/2023 10:00:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Caroline Azelski | Individual | Support | Written Testimony Only |

Comments:

In support of SD1. Thank you.

SB-973-SD-1

Submitted on: 2/21/2023 9:14:32 AM

Testimony for CPN on 2/23/2023 10:00:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Paul Bernstein | Individual | Comments | Written Testimony Only |

Comments:

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of CPN:

I support the intent of this bill to move to electrify the rental car fleet. I like the idea of charging the rental car fleets for the charging infrastructure. I'd advocate for implementing a per stall fee where the fee is lower for stalls with a charger so as to incentivize rental car companies to electrify their fleet.

Respectfully,

Paul Bernstein