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# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that increased energy  
2 efficiency and the use of renewable and alternative energy  
3 resources would improve Hawaii's energy self-sufficiency,  
4 achieving broad societal benefits, including increased energy  
5 security, resistance to increases in oil prices, environmental  
6 sustainability, and economic development.

7           The legislature also finds that motor vehicles are  
8 responsible for a significant percentage of Hawaii's dependence  
9 on petroleum. Accordingly, the enactment of measures to promote  
10 energy efficiency and alternative fuel use for motor vehicles  
11 clearly is needed.

12           Special license plates for energy-efficient and alternative  
13 fuel vehicles and a temporary exemption from motor vehicle  
14 registration fees for these vehicles would encourage more people  
15 to acquire energy-efficient vehicles.

16           Further, improving the energy efficiency of state vehicle  
17 fleets and enabling the fleets to use a variety of renewable  
18 fuels and energy sources would also significantly lessen the



1 fiscal, environmental, and other impacts of fossil fuel use,  
2 shortages, and price spikes. In this regard, the legislature  
3 understands that the current state statute governing state  
4 vehicle purchases is inconsistent with federal requirements that  
5 provide for the purchase of alternative fuel vehicles and  
6 support and encourage local renewable fuel production. Failure  
7 to comply with federal law could result in fines or the  
8 withholding of federal funds.

9 Accordingly, the purpose of this Act is to:

- 10 (1) Direct the counties to issue license plates  
11 designating energy-efficient and alternative fuel  
12 vehicles;
- 13 (2) Exempt vehicles with energy-efficient or alternative  
14 fuel license plates from having to pay motor vehicle  
15 registration fees for a period of five years; and
- 16 (3) Reduce fuel costs for state government fleets and  
17 bring the State in compliance with federal  
18 requirements by directing state covered fleets to  
19 procure energy efficient vehicles, in accordance with  
20 definitions provided under federal law.



1 SECTION 2. Chapter 286, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 **"§286-A Energy efficient and alternative fuel vehicles.**

5 (a) For the purposes of this section, an "energy-efficient"  
6 light duty vehicle is a new or used vehicle with a gross vehicle  
7 weight rating of less than 8,500 pounds, that is on the list of  
8 "Most Energy Efficient Vehicles" in its class, as shown by  
9 vehicle fuel efficiency lists, rankings, or reports maintained  
10 by the United States Environmental Protection Agency. An  
11 "alternative fuel vehicle" is a vehicle capable of operating on  
12 alternative fuel, as described in 10 Code of Federal Regulations  
13 part 490.

14 (b) The counties shall establish and issue a special  
15 license plate, in accordance with section 249-9, to designate  
16 that the vehicle to which the license plate is affixed is an  
17 energy-efficient or alternative fuel vehicle.

18 (c) Vehicles on which an energy-efficient or alternative  
19 fuel license plate is affixed, for a period of five years from  
20 the effective date of this Act, shall be exempt from the motor  
21 vehicle registration fee."

1 SECTION 3. Section 103D-412, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "~~§103D-412 [Highly energy-efficient]~~ Energy-efficient  
4 **vehicles.** (a) The procurement policy for all agencies  
5 purchasing or leasing motor ~~[fleets]~~ vehicles shall be to obtain  
6 ~~[alternative fuel]~~ energy-efficient vehicles. ~~[Beginning~~  
7 ~~January 1, 2006, all state agencies]~~ All covered fleets are  
8 directed to procure increasing percentages of ~~[alternative fuel]~~  
9 energy-efficient vehicles as part of their annual vehicle  
10 acquisition plans, which shall be as follows:

11 (1) ~~[By January 1, 2007,]~~ In the fiscal year beginning  
12 July 1, 2006, at least twenty per cent of newly  
13 purchased light-duty vehicles acquired by each  
14 ~~[agency]~~ covered fleet shall be ~~[alternative fuel]~~  
15 energy-efficient vehicles;

16 (2) In the fiscal year beginning July 1, 2007, at least  
17 thirty per cent of newly purchased light-duty vehicles  
18 acquired by each covered fleet shall be energy-  
19 efficient vehicles;

20 ~~[+2)]~~ (3) ~~[By January 1, 2009,]~~ In the fiscal year  
21 beginning July 1, 2008, at least forty per cent of  
22 newly purchased light-duty vehicles acquired by each



1           [agency] covered fleet shall be [~~alternative fuel~~]  
2           energy-efficient vehicles; and  
3        [~~(3)~~] (4) For each subsequent fiscal year [~~subsequent to~~  
4        ~~January 1, 2009~~], the percentage of [~~alternative fuel~~]  
5        energy-efficient vehicles newly purchased shall be  
6        five percentage points higher than the previous year,  
7        until at least [~~sixty~~] seventy-five per cent of each  
8        [~~agency's~~] covered fleet's newly purchased, light-duty  
9        vehicles are [~~alternative fuel~~] energy-efficient  
10       vehicles.

11       (b) For purposes of this section:  
12        "Agency" means a state agency, office, or department.  
13        "Alternative fuel" has the same meaning as contained in 10  
14       Code of Federal Regulations part 490.

15        "Covered fleet" has the same meaning as contained in 10  
16       Code of Federal Regulations part 490 subpart C.

17        [~~"Alternative fuel"~~] "Energy-efficient vehicle" means a  
18       vehicle that:

- 19        (1) Is capable of using an alternative fuel;
- 20        [~~(1)~~] (2) Is powered primarily through the use of an  
21        electric battery or battery pack that stores energy

1 produced by an electric motor through regenerative  
2 braking to assist in vehicle operation;

3 ~~[(2)]~~ (3) Is propelled by power derived from one or more  
4 cells converting chemical energy directly into  
5 electricity by combining oxygen with hydrogen fuel  
6 that is stored on board the vehicle in any form; ~~[or]~~

7 ~~[(3)]~~ (4) Draws propulsion energy from onboard sources of  
8 stored energy generated from an internal combustion or  
9 heat engine using combustible fuel and a rechargeable  
10 energy storage system~~[-]~~; or

11 (5) Is on the list of "Most Energy Efficient Vehicles" in  
12 its class, or is in the top one-fifth of the most  
13 energy-efficient vehicles in its class available in  
14 Hawaii, as shown by vehicle fuel efficiency lists,  
15 rankings, or reports maintained by the United States  
16 Environmental Protection Agency.

17 "Excluded vehicles" has the same meaning as contained in 10  
18 Code of Federal Regulations part 490.

19 "Light duty vehicle" has the same meaning as contained in  
20 10 Code of Federal Regulations part 490.

21 (c) Agencies may offset the purchase requirements for  
22 ~~[alternative fuel]~~ energy-efficient vehicles by successfully



1 demonstrating percentage improvements in overall light-duty  
2 vehicle fleet mileage economy. The offsets shall be measured  
3 against the fleet average [~~mileage economy~~] miles per gallon of  
4 petroleum-based gasoline and diesel fuel, using [calendar year  
5 2004] the fiscal year beginning July 1, 2006, as a baseline, on  
6 a percentage-by-percentage basis.

7 (d) Agencies that use biodiesel fuel may offset the  
8 vehicle purchase requirements of this section at the rate of one  
9 vehicle for each four hundred fifty gallons of neat biodiesel  
10 fuel used. Neat biodiesel fuel is one hundred per cent  
11 biodiesel (B100) by volume.

12 (e) Agencies may apply to the procurement officer for  
13 exemptions from the requirements of this section to the extent  
14 that the vehicles required by this section are not available or  
15 do not meet the specific needs of the agency.

16 (f) Vehicles acquired from another state agency and  
17 excluded vehicles are exempt from the requirements of this  
18 section.

19 (g) Nothing in this section is intended to interfere with  
20 an agency's ability to comply with federally-imposed vehicle  
21 purchase mandates such as those required by 10 Code of Federal  
22 Regulations part 490 subpart C."



1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect upon its approval.





**Report Title:**

Motor Vehicles; Alternative Fuel; Energy Efficiency; Counties

**Description:**

Directs state covered fleets to procure energy efficient vehicles, applying definitions established by federal law. Directs counties to issue special license plates for energy-efficient and alternative fuel vehicles and exempts these vehicles from motor vehicle registration fees for 5 years.  
(HD1)

