

JAN 24 2007

A BILL FOR AN ACT

RELATING TO REPEAL OF THE ETHANOL CONTENT REQUIREMENT.

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

1 SECTION 1. Section 196-9, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) With regard to motor vehicles and transportation fuel,
4 each agency shall:

5 (1) Comply with Title 10, Code of Federal Regulations,
6 Part 490, Subpart C, "Mandatory State Fleet Program",
7 if applicable;

8 (2) Comply with all applicable state laws regarding
9 vehicle purchases;

10 (3) Once federal and state vehicle purchase mandates have
11 been satisfied, purchase the most fuel-efficient
12 vehicles that meet the needs of their programs;
13 provided that life cycle cost-benefit analysis of
14 vehicle purchases shall include projected fuel costs;

15 (4) Purchase alternative fuels [~~and ethanol-blended~~
16 ~~gasoline~~] when available;



- 1 (5) Evaluate a purchase preference for biodiesel blends,
2 as applicable to agencies with diesel fuel purchases;
- 3 (6) Promote efficient operation of vehicles;
- 4 (7) Use the most appropriate minimum octane fuel; provided
5 that vehicles shall use 87-octane fuel unless the
6 owner's manual for the vehicle states otherwise or the
7 engine experiences knocking or pinging;
- 8 (8) Beginning with fiscal year 2005-2006 as the baseline,
9 collect and maintain, for the life of each vehicle
10 acquired, the following data:
 - 11 (A) Vehicle acquisition cost;
 - 12 (B) United States Environmental Protection Agency
13 rated fuel economy;
 - 14 (C) Vehicle fuel configuration, such as gasoline,
15 diesel, flex-fuel gasoline/E85, and dedicated
16 propane;
 - 17 (D) Actual in-use vehicle mileage;
 - 18 (E) Actual in-use vehicle fuel consumption; and
 - 19 (F) Actual in-use annual average vehicle fuel
20 economy; and
- 21 (9) Beginning with fiscal year 2005-2006 as the baseline
22 with respect to each agency that operates a fleet of



1 thirty or more vehicles, collect and maintain, in
2 addition to the data in paragraph (8), the following:

- 3 (A) Information on the vehicles in the fleet,
- 4 including vehicle year, make, model, gross
- 5 vehicle weight rating, and vehicle fuel
- 6 configuration;
- 7 (B) Fleet fuel usage, by fuel;
- 8 (C) Fleet mileage; and
- 9 (D) Overall annual average fleet fuel economy and
- 10 average miles per gallon of gasoline and diesel."

11 SECTION 2. Section 486J-10, Hawaii Revised Statutes, is
12 repealed.

13 ~~["§486J-10 Ethanol content requirement. (a) The director~~
14 ~~shall adopt rules in accordance with chapter 91 to require that~~
15 ~~gasoline sold in the State for use in motor vehicles contain ten~~
16 ~~per cent ethanol by volume. The amounts of gasoline sold in the~~
17 ~~State containing ten per cent ethanol shall be in accordance~~
18 ~~with rules as the director may deem appropriate. The director~~
19 ~~may authorize the sale of gasoline that does not meet these~~
20 ~~requirements as provided in subsection (d).~~

21 ~~(b) Gasoline blended with an ethanol based product, such~~
22 ~~as ethyl tertiary butyl ether, shall be considered to be in~~



1 ~~conformance with this section if the quantity of ethanol used in~~
2 ~~the manufacture of the ethanol based product represents ten per~~
3 ~~cent, by volume, of the finished motor fuel.~~

4 ~~(c) Ethanol used in the manufacture of ethanol based~~
5 ~~gasoline additives, such as ethyl tertiary butyl ether, may be~~
6 ~~considered to contribute to the distributor's conformance with~~
7 ~~this section; provided that the total quantity of ethanol used~~
8 ~~by the distributor is an amount equal to or greater than the~~
9 ~~amount of ethanol required under this section.~~

10 ~~(d) The director may authorize the sale of gasoline that~~
11 ~~does not meet the provisions of this section.~~

12 ~~(1) To the extent that sufficient quantities of~~
13 ~~competitively priced ethanol are not available to meet~~
14 ~~the minimum requirements of this section; or~~

15 ~~(2) In the event of any other circumstances for which the~~
16 ~~director determines compliance with this section would~~
17 ~~cause undue hardship.~~

18 ~~(e) Each distributor, at reporting dates as the director~~
19 ~~may establish, shall file with the director, on forms~~
20 ~~prescribed, prepared, and furnished by the director, a certified~~
21 ~~statement showing:~~

22 ~~(1) The price and amount of ethanol available;~~



- 1 ~~(2) The amount of ethanol blended fuel sold by the~~
- 2 ~~distributor,~~
- 3 ~~(3) The amount of non ethanol blended gasoline sold by the~~
- 4 ~~distributor, and~~
- 5 ~~(4) Any other information the director shall require for~~
- 6 ~~the purposes of compliance with this section.~~
- 7 ~~(f) Provisions with respect to confidentiality of~~
- 8 ~~information shall be the same as provided in section 486J-6.~~
- 9 ~~(g) Any distributor or any other person violating the~~
- 10 ~~requirements of this section shall be subject to a fine of not~~
- 11 ~~less than \$2 per gallon of nonconforming fuel, up to a maximum~~
- 12 ~~of \$10,000 per infraction.~~
- 13 ~~(h) The director, in accordance with chapter 91, shall~~
- 14 ~~adopt rules for the administration and enforcement of this~~
- 15 ~~section.] "~~

16 SECTION 2. Statutory material to be repealed is bracketed
17 and stricken.

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

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INTRODUCED BY: *RLW*



Report Title:

Repeal of ethanol content requirement

Description:

Repeals section 486J-10, which requires that gasoline sold in Hawaii for use in motor vehicles contain ten per cent ethanol by volume. Amends section 196-9 to strike directive that state agencies should purchase ethanol blended gasoline when possible.

