

JAN 25 2006

S.B. NO. 3173

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

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

1 SECTION 1. Hawaii imports one hundred per cent of all its
2 transportation energy needs. This makes the State extremely
3 vulnerable to any oil embargo, supply disruption, international
4 market dysfunction, and many other factors beyond the control of
5 the State. Furthermore, the continued consumption of
6 conventional petroleum fuel further negatively impacts the
7 environment.

8 The purpose of this Act is to establish an alternative fuel
9 portfolio standard for motor vehicle fuels to move this State
10 away from its nearly total dependency on imported petroleum.

11 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
12 amended by adding a new part to be appropriately designated and
13 to read as follows:

14 **"PART . ALTERNATIVE FUEL PORTFOLIO STANDARD**

15 **§269- Definitions.** As used in this part:

16 "Alternative fuel" means methanol, denatured ethanol, and
17 other alcohols; mixtures containing eighty-five per cent or more
18 by volume of methanol, denatured ethanol, and other alcohols



1 with gasoline or other fuels; natural gas; liquefied petroleum
2 gas; hydrogen; coal-derived liquid fuels; biodiesel; mixtures
3 containing twenty per cent or more by volume of biodiesel with
4 diesel or other fuels; fuels (other than alcohol) derived from
5 biological materials; electricity; and any other fuel that is
6 substantially not a petroleum product that the public utilities
7 commission determines would yield substantial energy security
8 benefits or substantial environmental benefits.

9 "Life-cycle cost-effective factor" means the life-cycle
10 costs of the new motor vehicle powered by alternative fuel that
11 are estimated to be equal to or less than the life-cycle costs
12 of a new motor vehicle of the same manufacturer and model
13 powered by gasoline or diesel.

14 "Life-cycle costs" means the sum of the present values of
15 capital costs, fuel costs, operating costs, maintenance costs,
16 and disposal costs, over the lifetime of a new motor vehicle.

17 "New motor vehicle" and "new motor vehicle dealer" shall
18 have the same meaning as set forth in section 437-1.1.

19 **§269- Alternative fuel portfolio standard.** All new
20 motor vehicle dealers that import or cause to be imported into
21 the State new motor vehicles for sale in the State shall
22 include, at minimum, per calendar year, the following



1 percentages of new motor vehicles that are powered by
2 alternative fuels:

- 3 (1) Five per cent of all new motor vehicles imported into
4 the State by December 31, 2008;
- 5 (2) Ten per cent of all new motor vehicles imported into
6 the State by December 31, 2010;
- 7 (3) Fifteen per cent of all new motor vehicles imported
8 into the State by December 31, 2012; and
- 9 (4) Twenty per cent of all new motor vehicles imported
10 into the State by December 31, 2014.

11 **§269- New motor vehicle dealers reports.** (a) After
12 December 31, 2008, and on such reporting dates that the public
13 utilities commission may establish, each new motor vehicle
14 dealer shall file with the public utilities commission, on forms
15 prescribed by the public utilities commission, a certified
16 statement containing the following information for that
17 reporting year:

- 18 (1) The number of new motor vehicles that the new motor
19 vehicles dealer imported and sold in the State,
20 including:
 - 21 (A) The vehicle identification number;
 - 22 (B) The motor vehicle registration number;



1 (C) The manufacturer of the new motor vehicle; and

2 (D) The model or street name of the new motor
3 vehicle;

4 (2) The name and address of the purchaser of the new motor
5 vehicle;

6 (3) The type of fuel that powers each new motor vehicle
7 and, if an alternative fuel is utilized, the type of
8 alternative fuel;

9 (4) In the case of a new motor vehicle powered by an
10 alternative fuel, the life-cycle cost-effective factor
11 of the new motor vehicle; and

12 (5) Any other information that the public utilities
13 commission deems necessary to fully implement this
14 part.

15 (b) Any proprietary information that the public utilities
16 commission determines to be confidential shall be held in
17 confidence by the public utilities commission or aggregated to
18 the extent necessary to ensure confidentiality as governed by
19 chapter 92F, including its penalty provisions.

20 **§269- Rules.** The public utilities commission may adopt,
21 amend, or repeal rules, pursuant to chapter 91, that it deems
22 proper to fully effectuate this part."



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

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Report Title:

Motor Vehicles; Alternative Fuels

SB. NO. 3173

Description:

Establishes an alternative fuels portfolio standard, requiring a percentage of all new motor vehicles sold in the State to be powered by alternative fuels, starting in 2008.

