
A BILL FOR AN ACT

RELATING TO TRANSPORTATION ENERGY.

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

1 PART I.

2 TRANSPORTATION ENERGY INFRASTRUCTURE

3 SECTION 1. Chapter 196, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§196-A Requirement for electric vehicle charging
7 capability. Beginning January 1, 2015, every new single family
8 residential dwelling constructed in the State shall include
9 electric vehicle charging capability. Electric vehicle charging
10 capability shall comply with the applicable standards
11 established by SAE International."

12 SECTION 2. Chapter 291, Hawaii Revised Statutes, is
13 amended by adding two new sections to be appropriately
14 designated and to read as follows:

15 "§291-A Designation of parking spaces for electric
16 vehicles. All commercial and public parking lots with at least
17 one hundred parking spaces shall designate at least one parking
18 space exclusively for electric vehicles. An additional electric



1 vehicle parking location shall be required for each additional
2 one hundred parking spaces in the parking lot; provided that the
3 designated parking spaces shall be located either near the
4 building entrance or near electrical service, at the discretion
5 of the facility manager. Electric vehicle parking spaces shall
6 be designated, clearly marked, and enforced no later than
7 December 31, 2010.

8 For the purposes of this section, "electric vehicle" means
9 an electric vehicle, as defined in section 196-B, or
10 neighborhood electric vehicle, as defined in section 286-2, with
11 an electric vehicle license plate.

12 **§291-B Parking spaces reserved for electric vehicles;**
13 **penalties.** (a) Beginning January 1, 2011, any person who parks
14 a non-electric vehicle in a space designated and marked as
15 reserved for electric vehicles shall receive a warning.

16 (b) Beginning July 1, 2011, any person who parks a non-
17 electric vehicle in a space designated and marked as reserved
18 for electric vehicles shall be guilty of a traffic infraction
19 under chapter 291D and shall be fined not less than \$50 but not
20 more than \$100 and shall pay any costs incurred by the court
21 related to assessing the fine.



1 (c) Any citation issued under this chapter may be mailed
2 to the violator pursuant to section 291C-165(b)."

3 SECTION 3. Section 269-1, Hawaii Revised Statutes, is
4 amended by amending the definition of "public utility" to read
5 as follows:

6 ""Public utility":

7 (1) Includes every person who may own, control, operate,
8 or manage as owner, lessee, trustee, receiver, or
9 otherwise, whether under a franchise, charter,
10 license, articles of association, or otherwise, any
11 plant or equipment, or any part thereof, directly or
12 indirectly for public use, for the transportation of
13 passengers or freight, or the conveyance or
14 transmission of telecommunications messages, or the
15 furnishing of facilities for the transmission of
16 intelligence by electricity by land or water or air
17 within the State, or between points within the State,
18 or for the production, conveyance, transmission,
19 delivery, or furnishing of light, power, heat, cold,
20 water, gas, or oil, or for the storage or warehousing
21 of goods, or the disposal of sewage; provided that the
22 term shall include:



- 1 (A) Any person insofar as that person owns or
- 2 operates a private sewer company or sewer
- 3 facility; and
- 4 (B) Any telecommunications carrier or
- 5 telecommunications common carrier;
- 6 (2) Shall not include:
- 7 (A) Any person insofar as that person owns or
- 8 operates an aerial transportation enterprise;
- 9 (B) Persons owning or operating taxicabs, as defined
- 10 in this section;
- 11 (C) Common carriers transporting only freight on the
- 12 public highways, unless operating within
- 13 localities or along routes or between points that
- 14 the public utilities commission finds to be
- 15 inadequately serviced without regulation under
- 16 this chapter;
- 17 (D) Persons engaged in the business of warehousing or
- 18 storage unless the commission finds that
- 19 regulation thereof is necessary in the public
- 20 interest;
- 21 (E) The business of any carrier by water to the
- 22 extent that the carrier enters into private



1 contracts for towage, salvage, hauling, or
2 carriage between points within the State and the
3 carriage is not pursuant to either an established
4 schedule or an undertaking to perform carriage
5 services on behalf of the public generally;

6 (F) The business of any carrier by water,
7 substantially engaged in interstate or foreign
8 commerce, transporting passengers on luxury
9 cruises between points within the State or on
10 luxury round-trip cruises returning to the point
11 of departure;

12 (G) Any person who:
13 (i) Controls, operates, or manages plants or
14 facilities for the production, transmission,
15 or furnishing of power primarily or entirely
16 from nonfossil fuel sources; [~~and~~]
17 (ii) Provides, sells, or transmits all of that
18 power, except such power as is used in its
19 own internal operations, directly to a
20 public utility for transmission to the
21 public; and



- 1 (iii) Owns, controls, operates, or manages plants
- 2 or facilities used primarily to charge or
- 3 discharge vehicle batteries, that provide
- 4 power for vehicle propulsion;

- 5 (H) A telecommunications provider only to the extent
- 6 determined by the commission pursuant to section
- 7 269-16.9;

- 8 (I) Any person who controls, operates, or manages
- 9 plants or facilities developed pursuant to
- 10 chapter 167 for conveying, distributing, and
- 11 transmitting water for irrigation and such other
- 12 purposes that shall be held for public use and
- 13 purpose;

- 14 (J) Any person who owns, controls, operates, or
- 15 manages plants or facilities for the reclamation
- 16 of wastewater; provided that:

- 17 (i) The services of the facility shall be
- 18 provided pursuant to a service contract
- 19 between the person and a state or county
- 20 agency and at least ten per cent of the
- 21 wastewater processed is used directly by the



1 State or county which has entered into the
2 service contract;

3 (ii) The primary function of the facility shall
4 be the processing of secondary treated
5 wastewater that has been produced by a
6 municipal wastewater treatment facility that
7 is owned by a state or county agency;

8 (iii) The facility shall not make sales of water
9 to residential customers;

10 (iv) The facility may distribute and sell
11 recycled or reclaimed water to entities not
12 covered by a state or county service
13 contract; provided that, in the absence of
14 regulatory oversight and direct competition,
15 the distribution and sale of recycled or
16 reclaimed water shall be voluntary and its
17 pricing fair and reasonable. For purposes
18 of this subparagraph, "recycled water" and
19 "reclaimed water" mean treated wastewater
20 that by design is intended or used for a
21 beneficial purpose; and



1 (v) The facility shall not be engaged, either
 2 directly or indirectly, in the processing of
 3 food wastes; and

4 (K) Any person who owns, controls, operates, or
 5 manages any seawater air conditioning district
 6 cooling project; provided that at least fifty per
 7 cent of the energy required for the seawater air
 8 conditioning district cooling system is provided
 9 by a renewable energy resource, such as cold,
 10 deep seawater.

11 If the application of this chapter is ordered by the
 12 commission in any case provided in paragraphs (2) (C), (2) (D),
 13 (2) (H), and (2) (I), the business of any public utility that
 14 presents evidence of bona fide operation on the date of the
 15 commencement of the proceedings resulting in the order shall be
 16 presumed to be necessary to public convenience and necessity,
 17 but any certificate issued under this proviso shall nevertheless
 18 be subject to such terms and conditions as the commission may
 19 prescribe, as provided in sections 269-16.9 and 269-20."

PART II.

TRANSPORTATION ENERGY INCENTIVES



1 SECTION 4. Chapter 196, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§196-B Transportation energy transformation grant fund.

5 (a) There is established in the state treasury a special fund
6 to be designated as the transportation energy transformation
7 grant fund into which shall be deposited appropriations made by
8 the legislature to the fund. Moneys in the transportation
9 energy transformation grant fund may be expended by the director
10 to carry out the director's duties and obligations under this
11 chapter. Disbursements from the transportation energy
12 transformation grant fund shall not be subject to chapter 42F or
13 103D.

14 (b) As used in this section:

15 "Director" means the director of business, economic
16 development, and tourism.

17 "Electric vehicle" has the same meaning as section
18 30(c)(1), of the Internal Revenue Code, and includes a plug-in
19 hybrid electric vehicle, that:

20 (1) Draws energy for propulsion from a traction battery
21 with at least four kilowatt hours of capacity; and



1 (2) Uses an off-board source of energy to recharge a
2 battery as specified in paragraph (1);

3 "Fleet" means more than fifty light duty motor vehicles in
4 the State owned or operated by related entities.

5 "Integrated intelligently with the electrical grid" means
6 that the demand of the vehicle for electricity from the grid is
7 controlled to reduce the electrical demand on the grid during
8 peak demand times and maximize the use of renewable energy
9 sources or use of renewable energy potentially available off-
10 peak that would otherwise be curtailed.

11 (c) The transportation energy transformation grant fund
12 shall be used by the director to make transportation energy
13 transformation grants authorized under this section. The
14 transportation energy transformation grant fund shall also be
15 used by the director to pay for any administrative and
16 operational costs, including personnel costs and marketing
17 costs, associated with a transportation energy transformation
18 grant program. Any law to the contrary notwithstanding, the
19 director may use the moneys in the transportation energy
20 transformation grant fund to employ or retain, by contract or
21 otherwise, without regard to chapters 76 and 78, necessary
22 professional, expert, managerial, technical, and support



1 personnel to implement and carry out the purposes of this
2 chapter.

3 (d) Prior to June 30 of each calendar year, fifty per cent
4 of the grants made from the transportation energy transformation
5 grant fund shall be reserved for non-fleet vehicles; provided
6 that no more than ten per cent of the grants may be provided to
7 any one fleet.

8 (e) Subject to the availability of funds and the standards
9 in this section, grants for approved electric vehicles shall be
10 provided to purchasers of electric vehicles intended to be
11 integrated intelligently with the electrical grid and licensed
12 for use on highways in the State, as follows:

13 (1) Beginning January 1, 2010, and expiring December 31,
14 2010: up to \$4,000 per vehicle limited to the first
15 five hundred vehicles that are approved;

16 (2) Beginning January 1, 2011, and expiring December 31,
17 2011: up to \$3,500 per vehicle limited to the first
18 one thousand vehicles that are approved;

19 (3) Beginning January 1, 2012, and expiring December 31,
20 2013: up to \$2,500 per vehicle limited to the first
21 two thousand vehicles per year that are approved;



1 (4) Beginning January 1, 2014, and expiring December 31,
2 2015: up to \$2,000 per vehicle limited to the first
3 two thousand five hundred vehicles that are approved
4 per year; and

5 (5) Beginning January 1, 2016, and expiring December 31,
6 2021: up to \$500 per vehicle limited to the first ten
7 thousand vehicles that are approved per year.

8 (f) The director shall adopt rules, pursuant to chapter
9 91, that establish the descriptions, specifications, guidelines,
10 and requirements for intelligent integration with the electrical
11 grid. The director may amend, narrow, or expand the
12 definitions, descriptions, specifications, and requirements of
13 intelligent integration.

14 (g) A grant shall only be made to applicants that:

15 (1) Meet the descriptions, specifications, guidelines, and
16 requirements established by rule;

17 (2) File a completed application form, as determined
18 solely by the director, together with all supporting
19 documentation required by the director;

20 (3) File completed grant applications together for all
21 vehicles in a fleet, if applicable;



1 (4) Complete the purchase or lease, licensing, and
2 registration of the vehicle, prior to applying for the
3 grant;

4 (5) Provide all other information deemed necessary by the
5 director; and

6 (6) Comply with all additional requirements needed to
7 implement the grant program, as determined by the
8 director.

9 (h) The director shall submit an annual report on the
10 transportation energy transformation grant fund and statistical
11 information on program participation to the governor and the
12 legislature no later than twenty days prior to the convening of
13 each regular session beginning with the regular session of
14 2010."

15 SECTION 5. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$3,750,000 or so much
17 thereof as may be necessary for fiscal year 2009-2010 to be
18 deposited into the transportation energy transformation grant
19 fund.

20 SECTION 6. There is appropriated out of the transportation
21 energy transformation grant fund the sum of \$3,750,000 or so
22 much thereof as may be necessary for fiscal year 2009-2010 to



1 implement the purposes of the transportation energy
2 transformation grant fund.

3 The sum appropriated shall be expended by the department of
4 business, economic development, and tourism for the purposes of
5 section 4 of this Act.

6 This appropriation shall not lapse at the end of the fiscal
7 year for which the appropriation is made; provided that all
8 moneys from the appropriation that are unencumbered as of June
9 30, 2012, shall lapse as of that date.

10 SECTION 7. Chapter 235, Hawaii Revised Statutes, is
11 amended by adding two new sections to be appropriately
12 designated and to read as follows:

13 "§235-A Electric vehicle charging; income tax credit. (a)

14 There shall be allowed to each taxpayer subject to the taxes
15 imposed by this chapter a tax credit for code-compliant electric
16 vehicle charging infrastructure installed and placed in service
17 in the State that shall be deductible from the taxpayer's net
18 income tax liability. The tax credit may be claimed for the
19 taxable year in which the code-compliant electric vehicle
20 charging system is placed in service in the State.

21 (b) The amount of the credit shall be seventy per cent of
22 the cost of the electric vehicle charging system or \$500 per



1 electric vehicle charge point of the system, whichever is less.
2 The cost of the electric vehicle charging system includes all
3 costs to acquire, construct, and install the electric vehicle
4 charging system that are required to be capitalized under
5 section 263 of the Internal Revenue Code to the electric vehicle
6 charging system. The cost of the electric vehicle charging
7 system does not include costs that are properly allocable to
8 land or to a building and its structural components, including
9 but not limited to, costs related to the acquisition of land on
10 which the electric vehicle charging system is located, expenses
11 for permits, legal fees, project management, or engineering to
12 the extent such expenses are related to the land.

13 (c) If a deduction is taken under section 179 of the
14 Internal Revenue Code, no tax credit shall be allowed for that
15 portion of the cost for which the deduction is taken.

16 (d) The basis of eligible property for depreciation or
17 accelerated cost recovery system purposes for state income taxes
18 shall be reduced by the amount of credit allowable and claimed.
19 In the alternative, the taxpayer shall treat the amount of the
20 credit allowable and claimed as a taxable income item for the
21 taxable year in which it is properly recognized under the method
22 of accounting used to compute taxable income.



1 (e) The costs used to compute this tax credit may not be
2 used to compute any other tax credit.

3 (f) For the purposes of this section:

4 "Electric vehicle charge point" means the part of the
5 electric vehicle charging system that delivers electricity from
6 a source outside an electric vehicle into one electric vehicle.

7 "Electric vehicle charging system" means a system that is
8 designed in compliance with Article 625 of the National
9 Electrical Code and delivers electricity from a source outside
10 an electric vehicle into one or more electric vehicles. An
11 electric vehicle charging system may include several charge
12 points simultaneously connecting several electric vehicles to
13 the system.

14 (g) The director of taxation shall prepare any forms that
15 may be necessary to claim a tax credit under this section. The
16 director may also require the taxpayer to furnish reasonable
17 information to ascertain the validity of the claim for credit
18 made under this section and may adopt rules necessary to
19 effectuate the purposes of this section pursuant to chapter 91.

20 (h) If the tax credit under this section exceeds the
21 taxpayer's income tax liability, the excess of the credit over
22 liability may be used as a credit against the taxpayer's income



1 tax liability in subsequent years until exhausted. Every claim,
2 including amended claims, for a tax credit under this section
3 shall be filed on or before the end of the twelfth month
4 following the close of the taxable year for which the credit may
5 be claimed. Failure to comply with the foregoing provision
6 shall constitute a waiver of the right to claim the credit.

7 (i) This tax credit applies to electric vehicle charging
8 systems placed in service after July 1, 2009, and before January
9 1, 2016.

10 **§235-B Alternative fuel refueling; income tax credit.** (a)

11 There shall be allowed to each taxpayer subject to the taxes
12 imposed by this chapter a tax credit for any alternative fuel
13 refueling infrastructure installed and placed in service in the
14 State that shall be deductible from the taxpayer's net income
15 tax liability. The tax credit may be claimed for the taxable
16 year in which the alternative fuel refueling infrastructure is
17 placed in service.

18 (b) The amount of the credit shall be thirty per cent of
19 the cost of the alternative fuel refueling infrastructure or
20 \$10,000, whichever is less. The cost of the alternative fuel
21 refueling infrastructure includes all costs to acquire,
22 construct and install the alternative fuel refueling



1 infrastructure that are required to be capitalized under section
2 263 of the Internal Revenue Code to the alternative fuel
3 refueling infrastructure. The cost of the alternative fuel
4 refueling infrastructure does not include costs that are
5 properly allocable to land or to a building and its structural
6 components, including, but not limited to costs related to the
7 acquisition of land on which the alternative fuel refueling
8 infrastructure is located, expenses for permits, legal fees,
9 project management, or engineering to the extent such expenses
10 are related to the land.

11 (c) If a deduction is taken under section 179 of the
12 Internal Revenue Code, no tax credit shall be allowed for that
13 portion of the cost for which the deduction is taken.

14 (d) The basis of eligible property for depreciation or
15 accelerated cost recovery system purposes for state income taxes
16 shall be reduced by the amount of credit allowable and claimed.
17 In the alternative, the taxpayer shall treat the amount of the
18 credit allowable and claimed as a taxable income item for the
19 taxable year in which it is properly recognized under the method
20 of accounting used to compute taxable income.

21 (e) The costs used to compute this tax credit may not be
22 used to compute any other tax credit.



1 (f) Recapture provisions shall conform with the recapture
2 provisions applied to "alternative fuel refueling property"
3 credits described in section 30C of the Internal Revenue Code.

4 (g) For the purposes of this section:

5 "Alternative fuel refueling infrastructure" means equipment
6 for the storage and dispensing of alternative fuels for the
7 refueling of alternative fuel vehicles, and shall conform with
8 the definition of "alternative fuel refueling property"
9 contained in section 30C of the Internal Revenue Code.

10 (h) The director of taxation shall prepare any forms that
11 may be necessary to claim a tax credit under this section. The
12 director may also require the taxpayer to furnish reasonable
13 information to ascertain the validity of the claim for credit
14 made under this section and may adopt rules necessary to
15 effectuate the purposes of this section pursuant to chapter 91.

16 (i) If the tax credit under this section exceeds the
17 taxpayer's income tax liability, the excess of the credit over
18 liability may be used as a credit against the taxpayer's income
19 tax liability in subsequent years until exhausted. Every claim,
20 including amended claims, for a tax credit under this section
21 shall be filed on or before the end of the twelfth month
22 following the close of the taxable year for which the credit may



1 be claimed. Failure to comply with the foregoing provision
2 shall constitute a waiver of the right to claim the credit.

3 (j) This tax credit applies to alternative fuel refueling
4 infrastructure placed in service after July 1, 2009, and before
5 January 1, 2016."

6 SECTION 8. Chapter 237, Hawaii Revised Statutes, is
7 amended by adding a new section to be appropriately designated
8 and to read as follows:

9 "§237-A Exemption of sale or lease of certain vehicles.

10 (a) Beginning January 1, 2010, and expiring December 31, 2015,
11 there shall be exempted from the measure of the taxes imposed by
12 this chapter all of the gross proceeds arising from the sale or
13 lease of a new or used light duty motor vehicle that is
14 classified as an alternative fuel vehicle or a fuel economy
15 leader vehicle.

16 (b) As used in this section:

17 "Alternative fuel" means alcohol fuels, mixtures containing
18 eighty-five per cent or more by volume of alcohols with gasoline
19 or other fuels, natural gas, liquefied petroleum gas, hydrogen,
20 biodiesel, mixtures containing twenty per cent or more by volume
21 of biodiesel with diesel or other fuels, other fuels derived



1 from biological materials, and electricity provided by off-board
2 energy sources.

3 "Alternative fuel vehicle" means a vehicle capable of
4 operating on an alternative fuel.

5 "Fuel economy leader vehicle" means a vehicle that is
6 identified by the United States Environmental Protection Agency
7 as a fuel economy leader in its class and model year.

8 "Light duty motor vehicle" has the same meaning as
9 contained in 10 Code of Federal Regulations Part 490; provided
10 that it does not include any vehicle incapable of traveling on
11 highways or any vehicle with a gross vehicle weight rating
12 greater than eight thousand five hundred pounds."

13 SECTION 9. Section 226-18, Hawaii Revised Statutes, is
14 amended to read as follows:

15 **"§226-18 Objectives and policies for facility systems--**
16 **energy.** (a) Planning for the State's facility systems with
17 regard to energy shall be directed toward the achievement of the
18 following objectives, giving due consideration to all:

- 19 (1) Dependable, efficient, and economical statewide energy
20 systems capable of supporting the needs of the people;
21 (2) Increased energy self-sufficiency where the ratio of
22 indigenous to imported energy use is increased;



1 (3) Greater energy security and diversification in the
2 face of threats to Hawaii's energy supplies and
3 systems; and

4 (4) Reduction, avoidance, or sequestration of greenhouse
5 gas emissions from energy supply and use.

6 (b) To achieve the energy objectives, it shall be the
7 policy of this State to ensure the short- and long-term
8 provision of adequate, reasonably priced, and dependable energy
9 services to accommodate demand.

10 (c) To further achieve the energy objectives, it shall be
11 the policy of this State to:

12 (1) Support research and development as well as promote
13 the use of renewable energy sources;

14 (2) Ensure that the combination of energy supplies and
15 energy-saving systems is sufficient to support the
16 demands of growth;

17 (3) Base decisions of least-cost supply-side and demand-
18 side energy resource options on a comparison of their
19 total costs and benefits when a least-cost is
20 determined by a reasonably comprehensive,
21 quantitative, and qualitative accounting of their
22 long-term, direct and indirect economic,



- 1 environmental, social, cultural, and public health
2 costs and benefits;
- 3 (4) Promote all cost-effective conservation of power and
4 fuel supplies through measures, including:
- 5 (A) Development of cost-effective demand-side
6 management programs;
- 7 (B) Education; and
- 8 (C) Adoption of energy-efficient practices and
9 technologies;
- 10 (5) Ensure, to the extent that new supply-side resources
11 are needed, that the development or expansion of
12 energy systems uses the least-cost energy supply
13 option and maximizes efficient technologies;
- 14 (6) Support research, development, [~~and~~] demonstration,
15 and utilization of energy efficiency, load management,
16 and other demand-side management programs, practices,
17 and technologies;
- 18 (7) Promote alternate fuels and transportation energy
19 efficiency [~~by encouraging diversification of~~
20 ~~transportation modes and infrastructure~~];



- 1 (8) Support actions that reduce, avoid, or sequester
- 2 greenhouse gases in utility, transportation, and
- 3 industrial sector applications;
- 4 (9) Support actions that reduce, avoid, or sequester
- 5 Hawaii's greenhouse gas emissions through agriculture
- 6 and forestry initiatives; and
- 7 (10) Provide priority handling and processing for all state
- 8 and county permits required for renewable energy
- 9 projects."

10 SECTION 10. Section 235-110.3, Hawaii Revised Statutes, is
 11 amended to read as follows:

12 "§235-110.3 ~~[Ethanol]~~ Biofuel facility tax credit. (a)
 13 Each year during the credit period, there shall be allowed to
 14 each taxpayer subject to the taxes imposed by this chapter, [~~an~~
 15 ~~ethanol~~] a biofuel facility tax credit that shall be applied to
 16 the taxpayer's net income tax liability, if any, imposed by this
 17 chapter for the taxable year in which the credit is properly
 18 claimed.

19 For each qualified [~~ethanol~~] biofuel production facility,
 20 the annual dollar amount of the [~~ethanol~~] biofuel facility tax
 21 credit during the eight-year period shall be equal to thirty per
 22 cent of its nameplate capacity if the nameplate capacity is



1 greater than five hundred thousand [~~but less than fifteen~~
2 ~~million~~] gallons. A taxpayer may claim this credit for the
3 first fifteen million gallons of capacity of each qualifying
4 ~~[ethanol]~~ biofuel facility; provided that:

5 (1) The claim for this credit by any taxpayer of a
6 qualifying ~~[ethanol]~~ biofuel production facility shall
7 not exceed one hundred per cent of the total of all
8 investments made by the taxpayer in the qualifying
9 ~~[ethanol]~~ biofuel production facility prior to and
10 during the credit period;

11 (2) The qualifying ~~[ethanol]~~ biofuel production facility
12 operated at a level of production of at least seventy-
13 five per cent of its nameplate capacity on an
14 annualized basis;

15 (3) The qualifying ~~[ethanol]~~ biofuel production facility
16 is in production on or before January 1, 2017; and

17 (4) No taxpayer that claims the credit under this section
18 shall claim any other tax credit under this chapter
19 for the same taxable year.

20 (b) As used in this section:

21 "Biofuel" means ethanol, biodiesel, diesel, jet fuel, or
22 other liquid fuel meeting the relevant fuel specifications of



1 ASTM International (formerly ASTM, the American Society for
2 Testing and Materials).

3 "Credit period" means a maximum period of eight years
4 beginning from the first taxable year in which the qualifying
5 [~~ethanol~~] biofuel production facility begins production even if
6 actual production is not at seventy-five per cent of nameplate
7 capacity.

8 "Investment" means a nonrefundable capital expenditure
9 related to the development and construction of any qualifying
10 [~~ethanol~~] biofuel production facility, including processing
11 equipment, waste treatment systems, pipelines, and liquid
12 storage tanks at the facility or remote locations, including
13 expansions or modifications. Capital expenditures shall be
14 those direct and certain indirect costs determined in accordance
15 with section 263A of the Internal Revenue Code, relating to
16 uniform capitalization costs, but shall not include expenses for
17 compensation paid to officers of the taxpayer, pension and other
18 related costs, rent for land, the costs of repairing and
19 maintaining the equipment or facilities, training of operating
20 personnel, utility costs during construction, property taxes,
21 costs relating to negotiation of commercial agreements not
22 related to development or construction, or service costs that



1 can be identified specifically with a service department or
2 function or that directly benefit or are incurred by reason of a
3 service department or function. For the purposes of determining
4 a capital expenditure under this section, the provisions of
5 section 263A of the Internal Revenue Code shall apply as it read
6 on March 1, 2004. For purposes of this section, investment
7 excludes land costs and includes any investment for which the
8 taxpayer is at risk, as that term is used in section 465 of the
9 Internal Revenue Code (with respect to deductions limited to
10 amount at risk).

11 "Nameplate capacity" means the qualifying [~~ethanol~~] biofuel
12 production facility's production design capacity, in gallons of
13 [~~motor fuel grade ethanol~~] biofuel per year.

14 "Net income tax liability" means net income tax liability
15 reduced by all other credits allowed under this chapter.

16 "Qualifying [~~ethanol~~] biofuel production" means [~~ethanol~~]
17 biofuel produced from renewable, organic feedstocks, or waste
18 materials, including municipal solid waste. All qualifying
19 production shall be fermented, distilled, gasified, or produced
20 by physical chemical conversion methods such as reformation and
21 catalytic conversion and dehydrated at the facility.



1 "Qualifying [~~ethanol~~] biofuel production facility" or
2 "facility" means a facility located in Hawaii [~~which~~] that
3 produces [~~meter~~] fuel grade [~~ethanol meeting the minimum~~
4 ~~specifications by the American Society of Testing and Materials~~
5 ~~standard D 4806, as amended.~~] biofuel.

6 (c) In the case of a taxable year in which the cumulative
7 claims for the credit by the taxpayer of a qualifying [~~ethanol~~]
8 biofuel production facility exceeds the cumulative investment
9 made in the qualifying [~~ethanol~~] biofuel production facility by
10 the taxpayer, only that portion that does not exceed the
11 cumulative investment shall be claimed and allowed.

12 (d) The department of business, economic development, and
13 tourism shall:

- 14 (1) Maintain records of the total amount of investment
15 made by each taxpayer in a facility;
- 16 (2) Verify the amount of the qualifying investment;
- 17 (3) Total all qualifying and cumulative investments that
18 the department of business, economic development, and
19 tourism certifies; and
- 20 (4) Certify the total amount of the tax credit for each
21 taxable year and the cumulative amount of the tax
22 credit during the credit period.



1 Upon each determination, the department of business,
2 economic development, and tourism shall issue a certificate to
3 the taxpayer verifying the qualifying investment amounts, the
4 credit amount certified for each taxable year, and the
5 cumulative amount of the tax credit during the credit period.
6 The taxpayer shall file the certificate with the taxpayer's tax
7 return with the department of taxation. Notwithstanding the
8 department of business, economic development, and tourism's
9 certification authority under this section, the director of
10 taxation may audit and adjust certification to conform to the
11 facts.

12 If in any year, the annual amount of certified credits
13 reaches \$12,000,000 in the aggregate, the department of
14 business, economic development, and tourism shall immediately
15 discontinue certifying credits and notify the department of
16 taxation. In no instance shall the total amount of certified
17 credits exceed \$12,000,000 per year. Notwithstanding any other
18 law to the contrary, this information shall be available for
19 public inspection and dissemination under chapter 92F.

20 (e) If the credit under this section exceeds the
21 taxpayer's income tax liability, the excess of credit over
22 liability shall be refunded to the taxpayer; provided that no



1 refunds or payments on account of the tax credit allowed by this
2 section shall be made for amounts less than \$1. All claims for
3 a credit under this section must be properly filed on or before
4 the end of the twelfth month following the close of the taxable
5 year for which the credit may be claimed. Failure to comply
6 with the foregoing provision shall constitute a waiver of the
7 right to claim the credit.

8 (f) If a qualifying [~~ethanol~~] biofuel production facility
9 or an interest therein is acquired by a taxpayer prior to the
10 expiration of the credit period, the credit allowable under
11 subsection (a) for any period after such acquisition shall be
12 equal to the credit that would have been allowable under
13 subsection (a) to the prior taxpayer had the taxpayer not
14 disposed of the interest. If an interest is disposed of during
15 any year for which the credit is allowable under subsection (a),
16 the credit shall be allowable between the parties on the basis
17 of the number of days during the year the interest was held by
18 each taxpayer. In no case shall the credit allowed under
19 subsection (a) be allowed after the expiration of the credit
20 period.

21 [~~(g) Once the total nameplate capacities of qualifying~~
22 ~~ethanol production facilities built within the State reaches or~~



1 ~~exceeds a level of forty million gallons per year, credits under~~
2 ~~this section shall not be allowed for new ethanol production~~
3 ~~facilities. If a new facility's production capacity would cause~~
4 ~~the statewide ethanol production capacity to exceed forty~~
5 ~~million gallons per year, only the ethanol production capacity~~
6 ~~that does not exceed the statewide forty million gallon per year~~
7 ~~level shall be eligible for the credit.]~~

8 ~~(h)~~ (g) Prior to construction of any new qualifying
9 ~~ethanol~~ biofuel production facility, the taxpayer shall
10 provide written notice of the taxpayer's intention to begin
11 construction of a qualifying ~~ethanol~~ biofuel production
12 facility. The information shall be provided to the department
13 of taxation and the department of business, economic
14 development, and tourism on forms provided by the department of
15 business, economic development, and tourism, and shall include
16 information on the taxpayer, facility location, facility
17 production capacity, anticipated production start date, and the
18 taxpayer's contact information. Notwithstanding any other law
19 to the contrary, this information shall be available for public
20 inspection and dissemination under chapter 92F.

21 ~~(i)~~ (h) The taxpayer shall provide written notice to the
22 director of taxation and the director of business, economic



1 development, and tourism within thirty days following the start
 2 of production. The notice shall include the production start
 3 date and expected [~~ethanol~~] biofuel fuel production for the next
 4 twenty-four months. Notwithstanding any other law to the
 5 contrary, this information shall be available for public
 6 inspection and dissemination under chapter 92F.

7 [~~(j)~~] (i) If a qualifying [~~ethanol~~] biofuel production
 8 facility fails to achieve an average annual production of at
 9 least seventy-five per cent of its nameplate capacity for two
 10 consecutive years, the stated capacity of that facility may be
 11 revised by the director of business, economic development, and
 12 tourism to reflect actual production for the purposes of
 13 determining [~~statewide production capacity under subsection (g)~~
 14 ~~and~~] allowable credits for that facility under subsection (a).
 15 Notwithstanding any other law to the contrary, this information
 16 shall be available for public inspection and dissemination under
 17 chapter 92F.

18 [~~(k)~~] (j) Each calendar year during the credit period, the
 19 taxpayer shall provide information to the director of business,
 20 economic development, and tourism on the number of gallons [~~of~~
 21 ~~ethanol~~] and type of biofuel produced and sold during the
 22 previous calendar year, how much was sold in Hawaii versus



1 overseas, percentage of Hawaii-grown feedstocks and other
 2 feedstocks used for [~~ethanol~~] biofuel production, the number of
 3 employees of the facility, and the projected number of gallons
 4 [~~of ethanol~~] and type of biofuel production for the succeeding
 5 year.

6 [~~l~~] (k) In the case of a partnership, S corporation,
 7 estate, or trust, the tax credit allowable is for every
 8 qualifying [~~ethanol~~] biofuel production facility. The cost upon
 9 which the tax credit is computed shall be determined at the
 10 entity level. Distribution and share of credit shall be
 11 determined pursuant to section 235-110.7(a).

12 [~~m~~] (l) Following each year in which a credit under this
 13 section has been claimed, the director of business, economic
 14 development, and tourism shall [~~submit a written~~] include in its
 15 annual report to the governor and legislature [~~regarding the~~
 16 ~~production and sale of ethanol. The report shall include:~~] the
 17 following:

18 (1) The number, location, and nameplate capacities of
 19 qualifying [~~ethanol~~] biofuel production facilities in
 20 the State;

21 (2) The total number of gallons of [~~ethanol~~] biofuel
 22 produced and sold during the previous year; and



1 (3) The projected number of gallons of [~~ethanol~~] biofuel
2 production for the succeeding year.

3 [~~(n)~~] (m) The director of taxation shall prepare forms
4 that may be necessary to claim a credit under this section.
5 Notwithstanding the department of business, economic
6 development, and tourism's certification authority under this
7 section, the director may audit and adjust certification to
8 conform to the facts. The director may also require the
9 taxpayer to furnish information to ascertain the validity of the
10 claim for credit made under this section and may adopt rules
11 necessary to effectuate the purposes of this section pursuant to
12 chapter 91."

13 SECTION 11. Section 238-9.5, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§238-9.5 Motor vehicle importation; report by dealers;**
16 **proof of payment.** (a) Every dealer, as defined in section 437-
17 1.1, shall submit a report to the director, on or before the
18 last day of each calendar month, for all motor vehicles
19 delivered by the dealer in the prior month as a courtesy
20 delivery. The report shall contain the name and address of the
21 dealer making the courtesy delivery, name and address of the
22 seller of the vehicle, type of motor vehicle, the landed value



1 of the vehicle, the name and address of the purchaser or
2 importer, the date of importation, and other information
3 relevant to the courtesy delivery as requested by the director.

4 As used in this section, "courtesy delivery" means the
5 preparation for delivery and the delivery by a dealer of a motor
6 vehicle imported into the State by a person who purchased the
7 motor vehicle from an out-of-state motor vehicle manufacturer or
8 an out-of-state dealer and does not apply to motor vehicles sold
9 by the in-state dealer.

10 (b) The director of taxation shall prepare forms necessary
11 for individuals importing motor vehicles into the State to prove
12 payment of the use tax necessary to register the motor vehicle.

13 (c) The tax imposed by this chapter shall not apply to an
14 alternative fuel vehicle or fuel economy leader vehicle that is
15 exempted pursuant to chapter 237."

16 SECTION 12. Section 251-2, Hawaii Revised Statutes, is
17 amended to read as follows:

18 **"§251-2 Rental motor vehicle and tour vehicle surcharge**
19 **tax.** (a) There is levied and shall be assessed and collected
20 each month a rental motor vehicle surcharge tax of \$2 a day,
21 except that for the period of September 1, 1999, to August 31,
22 2011, the tax shall be \$3 a day, or any portion of a day that a



1 rental motor vehicle is rented or leased. The rental motor
2 vehicle surcharge tax shall be levied upon the lessor; provided
3 that the tax shall not be levied on the lessor if:

4 (1) The lessor is renting the vehicle to replace a vehicle
5 of the lessee that is being repaired; and

6 (2) A record of the repair order for the vehicle is
7 retained either by the lessor for two years for
8 verification purposes or by a motor vehicle repair
9 dealer for two years as provided in section 437B-16.

10 (b) There is levied and shall be assessed and collected
11 each month a tour vehicle surcharge tax of:

12 (1) \$65 for each tour vehicle used or partially used
13 during the month that falls into the over twenty-five
14 passenger seat category; and

15 (2) \$15 for each tour vehicle used or partially used
16 during the month that falls into the eight to twenty-
17 five passenger seat category.

18 The tour vehicle surcharge tax shall be levied upon the
19 tour vehicle operator.

20 (c) For the period beginning January 1, 2010, and ending
21 December 31, 2015, up to two hundred alternative fuel light duty



1 motor vehicles per rental car fleet shall be exempt from the
2 rental motor vehicle surcharge tax.

3 (d) For the purposes of this section:

4 "Alternative fuel" has the same meaning as defined in
5 section 237-A.

6 "Alternative fuel vehicle" has the same meaning as defined
7 in section 237-A.

8 "Light duty motor vehicle" has the same meaning as defined
9 in section 237-A.

10 "Rental car fleet" refers to all vehicles in the State
11 owned or operated by related entities, as that term is defined
12 in section 237-23.5."

13 SECTION 13. Section 286-41, Hawaii Revised Statutes, is
14 amended to read as follows:

15 **"§286-41 Application for registration; full faith and**
16 **credit to current certificates; this part not applicable to**
17 **certain equipment. (a) Every owner of a motor vehicle which is**
18 **to be operated upon the public highways shall, for each vehicle**
19 **owned, except as herein otherwise provided, apply to the**
20 **director of finance of the county where the vehicle is to be**
21 **operated, for the registration thereof. If a vehicle is moved**
22 **to another county and is to be operated upon the public highways**



1 of that county, the existing certificate of registration shall
2 be valid until its expiration date, at which time the owner
3 shall apply to the director of finance of the county in which
4 the vehicle is then located for the registration of the vehicle,
5 whether or not the owner is domiciled in the county or the
6 owner's principal place of business is in that county, except
7 that this provision shall not apply to vehicles which are
8 temporarily transferred to another county for a period of not
9 more than three months.

10 (b) Application for the registration of a vehicle shall be
11 made upon the appropriate form furnished by the director of
12 finance and shall contain the name, occupation, and address of
13 the owner and legal owner; and, if the applicant is a member of
14 the United States naval or military forces, the applicant shall
15 give the organization and station. All applications shall also
16 contain a description of the vehicle, including the name of the
17 maker, the type of fuel for the use of which it is adapted
18 (e.g., gasoline, diesel oil, liquefied petroleum gas), the
19 serial or motor number, and the date first sold by the
20 manufacturer or dealer, and such further description of the
21 vehicle as is called for in the form, and such other information
22 as may be required by the director of finance, to establish



1 legal ownership. A person applying for initial registration of
2 a neighborhood electric vehicle shall certify in writing that a
3 notice of the operational restrictions applying to the vehicle
4 as provided in section 291C-134 [~~are~~] is contained on a
5 permanent notice attached to or painted on the vehicle in a
6 location that is in clear view of the driver.

7 (c) If the vehicle to be registered is specially
8 constructed, reconstructed, or rebuilt; is a special interest
9 vehicle; or is an imported vehicle, this fact shall be stated in
10 the application and upon the registration of the special
11 interest motor vehicle and imported motor vehicle, which has
12 been registered until that time in any other state or county,
13 and the owner shall surrender to the director of finance the
14 certificates of registration or other evidence of such form of
15 registration as may be in the applicant's possession or control.
16 The director of finance shall grant full faith and credit to the
17 currently valid certificates of title and registration
18 describing the vehicle, the ownership thereof, and any liens
19 noted thereon, issued by any title state or county in which the
20 vehicle was last registered. The acceptance by the director of
21 finance of a certificate of title or of registration issued by
22 another state or county, as provided in this subsection, in the



1 absence of knowledge that the certificate is forged, fraudulent,
2 or void, shall be a sufficient determination of the genuineness
3 and regularity of the certificate and of the truth of the
4 recitals therein, and no liability shall be incurred by any
5 officer or employee of the director of finance by reason of so
6 accepting the certificate.

7 (d) The owner of every motor vehicle of the current,
8 previous, and subsequent year model bought out-of-state,
9 subsequently brought into the State, and subject to the use tax
10 under chapter 238 shall provide with the application for
11 registration proof of payment of the use tax pursuant to
12 requirements established by the department of taxation. No
13 registration certificate shall be issued without proof of
14 payment of the use tax[-] unless the vehicle is an alternative
15 fuel vehicle or fuel economy leader vehicle exempt from the use
16 tax as provided in chapter 238.

17 (e) Notwithstanding any other law to the contrary, the
18 director of finance of the county in which the application for
19 registration is sought shall not require proof of insurance as a
20 condition to satisfy the requirements of this part. This
21 subsection shall apply only to the initial registration of any
22 motor vehicle.



1 (f) The provisions of this part requiring the registration
2 of motor vehicles shall not apply to:

- 3 (1) Special mobile equipment;
- 4 (2) Implements of husbandry temporarily drawn, moved, or
5 otherwise propelled upon the public highways; and
- 6 (3) Aircraft servicing vehicles which are being used
7 exclusively on lands set aside to the department of
8 transportation for airport purposes.

9 (g) Beginning January 1, 2010, and expiring December 31,
10 2015, the motor vehicle registration fee and other fees, if any,
11 assessed upon or associated with the registration of an electric
12 vehicle in this State, including any fees associated with the
13 issuance of an electric vehicle license plate, shall be waived."

14 PART III.

15 TRANSPORTATION ENERGY REQUIREMENTS

16 SECTION 14. Chapter 196, Hawaii Revised Statutes, is
17 amended by adding two new sections to be appropriately
18 designated and to read as follows:

19 "§196-C Alternative fuel vehicle requirement for private
20 fleets. (a) Beginning January 1, 2012, each fleet operator
21 controlling more than fifty light duty motor vehicles in the
22 State, when replacing its light duty motor vehicles or expanding



1 its fleet, shall acquire increasing percentages of vehicles
2 capable of operating on non-petroleum energy sources, including
3 electric vehicles, flexible fuel vehicles, or other alternative
4 fuel vehicles.

5 (b) At least four per cent of all new light duty motor
6 vehicles acquired by a fleet operator in the State during
7 calendar year 2012 shall be alternative fuel vehicles. This
8 percentage shall increase by four per cent per year and shall
9 reach seventy-six per cent by calendar year 2030.

10 (c) As used in this section:

11 "Acquire" means to take into possession or control, whether
12 by lease, purchase, or other arrangement.

13 "Alternative fuel" has the same meaning as defined in
14 section 237-A.

15 "Alternative fuel vehicle" has the same meaning as defined
16 in section 237-A.

17 "Electric vehicle" means a vehicle powered by electricity;
18 provided that it does not include a neighborhood electric
19 vehicle or any vehicle that is not designed to obtain
20 electricity from sources outside the vehicle.

21 "Fleet operator" means an entity controlling more than
22 fifty light duty motor vehicles for use in a business



1 enterprise, including vehicle rental, but does not include
2 vehicles held for retail sale.

3 "Light duty motor vehicle" has the same meaning as defined
4 in section 237-A.

5 (d) A fleet operator and its affiliates may aggregate
6 their vehicle purchases.

7 (e) A fleet operator acquiring vehicles earlier than the
8 program start date or in excess of the number of vehicles
9 required shall be able to accumulate alternative fuel vehicle
10 credits, which may be traded, sold, or banked for later use in
11 meeting vehicle acquisition requirements.

12 (f) Each fleet operator shall file an annual report with
13 the energy resources coordinator. Reports shall be for each
14 calendar year and shall conform to the format, content, and
15 reporting requirements specified by the energy resources
16 coordinator. Reports shall be filed no later than June 30
17 following the close of the calendar year of the report.

18 (g) A fleet operator may apply to the energy resources
19 coordinator for an exemption from the requirements of this
20 section to the extent that the vehicles required by this section
21 are not available or do not meet the specific needs of the
22 fleet. To be eligible for an exemption, a fleet operator must



1 be able to demonstrate having made a good faith effort to comply
2 with the requirements.

3 (h) Any fleet operator or any other person violating the
4 requirements of this section may be subject to a fine of up to
5 \$1,000 for each nonconforming vehicle and up to \$50 for each day
6 that an annual report is late.

7 (i) The energy resources coordinator shall adopt rules,
8 pursuant to chapter 91, for the administration and enforcement
9 of this section.

10 **§196-D Alternative fuel light duty motor vehicle sales**

11 requirement. (a) Beginning January 1, 2015, each motor vehicle
12 dealer with sales of more than fifty light duty motor vehicles
13 per year in the State shall increase the percentage of new and
14 used light duty motor vehicles capable of operating on non-
15 petroleum energy sources, including electric vehicles, flexible
16 fuel vehicles, or other alternative fuel vehicles that it offers
17 for sale in the State by no less than _____ per cent each year.

18 (b) For the purposes of this section:

19 "Alternative fuel" has the same meaning as defined in
20 section 237-A.

21 "Alternative fuel vehicle" has the same meaning as defined
22 in section 237-A.



1 "Electric vehicle" has the same meaning as defined in
2 section 196-C.

3 "Light-duty motor vehicle" has the same meaning as defined
4 in section 237-A.

5 "Motor vehicle dealer" means a new motor vehicle dealer or
6 a used motor vehicle dealer, as those terms are defined in
7 section 437-1.1.

8 "Sale" means the transfer of control, whether by lease,
9 sale, or other arrangement, for a period greater than six
10 months.

11 (c) A motor vehicle dealer may acquire credits for
12 alternative fuel vehicles offered for sale or sold earlier than
13 or in excess of the required amounts. These credits may be
14 banked, sold, or transferred to the dealer's affiliates or other
15 motor vehicle dealers in the State. Credits may be used to
16 offset an equivalent number of required vehicles offered for
17 sale.

18 (d) Each motor vehicle dealer shall file an annual report
19 with the energy resources coordinator reporting on the number
20 and type of alternative fuel vehicles and non-alternative fuel
21 light duty motor vehicles sold or offered for sale during the
22 previous calendar year, as well as any vehicle credits sold,



1 purchased, traded, or banked. Reports shall be for each
2 calendar year and shall conform to format, content, and
3 reporting requirements specified by the energy resources
4 coordinator. Reports shall be filed no later than June 30
5 following the close of the calendar year of the report.

6 (e) Any motor vehicle dealer not meeting the alternative
7 fuel vehicle percentage requirement shall include in its report
8 an explanation for not meeting the requirement.

9 (f) A motor vehicle dealer may apply to the energy
10 resources coordinator for exemptions from the requirements of
11 this section to the extent that the vehicles or credits required
12 by this section were not available. To be eligible for an
13 exemption, the motor vehicle dealer must be able to demonstrate
14 having made a good faith effort to comply with the requirements.

15 (g) Any motor vehicle dealer or any other person violating
16 the requirements of this section may be subject to a fine of up
17 to \$1,000 for each nonconforming vehicle and up to \$50 for each
18 day that an annual report is late.

19 (h) Failure to file the required reports or to comply with
20 the vehicle sales requirements of this section may be grounds
21 for referral to the motor vehicle industry board for
22 disciplinary action.



1 (i) The energy resources coordinator shall adopt rules,
 2 pursuant to chapter 91, for the administration and enforcement
 3 of this section."

4 SECTION 15. Section 103D-412, Hawaii Revised Statutes, is
 5 amended to read as follows:

6 "§103D-412 [~~Energy efficient vehicles.~~] Light duty motor
 7 vehicle requirements. (a) The procurement policy for all

8 agencies purchasing or leasing light duty motor vehicles shall
 9 be to [~~obtain energy efficient vehicles. All covered fleets are~~
 10 ~~directed to procure increasing percentages of energy efficient~~
 11 ~~vehicles as part of their annual vehicle acquisition plans,~~
 12 ~~which shall be as follows:~~

13 ~~(1) In the fiscal year beginning July 1, 2006, at least~~
 14 ~~twenty per cent of newly purchased light duty vehicles~~
 15 ~~acquired by each covered fleet shall be energy-~~
 16 ~~efficient vehicles;~~

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

21 ~~(3) In the fiscal year beginning July 1, 2008, at least~~
 22 ~~forty per cent of newly purchased light duty vehicles~~



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

9 reduce dependence on petroleum for transportation energy.
10 Beginning January 1, 2010, all state and county entities, when
11 purchasing new vehicles, shall select vehicles with reduced
12 dependence on petroleum-based fuels, in the following descending
13 order of priority:

14 (1) The agency shall first evaluate any available electric
15 or plug-in hybrid electric vehicle and, if it meets
16 the needs of the agency, the vehicle shall be
17 selected.

18 (2) If an electric or plug-in hybrid electric vehicle that
19 meets the needs of the agency is not available, the
20 agency may select a hydrogen or fuel cell vehicle.



1 (3) If a hydrogen or fuel cell vehicle that meets the
2 needs of the agency is not available, the agency may
3 select an alternative fuel vehicle.

4 (4) If an alternative fuel vehicle that meets the needs of
5 the agency is not available, the agency may select a
6 hybrid electric vehicle.

7 (5) If a hybrid electric vehicle that meets the needs of
8 the agency is not available, the agency shall select a
9 vehicle that is identified by the United States
10 Environmental Protection Agency in its annual "Fuel
11 Economy Leaders" report as being among the top
12 performers for fuel economy in its class.

13 (b) For the purposes of this section:

14 "Agency" means a state agency, office, or department.

15 "Alternative fuel" has the same meaning [~~contained in 10~~
16 ~~Code of Federal Regulations Part 490.~~] as defined in section
17 237-A.

18 "Covered fleet" has the same meaning as contained in 10
19 Code of Federal Regulations Part 490 Subpart C.

20 [~~"Energy efficient vehicle" means a vehicle that:~~

21 ~~(1) Is capable of using an alternative fuel;~~



- 1 ~~(2) Is powered primarily through the use of an electric~~
2 ~~battery or battery pack that stores energy produced by~~
3 ~~an electric motor through regenerative braking to~~
4 ~~assist in vehicle operation;~~
- 5 ~~(3) Is propelled by power derived from one or more cells~~
6 ~~converting chemical energy directly into electricity~~
7 ~~by combining oxygen with hydrogen fuel that is stored~~
8 ~~on board the vehicle in any form;~~
- 9 ~~(4) Draws propulsion energy from onboard sources of stored~~
10 ~~energy generated from an internal combustion or heat~~
11 ~~engine using combustible fuel and a rechargeable~~
12 ~~energy storage system; or~~
- 13 ~~(5) Is on the list of "Most Energy Efficient Vehicles" in~~
14 ~~its class or is in the top one fifth of the most~~
15 ~~energy efficient vehicles in its class available in~~
16 ~~Hawaii as shown by vehicle fuel efficiency lists,~~
17 ~~rankings, or reports maintained by the United States~~
18 ~~Environmental Protection Agency.]~~

19 "Excluded vehicles" has the same meaning as provided in 10
20 Code of Federal Regulations Section 490.3.



1 "Light-duty motor vehicle" has the same meaning as
2 [~~contained in 10 Code of Federal Regulations Part 490.~~] defined
3 in section 237-A.

4 [~~(c) Agencies may offset energy efficient vehicle purchase~~
5 ~~requirements by successfully demonstrating percentage~~
6 ~~improvements in overall light duty vehicle fleet mileage~~
7 ~~economy. The offsets shall be measured against the fleet~~
8 ~~average miles per gallon of petroleum based gasoline and diesel~~
9 ~~fuel, using the fiscal year beginning July 1, 2006, as a~~
10 ~~baseline, on a percentage by percentage basis.~~

11 [~~(d) Agencies that use biodiesel fuel may offset the~~
12 ~~vehicle purchase requirements of this section at the rate of one~~
13 ~~vehicle for each four hundred fifty gallons of neat biodiesel~~
14 ~~fuel used. Neat biodiesel fuel is one hundred per cent~~
15 ~~biodiesel (B100) by volume.~~

16 [~~(e)~~] (c) Agencies may apply to the chief procurement
17 officer for exemptions from the requirements of this section to
18 the extent that the vehicles required by this section are not
19 available or do not meet the specific needs of the agency. Life
20 cycle vehicle and fuel costs may be included in the
21 determination of whether a particular vehicle meets the needs of
22 the agency. Estimates of future fuel prices shall be based on



1 projections made by the United States Energy Information
2 Administration.

3 ~~[(f)]~~ (d) Vehicles acquired from another state agency and
4 excluded vehicles are exempt from the requirements of this
5 section.

6 ~~[(g)]~~ (e) Nothing in this section is intended to interfere
7 with ~~[an agency's]~~ the ability of a covered fleet to comply with
8 ~~[federally imposed]~~ the vehicle purchase mandates such ~~[as~~
9 ~~those]~~ required by 10 Code of Federal Regulations Part 490
10 Subpart C."

11 SECTION 16. Section 103D-1012, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "~~[(h)]~~ §103D-1012 ~~[(i)]~~ **Biofuel preference.** (a)

14 Notwithstanding any other law to the contrary, contracts for the
15 purchase of diesel fuel or boiler fuel shall be awarded to the
16 lowest responsible and responsive bidders, with preference given
17 to bids for biofuels or blends of biofuel and petroleum fuel.

18 (b) When purchasing fuel for use in diesel engines, the
19 preference shall be ~~[five cents]~~ twenty per cent per gallon of
20 one hundred per cent ~~[biodiesel]~~ biomass-based diesel. For
21 blends containing both ~~[biodiesel]~~ biomass-based diesel and



1 petroleum-based diesel, the preference shall be applied only to
2 the ~~[biodiesel]~~ biomass-based diesel portion of the blend.

3 (c) When purchasing fuel for use in boilers, the
4 preference shall be ~~[five cents]~~ twenty per cent per gallon of
5 one hundred per cent biofuel. For blends containing both
6 biofuel and petroleum-based boiler fuel, the preference shall be
7 applied only to the biofuel portion of the blend.

8 (d) As used in this section, "biodiesel" means a vegetable
9 oil-based fuel that meets ASTM International standard D6751,
10 "Standard Specification for Biodiesel (B100) Fuel Blend Stock
11 for Distillate Fuels", as amended.

12 (e) As used in this section, "biofuel" means fuel from
13 non-petroleum plant or animal based sources that can be used for
14 the generation of heat or power.

15 (f) As used in this section, "biomass-based diesel" means
16 biodiesel or diesel fuel substitute produced in Hawaii from
17 biomass, provided that the fuel is registered with the
18 Environmental Protection Agency for use in on-road engines and
19 meets ASTM International fuel specifications for use in diesel
20 engines.

21 (g) Beginning January 1, 2012, all state-owned diesel
22 vehicles and equipment are required to be fueled with blends of



1 biomass-based diesel, subject to the availability of the fuel,
2 and so long as the price is no greater than twenty per cent more
3 per gallon than the price of conventional diesel."

4 SECTION 17. Section 196-9, Hawaii Revised Statutes, is
5 amended by amending subsection (c) to read as follows:

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

- 8 (1) Comply with Title 10, Code of Federal Regulations,
9 Part 490, Subpart C, "Mandatory State Fleet Program",
10 if applicable;
- 11 (2) Comply with all applicable state laws regarding
12 vehicle purchases;
- 13 (3) Once federal and state vehicle purchase mandates have
14 been satisfied, purchase the most fuel-efficient
15 vehicles that meet the needs of their programs;
16 provided that life cycle cost-benefit analysis of
17 vehicle purchases shall include projected fuel costs;
- 18 (4) Purchase alternative fuels and ethanol blended
19 gasoline when available;
- 20 (5) ~~[Evaluate a purchase preference for]~~ Purchase
21 biodiesel blends, ~~[as applicable to agencies with~~



- 1 ~~diesel fuel purchases;~~ in accordance with chapter
2 103D;
- 3 (6) Promote efficient operation of vehicles;
- 4 (7) Use the most appropriate minimum octane fuel;
- 5 ~~[provided that]~~ vehicles shall use 87-octane fuel
6 unless the owner's manual for the vehicle states
7 otherwise or the engine experiences knocking or
8 pinging;
- 9 (8) ~~[Beginning with fiscal year 2005-2006 as the baseline,~~
10 ~~collect]~~ Collect and maintain, for ~~[the life of]~~ each
11 vehicle acquired, the following data:
- 12 (A) Vehicle acquisition cost;
- 13 (B) United States Environmental Protection Agency
14 rated fuel economy;
- 15 (C) Vehicle fuel configuration, such as gasoline,
16 diesel, flex-fuel gasoline/E85, and dedicated
17 propane;
- 18 (D) Actual in-use vehicle mileage;
- 19 (E) Actual in-use vehicle fuel consumption; and
- 20 (F) Actual in-use annual average vehicle fuel
21 economy; and



1 (9) ~~[Beginning with fiscal year 2005-2006 as the baseline~~
2 ~~with]~~ With respect to each agency that operates a
3 fleet of thirty or more vehicles, collect and
4 maintain, in addition to the data in paragraph (8),
5 the following:

6 (A) Information on the vehicles in the fleet,
7 including vehicle year, make, model, gross
8 vehicle weight rating, and vehicle fuel
9 configuration;

10 (B) Fleet fuel usage, by fuel;

11 (C) Fleet mileage; and

12 (D) Overall annual average fleet fuel economy and
13 average miles per gallon of gasoline and diesel."

14 SECTION 18. Section 437-28, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

16 "(a) In addition to any other actions authorized by law,
17 the board, after notice and hearing as provided in chapter 91,
18 and subject to appeal to the circuit court of the circuit in
19 which the board has jurisdiction under the procedure and rules
20 prescribed by the laws of the State or the applicable rules of
21 the courts pertaining to appeals to circuit courts, may suspend,
22 revoke, fine, or deny the renewal of any license, or prior to



1 notice and hearing deny the issuance of any license for any
2 cause authorized by law, including but not limited to
3 circumstances where the board finds that the applicant or
4 holder, or any officer, director, general manager, trustee,
5 partner, or stockholder owning more than ten per cent interest
6 of the applicant or holder:

- 7 (1) Has intentionally made a false statement of a material
8 fact in the application for a license or in any other
9 statement required by this chapter or has obtained or
10 attempted to obtain a license by fraud or
11 misrepresentation;
- 12 (2) Has failed to comply with, observe, or adhere to any
13 provision of this chapter or any other law relating to
14 the sale, taxing, or licensing of motor vehicles or
15 any rule or order made pursuant to this chapter[+], or
16 has been referred to the board by the energy resources
17 coordinator for failing to comply with alternative
18 fuel vehicle requirements;
- 19 (3) Has committed a fraudulent act in selling, purchasing,
20 or otherwise dealing in motor vehicles or has
21 misrepresented the terms and conditions of a sale,
22 purchase, or contract for sale or purchase of a motor



- 1 vehicle or any interest therein including an option to
2 purchase motor vehicles;
- 3 (4) Has engaged in business under a past or present
4 license issued pursuant to this chapter, in a manner
5 as to cause injury to the public or to those with whom
6 one is dealing;
- 7 (5) Has failed to comply with, observe, or adhere to any
8 law in any other respect on account whereof the board
9 may deem the applicant or holder to be an unfit or
10 improper person to hold a license;
- 11 (6) Has failed to meet or maintain the conditions and
12 requirements necessary to qualify for the issuance of
13 a license;
- 14 (7) Is insolvent or has filed or is the subject of
15 petition for bankruptcy, wage earner's plan, or
16 financial reorganization plan; or has made or proposes
17 to make an assignment for benefit of creditors;
- 18 (8) In the case of an individual applicant or holder of a
19 license, if the applicant or holder is not at least
20 eighteen years of age; in the case of a partnership
21 applicant or holder of a license, if any general or



- 1 limited partner thereof is not at least eighteen years
2 of age;
- 3 (9) Has charged more than the legal rate of interest on
4 the sale or purchase or attempted sale or purchase or
5 in arranging the sale or purchase of a motor vehicle
6 or any interest therein including an option to
7 purchase;
- 8 (10) Has violated any of the laws pertaining to false
9 advertising or to credit sales in the offering,
10 soliciting, selling, or purchasing, or arranging to
11 sell or purchase a motor vehicle or any interest
12 therein;
- 13 (11) Has wilfully failed or refused to perform any
14 unequivocal and indisputable obligation under any
15 written agreement involving the sale or purchase of a
16 motor vehicle or any interest therein including an
17 option to purchase;
- 18 (12) Has been denied the issuance of a license under this
19 chapter for substantial culpable cause or for having
20 had a license issued under this chapter suspended,
21 revoked, or the renewal thereof denied for substantial
22 culpable cause;



- 1 (13) Has entered or has attempted to enter or proposes to
- 2 enter into any contract or agreement contrary to this
- 3 chapter or any rule adopted thereunder;
- 4 (14) Has been or is engaged or proposes to engage in the
- 5 business of selling new motor vehicles as a dealer or
- 6 auction without a proper franchise therefor;
- 7 (15) Has at any time employed or utilized or attempted or
- 8 proposed to employ or utilize any person not licensed
- 9 under this chapter who is required to be so licensed;
- 10 (16) Has entered or attempted to enter any one-payment
- 11 contract, where the contract is required to be signed
- 12 by the purchaser prior to removal of the motor vehicle
- 13 for test driving from the seller's premises;
- 14 (17) Being a salesperson or dealer:
- 15 (A) Has required a purchaser of motor vehicles as a
- 16 condition of sale and delivery thereof to
- 17 purchase special features, appliances,
- 18 accessories, or equipment not desired or
- 19 requested by the purchaser; provided that this
- 20 prohibition shall not apply as to special
- 21 features, appliances, accessories, or equipment



1 which are ordinarily installed on the vehicle
2 when received or acquired by the dealer;
3 (B) Has represented and sold as an unused motor
4 vehicle any motor vehicle which has been operated
5 as a demonstrator, leased, or U-drive motor
6 vehicle;
7 (C) Has sold a new motor vehicle without providing or
8 securing for the purchaser the standard factory
9 new car warranty for the vehicle, unless the
10 dealer or salesperson clearly notes in writing on
11 the sales contract that the new motor vehicle is
12 sold without the standard factory warranty;
13 (D) Has sold a new motor vehicle covered by a
14 standard factory warranty without informing the
15 purchaser in writing that any repairs or other
16 work necessary on any accessories which were not
17 installed by the manufacturer of the vehicle may
18 not be obtainable in a geographic location other
19 than where the purchase occurred; provided that
20 the notice required by this section shall conform
21 to the plain language requirements of section



1 487A-1, regardless of the dollar amount of the
2 transaction;

3 (E) Has engaged in any improper business conduct,
4 including but not limited to employing,
5 contracting with, or compensating consumer
6 consultants; or

7 (F) Has sold or leased a new or used motor vehicle,
8 other than at auction, without written
9 documentation that contains the following
10 provision printed legibly in at least fourteen-
11 point bold typeface print, upon which the
12 salesperson or dealer shall appropriately
13 indicate the type of sale, and upon which both
14 the customer and salesperson or dealer shall
15 place their initials in the designated spaces,
16 prior to the signing of the contract of sale or
17 lease:

18 "This (IS) (IS NOT) a door-to-door sale. There
19 (IS A) (IS NO) 3-DAY RIGHT TO CANCEL on this
20 purchase.

21 _____ Customer's Initials _____ Salesperson's
22 or Dealer's Initials";



- 1 (18) Being an applicant or holder of a dealer's license:
 - 2 (A) Has sold or proposed to sell new motor vehicles
 - 3 without providing for the maintenance of a
 - 4 reasonable inventory of parts for new vehicles or
 - 5 without providing and maintaining adequate repair
 - 6 facilities and personnel for new vehicles at
 - 7 either the main licensed premises or at any
 - 8 branch location;
 - 9 (B) Has employed or proposed to employ any
 - 10 salesperson who is not duly licensed under this
 - 11 chapter; or
 - 12 (C) Has sold or proposed to sell new motor vehicles
 - 13 without being franchised therefor;
- 14 (19) Being an applicant or holder of an auction's license
- 15 has sold or proposed to sell new motor vehicles
- 16 without being franchised therefor;
- 17 (20) Being an applicant for a salesperson's license:
 - 18 (A) Does not intend to be employed as a salesperson
 - 19 for a licensed motor vehicle dealer; or
 - 20 (B) Intends to be employed as a salesperson for more
 - 21 than one dealer; or
- 22 (21) Being a manufacturer or distributor:



1 (A) Has attempted to coerce or has coerced any dealer
2 in the State to enter into any agreement with the
3 manufacturer or distributor or any other party,
4 to perform any act not required by or to refrain
5 from performing any act not contrary to the
6 reasonable requirements of the franchise
7 agreement with the dealer, by threatening to
8 cancel the franchise agreement or by threatening
9 to refuse, at the expiration of the current
10 franchise agreement, to enter into a new
11 franchise agreement with the dealer;

12 (B) Has attempted to coerce or has coerced any dealer
13 in the State to enter into any agreement with the
14 manufacturer or distributor or any other party,
15 to perform any act not required by or to refrain
16 from performing any act not contrary to the
17 reasonable requirements of the franchise
18 agreement with the dealer, by awarding or
19 threatening to award a franchise to another
20 person for the sale of the same make of any motor
21 vehicle in the same sales area of responsibility



1 covered by the existing franchise agreement of
2 the dealer;

3 (C) Has attempted to or has canceled or failed to
4 renew the franchise agreement of any dealer in
5 the State without good faith, as defined herein.
6 Upon such a cancellation or failure to renew the
7 franchise agreement, the party canceling or
8 failing to renew the franchise agreement, at the
9 dealer's option, shall either:

10 (i) Compensate the dealer at the fair market
11 going business value for the dealer's
12 capital investment, which shall include but
13 not be limited to the going business value
14 of the business, goodwill, property, and
15 improvement owned or leased by the dealer
16 for the purpose of the franchise, inventory
17 of parts, and motor vehicles possessed by
18 the dealer in connection with the franchise,
19 plus reasonable attorney's fees incurred in
20 collecting compensation; provided that the
21 investment shall have been made with



1 reasonable and prudent judgment for the
2 purpose of the franchise agreement; or
3 (ii) Compensate the dealer for damages including
4 attorney's fees as aforesaid, resulting from
5 the cancellation or failure to renew the
6 franchise agreement.

7 As used in this paragraph, "good faith" means the
8 duty of each party to any franchise agreement to
9 fully comply with that agreement, or to act in a
10 fair and equitable manner towards each other;

11 (D) Has delayed delivery of or refused to deliver
12 without cause, any new motor vehicle to a dealer,
13 franchised to sell the new motor vehicle, within
14 a reasonable time after receipt of a written
15 order for the vehicle from the dealer. The
16 delivery to another dealer of a motor vehicle of
17 the same model and similarly equipped as the
18 vehicle ordered by a dealer who has not received
19 delivery thereof, but who had placed the written
20 order for the vehicle prior to the order of the
21 dealer receiving the vehicle, shall be prima
22 facie evidence of a delayed delivery of, or



1 refusal to deliver, a new motor vehicle without
2 cause. The nondelivery of a new motor vehicle to
3 a dealer within sixty days after receipt of a
4 written order for the vehicle from a dealer shall
5 also be prima facie evidence of delayed delivery
6 of, or refusal to deliver, a new motor vehicle
7 without cause; provided that the delayed delivery
8 of, or refusal to deliver, a motor vehicle shall
9 be deemed with cause if the manufacturer
10 establishes that the delay or refusal to deliver
11 is due to a shortage or curtailment of material,
12 labor, transportation, utility service, labor or
13 production difficulty, or other similar cause
14 beyond the reasonable control of the
15 manufacturer;

16 (E) Has discriminated against any of their franchised
17 dealers in the State by directly or indirectly
18 charging the dealer more for a new motor vehicle
19 or services, parts, or accessories or a higher
20 rate of transportation for transporting the
21 vehicle from the manufacturing or assembly plant
22 to the dealer or any portion of the distance,



1 than is charged to any other of their franchised
2 dealers in the State for the same make, model,
3 and year of a new motor vehicle or for the same
4 devices, parts, or accessories for the similar
5 transportation for the vehicle during the same
6 period. A manufacturer or distributor who
7 provides or causes to be provided greater
8 transportation benefits for a new motor vehicle
9 as aforesaid to any of their franchised dealers
10 in the State than is provided to any of their
11 competing franchised dealers in the State for the
12 same or lesser price or charge than that imposed
13 upon the franchised dealer in the State during
14 the same period is deemed to have so
15 discriminated against the competing franchised
16 dealer in the State. Evidence of similar
17 discriminatory practice against franchised
18 dealers in other states shall not constitute a
19 defense to or justification of the commission of
20 the discriminatory act against the franchised
21 dealer in the State. The intent and purpose of
22 this subparagraph is to eliminate inequitable



1 pricing policies set by manufacturers or
2 distributors which result in higher prices of new
3 motor vehicles to the consumer in the State.
4 This subparagraph shall be liberally interpreted
5 to effect its intent and purpose and in the
6 application thereof, the substance and effect and
7 not the form of the acts and transactions shall
8 be primarily considered in determining whether a
9 discriminatory act has been committed. Nothing
10 contained in this subparagraph shall prohibit
11 establishing delivered prices or destination
12 charges to dealers in the State which reasonably
13 reflect the seller's total transportation costs
14 incurred in the manufacture or delivery of
15 products to the dealers, including costs that are
16 related to the geographical distances and modes
17 of transportation involved in shipments to this
18 State, or which meet those lower prices
19 established by competitors;

20 (F) Has required a dealer of new motor vehicles in
21 the State as a condition of sale and delivery of
22 new motor vehicles to purchase special features,



1 appliances, accessories, or equipment not desired
2 or requested by the dealer; provided that this
3 prohibition shall not apply to special features,
4 appliances, accessories, or equipment, except
5 heaters, that are regularly installed on that
6 particular model or new motor vehicles as
7 "standard" equipment or to special features,
8 appliances, accessories, or equipment that are an
9 integral part of the new motor vehicles and
10 cannot be removed therefrom without substantial
11 expense. Nothing in this subparagraph shall make
12 it unlawful for a dealer to sell a vehicle that
13 includes a heater that has been installed as
14 standard equipment;

15 (G) Has failed to adequately and fairly compensate
16 its dealers for labor, parts, and other expenses
17 incurred by the dealer to perform under and
18 comply with manufacturer's warranty agreements.
19 In no event shall any manufacturer or distributor
20 pay its dealers a labor rate per hour for
21 warranty work that is less than that charged by
22 the dealer to the retail customers of the dealer



1 nor shall the rates be more than the retail
2 rates. All claims made by the dealers for
3 compensation for delivery, preparation, and
4 warranty work shall be paid within thirty days
5 after approval and shall be approved or
6 disapproved within thirty days after receipt.

7 When any claim is disapproved, the dealer shall
8 be notified in writing of the grounds for
9 disapproval;

10 (H) Has wilfully failed to affix the vehicle bumper
11 impact notice pursuant to section 437-4.5(a), or
12 wilfully misstated any information in the notice.
13 Each failure or misstatement is a separate
14 offense;

15 (I) Has wilfully defaced, or removed the vehicle
16 bumper impact notice required by section 437-
17 4.5(a) prior to delivery of the vehicle to which
18 the notice is required to be affixed to the
19 registered owner or lessee. Each wilful
20 defacement, alteration, or removal is a separate
21 offense; or



1 (J) Has required a dealer to refrain from
2 participation in the management of, investment
3 in, or the acquisition of, any other line of new
4 motor vehicle or related products; provided that
5 the new motor vehicle dealer maintains a
6 reasonable line of credit for each make or line
7 of new motor vehicle, remains in compliance with
8 reasonable facilities and other franchise
9 requirements of the manufacturer or distributor,
10 and makes no unauthorized change in the principal
11 management of the dealer."

PART IV.

TRANSPORTATION ENERGY PLANS AND STUDIES

14 SECTION 19. (a) The department of accounting and general
15 services shall develop an implementation plan for the
16 installation of electric vehicle charging stations at state-
17 owned parking facilities.

18 (b) The department of accounting and general services
19 shall submit a report of its findings and recommendations,
20 including proposed legislation, to the legislature no later than
21 twenty days prior to the convening of the regular session of
22 2010.



1 SECTION 20. Section 92F-19, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) No agency may disclose or authorize disclosure of
4 government records to any other agency unless the disclosure is:

5 (1) Necessary for the performance of the requesting
6 agency's duties and functions and is also:

7 (A) Compatible with the purpose for which the
8 information was collected or obtained; or

9 (B) Consistent with the conditions or reasonable
10 expectations of use and disclosure under which
11 the information was provided;

12 (2) To the state archives for the purposes of historical
13 preservation, administrative maintenance, or
14 destruction;

15 (3) To another agency, another state, or the federal
16 government, or foreign law enforcement agency or
17 authority, if the disclosure is:

18 (A) For the purpose of a civil or criminal law
19 enforcement activity authorized by law; and

20 (B) Pursuant to:

21 (i) A written agreement or written request, or



- 1 (ii) A verbal request, made under exigent
- 2 circumstances, by an officer or employee of
- 3 the requesting agency whose identity has
- 4 been verified, provided that such request is
- 5 promptly confirmed in writing;

- 6 (4) To a criminal law enforcement agency of this State,
- 7 another state, or the federal government, or a foreign
- 8 criminal law enforcement agency or authority, if the
- 9 information is limited to an individual's name and
- 10 other identifying particulars, including present and
- 11 past places of employment;

- 12 (5) To a foreign government pursuant to an executive
- 13 agreement, compact, treaty, or statute;

- 14 (6) To the legislature, or a county council, or any
- 15 committee or subcommittee thereof;

- 16 (7) Pursuant to an order of a court of competent
- 17 jurisdiction;

- 18 (8) To authorized officials of another agency, another
- 19 state, or the federal government for the purpose of
- 20 auditing or monitoring an agency program that receives
- 21 federal, state, or county funding;



1 (9) To the offices of the legislative auditor, the
2 legislative reference bureau, or the ombudsman of this
3 State for the performance of their respective
4 functions;

5 (10) To the department of human resources development,
6 county personnel agencies, or line agency personnel
7 offices for the performance of their respective duties
8 and functions, including employee recruitment and
9 examination, classification and compensation reviews,
10 the administration and auditing of personnel
11 transactions, the administration of training and
12 safety, workers' compensation, and employee benefits
13 and assistance programs, and for labor relations
14 purposes; [~~or~~]

15 (11) To the department of business, economic development,
16 and tourism for the performance of their statutory
17 responsibilities; or

18 [~~(11)~~] (12) Otherwise subject to disclosure under this
19 chapter."

20 SECTION 21. Section 226-17, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows:



1 "(b) To achieve the transportation objectives, it shall be
2 the policy of this State to:

3 (1) Design, program, and develop a multi-modal system in
4 conformance with desired growth and physical
5 development as stated in this chapter;

6 (2) Coordinate state, county, federal, and private
7 transportation activities and programs toward the
8 achievement of statewide objectives;

9 (3) Encourage a reasonable distribution of financial
10 responsibilities for transportation among
11 participating governmental and private parties;

12 (4) Provide for improved accessibility to shipping,
13 docking, and storage facilities;

14 (5) Promote a reasonable level and variety of mass
15 transportation services that adequately meet statewide
16 and community needs;

17 (6) Encourage transportation systems that serve to
18 accommodate present and future development needs of
19 communities;

20 (7) Encourage a variety of carriers to offer increased
21 opportunities and advantages to interisland movement
22 of people and goods;



- 1 (8) Increase the capacities of airport and harbor systems
2 and support facilities to effectively accommodate
3 transshipment and storage needs;
- 4 (9) Encourage the development of transportation systems
5 and programs which would assist statewide economic
6 growth and diversification;
- 7 (10) Encourage the design and development of transportation
8 systems sensitive to the needs of affected communities
9 and the quality of Hawaii's natural environment;
- 10 (11) Encourage safe and convenient use of low-cost, energy-
11 efficient, non-polluting means of transportation;
- 12 (12) Coordinate intergovernmental land use and
13 transportation planning activities to ensure the
14 timely delivery of supporting transportation
15 infrastructure in order to accommodate planned growth
16 objectives; and
- 17 (13) ~~[Encourage diversification of transportation modes and~~
18 ~~infrastructure]~~ Include transportation energy demand
19 estimates in state-wide and county-wide long-range
20 land transportation plans that utilize travel demand
21 forecasting models in order to promote alternate fuels
22 and energy efficiency."



1 SECTION 22. Section 286-172, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Subject to authorization granted by the chief justice
4 with respect to the traffic records of the violations bureaus of
5 the district courts and of the circuit courts, the director of
6 transportation shall furnish information contained in the
7 statewide traffic records system in response to:

8 (1) Any request from a state, a political subdivision of a
9 state, or a federal department or agency, or any other
10 authorized person pursuant to rules adopted by the
11 director of transportation under chapter 91;

12 (2) Any request from a person having a legitimate reason,
13 as determined by the director, as provided under the
14 rules adopted by the director under paragraph (1), to
15 obtain the information for verification of vehicle
16 ownership, traffic safety programs, or for research or
17 statistical reports; [~~or~~]

18 (3) Any request from a person required or authorized by
19 law to give written notice by mail to owners of
20 vehicles[~~-~~]; or

21 Any request from the energy resources coordinator to
22 track the number and type of vehicles in use and the



1 effectiveness of efforts to increase the efficiency of
 2 and diversify the fuel needs of Hawaii's
 3 transportation sector."

PART V.

MISCELLANEOUS PROVISIONS

6 SECTION 23. In codifying the new sections added by this
 7 Act, the revisor of statutes shall substitute appropriate
 8 section numbers for the letters used in designating the new
 9 sections in this Act.

10 SECTION 24. Statutory material to be repealed is bracketed
 11 and stricken. New statutory material is underscored.

12 SECTION 25. This Act shall take effect on July 1, 2009.

13

INTRODUCED BY: *Neelima Morita*
 JAN 28 2009 *B/R*



Transportation Energy

Description:

Establishes a comprehensive approach to increasing the use of alternative fuel vehicles in the State, including state procurement of alternative fuel vehicles, tax incentives, and infrastructure requirements.

