
A BILL FOR AN ACT

RELATING TO TRANSPORTATION ENERGY INITIATIVES.

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

1 SECTION 1. The legislature finds that Hawaii must take
2 bold steps towards reducing our dependence on imported fossil
3 fuels. Our State imports ninety-five per cent of its energy,
4 most of which comes from petroleum and coal. Eighty-nine per
5 cent of Hawaii's energy is derived from petroleum and six per
6 cent is derived from coal. Of all the energy consumed in the
7 State, about forty per cent is used for transportation purposes,
8 compared with eight per cent for residential uses, ten per cent
9 for commercial uses, twenty-five per cent for generating
10 electric power, and sixteen per cent for industrial uses.

11 The legislature, therefore, finds that it is essential for
12 our State to aggressively promote and develop alternatives to
13 fossil fuel modes of transportation. Alternative fuel and
14 electric vehicles are a viable solution. The legislature
15 further finds that electrification of transportation creates
16 jobs, fosters economic growth, reduces greenhouse gas emissions,
17 and stems the effects of climate change in Hawaii.

- 1 textile manufacturing, film and television production,
2 and energy and marine-related industries[-];
3 (2) Expand Hawaii's capacity to attract and service
4 international programs and activities that generate
5 employment for Hawaii's people[-];
6 (3) Enhance and promote Hawaii's role as a center for
7 international relations, trade, finance, services,
8 technology, education, culture, and the arts[-];
9 (4) Accelerate research and development of new energy-
10 related industries based on wind, solar, ocean, and
11 underground resources and solid waste[-];
12 (5) Promote Hawaii's geographic, environmental, social,
13 and technological advantages to attract new economic
14 activities into the State[-];
15 (6) Provide public incentives and encourage private
16 initiative to attract new industries that best support
17 Hawaii's social, economic, physical, and environmental
18 objectives[-];
19 (7) Increase research and the development of ocean-related
20 economic activities such as mining, food production,
21 and scientific research[-];

1 (8) Develop, promote, and support research and educational
2 and training programs that will enhance Hawaii's
3 ability to attract and develop economic activities of
4 benefit to Hawaii[-];i

5 (9) Foster a broader public recognition and understanding
6 of the potential benefits of new, growth-oriented
7 industry in Hawaii[-];i

8 (10) Encourage the development and implementation of joint
9 federal and state initiatives to attract federal
10 programs and projects that will support Hawaii's
11 social, economic, physical, and environmental
12 objectives[-];i

13 (11) Increase research and development of businesses and
14 services in the telecommunications and information
15 industries[-]; and

16 (12) Foster the research and development of nonfossil fuel
17 and energy efficient modes of transportation."

18 SECTION 3. Section 226-18, Hawaii Revised Statutes, is
19 amended to read as follows:

20 **"§226-18 Objectives and policies for facility systems--**
21 **energy.** (a) Planning for the State's facility systems with

1 regard to energy shall be directed toward the achievement of the
2 following objectives, giving due consideration to all:

3 (1) Dependable, efficient, and economical statewide energy
4 systems capable of supporting the needs of the people;

5 (2) Increased energy self-sufficiency where the ratio of
6 indigenous to imported energy use is increased;

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

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

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

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

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

20 (2) Ensure that the combination of energy supplies and
21 energy-saving systems is sufficient to support the
22 demands of growth;

- 1 (3) Base decisions of least-cost supply-side and demand-
2 side energy resource options on a comparison of their
3 total costs and benefits when a least-cost is
4 determined by a reasonably comprehensive,
5 quantitative, and qualitative accounting of their
6 long-term, direct and indirect economic,
7 environmental, social, cultural, and public health
8 costs and benefits;
- 9 (4) Promote all cost-effective conservation of power and
10 fuel supplies through measures, including:
11 (A) Development of cost-effective demand-side
12 management programs;
13 (B) Education; and
14 (C) Adoption of energy-efficient practices and
15 technologies;
- 16 (5) Ensure, to the extent that new supply-side resources
17 are needed, that the development or expansion of
18 energy systems uses the least-cost energy supply
19 option and maximizes efficient technologies;
- 20 (6) Support research, development, [~~and~~] demonstration,
21 and utilization of energy efficiency, load management,

- 1 and other demand-side management programs, practices,
2 and technologies;
- 3 (7) Promote alternate fuels and transportation energy
4 efficiency [~~by encouraging diversification of~~
5 ~~transportation modes and infrastructure~~];
- 6 (8) Support actions that reduce, avoid, or sequester
7 greenhouse gases in utility, transportation, and
8 industrial sector applications;
- 9 (9) Support actions that reduce, avoid, or sequester
10 Hawaii's greenhouse gas emissions through agriculture
11 and forestry initiatives; and
- 12 (10) Provide priority handling and processing for all state
13 and county permits required for renewable energy
14 projects."

PART II

BUSINESS INCENTIVES AND REQUIREMENTS

17 SECTION 4. Chapter 291, Hawaii Revised Statutes, is
18 amended by adding two new sections to be appropriately
19 designated and to read as follows:

20 "§291-A Designation of parking spaces for electric
21 vehicles; charging units. All public, private, and government
22 parking facilities available for use by the general public with

1 at least fifty parking spaces shall designate at least one
2 parking space for each fifty spaces exclusively for electric
3 vehicles; provided that the parking space for electric vehicles
4 is located near the building entrance and is equipped with an
5 electric vehicle charging unit. Spaces shall be designated,
6 clearly marked, and enforced no later than .

7 For the purposes of this section, "electric vehicle" means
8 an electric vehicle or neighborhood electric vehicle with an
9 electric vehicle license plate.

10 **§291-B Parking spaces reserved for electric vehicles.**

11 Beginning , and prior to , any
12 person who parks a non-electric vehicle in a space designated
13 and marked as reserved for electric vehicles shall receive a
14 warning."

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

18 ""Public utility":

19 (1) Includes every person who may own, control, operate,
20 or manage as owner, lessee, trustee, receiver, or
21 otherwise, whether under a franchise, charter,
22 license, articles of association, or otherwise, any

1 plant or equipment, or any part thereof, directly or
2 indirectly for public use, for the transportation of
3 passengers or freight, or the conveyance or
4 transmission of telecommunications messages, or the
5 furnishing of facilities for the transmission of
6 intelligence by electricity by land or water or air
7 within the State, or between points within the State,
8 or for the production, conveyance, transmission,
9 delivery, or furnishing of light, power, heat, cold,
10 water, gas, or oil, or for the storage or warehousing
11 of goods, or the disposal of sewage; provided that the
12 term shall include:

13 (A) Any person insofar as that person owns or
14 operates a private sewer company or sewer
15 facility; and

16 (B) Any telecommunications carrier or
17 telecommunications common carrier;

18 (2) Shall not include:

19 (A) Any person insofar as that person owns or
20 operates an aerial transportation enterprise;

21 (B) Persons owning or operating taxicabs, as defined
22 in this section;

- 1 (C) Common carriers transporting only freight on the
2 public highways, unless operating within
3 localities or along routes or between points that
4 the public utilities commission finds to be
5 inadequately serviced without regulation under
6 this chapter;
- 7 (D) Persons engaged in the business of warehousing or
8 storage unless the commission finds that
9 regulation thereof is necessary in the public
10 interest;
- 11 (E) The business of any carrier by water to the
12 extent that the carrier enters into private
13 contracts for towage, salvage, hauling, or
14 carriage between points within the State and the
15 carriage is not pursuant to either an established
16 schedule or an undertaking to perform carriage
17 services on behalf of the public generally;
- 18 (F) The business of any carrier by water,
19 substantially engaged in interstate or foreign
20 commerce, transporting passengers on luxury
21 cruises between points within the State or on

1 luxury round-trip cruises returning to the point
2 of departure;

3 (G) Any person who:

4 (i) Controls, operates, or manages plants or
5 facilities for the production, transmission,
6 or furnishing of power primarily or entirely
7 from nonfossil fuel sources; and

8 (ii) Provides, sells, or transmits all of that
9 power, except such power as is used in its
10 own internal operations, directly to a
11 public utility for transmission to the
12 public;

13 (H) A telecommunications provider only to the extent
14 determined by the commission pursuant to section
15 269-16.9;

16 (I) Any person who controls, operates, or manages
17 plants or facilities developed pursuant to
18 chapter 167 for conveying, distributing, and
19 transmitting water for irrigation and such other
20 purposes that shall be held for public use and
21 purpose;

- 1 (J) Any person who owns, controls, operates, or
2 manages plants or facilities for the reclamation
3 of wastewater; provided that:
- 4 (i) The services of the facility shall be
5 provided pursuant to a service contract
6 between the person and a state or county
7 agency and at least ten per cent of the
8 wastewater processed is used directly by the
9 State or county which has entered into the
10 service contract;
- 11 (ii) The primary function of the facility shall
12 be the processing of secondary treated
13 wastewater that has been produced by a
14 municipal wastewater treatment facility that
15 is owned by a state or county agency;
- 16 (iii) The facility shall not make sales of water
17 to residential customers;
- 18 (iv) The facility may distribute and sell
19 recycled or reclaimed water to entities not
20 covered by a state or county service
21 contract; provided that, in the absence of
22 regulatory oversight and direct competition,

1 the distribution and sale of recycled or
2 reclaimed water shall be voluntary and its
3 pricing fair and reasonable. For purposes
4 of this subparagraph, "recycled water" and
5 "reclaimed water" mean treated wastewater
6 that by design is intended or used for a
7 beneficial purpose; and

8 (v) The facility shall not be engaged, either
9 directly or indirectly, in the processing of
10 food wastes; ~~and~~

11 (K) Any person who owns, controls, operates, or
12 manages any seawater air conditioning district
13 cooling project; provided that at least fifty per
14 cent of the energy required for the seawater air
15 conditioning district cooling system is provided
16 by a renewable energy resource, such as cold,
17 deep seawater~~[]~~; and

18 (L) Any person who owns, controls, operates, or
19 manages plants or facilities primarily used to
20 charge or discharge a vehicle battery that
21 provides power for vehicle propulsion.

1 If the application of this chapter is ordered by the
2 commission in any case provided in paragraphs (2) (C), (2) (D),
3 (2) (H), and (2) (I), the business of any public utility that
4 presents evidence of bona fide operation on the date of the
5 commencement of the proceedings resulting in the order shall be
6 presumed to be necessary to public convenience and necessity,
7 but any certificate issued under this proviso shall nevertheless
8 be subject to such terms and conditions as the commission may
9 prescribe, as provided in sections 269-16.9 and 269-20."

10 PART III

11 GOVERNMENT AGENCY REQUIREMENTS

12 SECTION 6. Section 103D-412, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "~~§103D-412 [Energy-efficient vehicles.]~~ Light-duty vehicle

15 requirements. (a) The procurement policy for all agencies
16 purchasing or leasing [~~motor~~] light-duty vehicles shall be to
17 [~~obtain energy-efficient vehicles. All covered fleets are~~
18 ~~directed to procure increasing percentages of energy-efficient~~
19 ~~vehicles as part of their annual vehicle acquisition plans,~~
20 ~~which shall be as follows:~~

21 ~~(1) In the fiscal year beginning July 1, 2006, at least~~
22 ~~twenty per cent of newly purchased light-duty vehicles~~

1 ~~acquired by each covered fleet shall be energy-~~
2 ~~efficient vehicles;~~

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

7 ~~(3) In the fiscal year beginning July 1, 2008, at least~~
8 ~~forty per cent of newly purchased light-duty vehicles~~
9 ~~acquired by each covered fleet shall be energy-~~
10 ~~efficient vehicles; and~~

11 ~~(4) For each subsequent fiscal year, the percentage of~~
12 ~~energy-efficient vehicles newly purchased shall be~~
13 ~~five percentage points higher than the previous year,~~
14 ~~until at least seventy-five per cent of each covered~~
15 ~~fleet's newly purchased, light-duty vehicles are~~
16 ~~energy-efficient vehicles.] reduce dependence on~~
17 ~~petroleum for transportation energy.~~

18 (b) Beginning January 1, 2010, all state and county
19 entities, when purchasing new vehicles, shall seek vehicles with
20 reduced dependence on petroleum-based fuels that meet the needs
21 of the agency. Priority for selecting vehicles shall be as
22 follows:

- 1 (1) Electric or plug-in hybrid electric vehicles;
2 (2) Hydrogen or fuel cell vehicles;
3 (3) Flexible fuel vehicles;
4 (4) Hybrid electric vehicles; and
5 (5) Vehicles that are identified by the United States
6 Environmental Protection Agency in its annual "Fuel
7 Economy Leaders" report as being among the top
8 performers for fuel economy in their class.

9 [~~(b)~~] (c) For the purposes of this section:

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

11 "Alternative fuel" [~~has the same meaning as contained in 10~~
12 ~~Code of Federal Regulations Part 490.~~] means alcohol fuels,
13 mixtures containing eighty-five per cent or more by volume of
14 alcohols with gasoline or other fuels, natural gas, liquefied
15 petroleum gas, hydrogen, biodiesel, mixtures containing twenty
16 per cent or more by volume of biodiesel with diesel or other
17 fuels, other fuels derived from biological materials, and
18 electricity provided by off-board energy sources.

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

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

22 ~~(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.

21 "Light-duty vehicle" has the same meaning as contained in
22 10 Code of Federal Regulations Part 490.

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

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

13 ~~(e)]~~ (d) Agencies may apply to the chief procurement
14 officer for exemptions from the requirements of this section to
15 the extent that the vehicles required by this section are not
16 available or do not meet the specific needs of the agency~~[-];~~
17 provided that life cycle vehicle and fuel costs may be included
18 in the determination of whether a particular vehicle meets the
19 needs of the agency. Estimates of future fuel costs shall be
20 based on projections from the United States Energy Information
21 Administration.

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

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

9 SECTION 7. Section 286-172, Hawaii Revised Statutes, is
10 amended by amending subsection (a) to read as follows:

11 "(a) Subject to authorization granted by the chief justice
12 with respect to the traffic records of the violations bureaus of
13 the district courts and of the circuit courts, the director of
14 transportation shall furnish information contained in the
15 statewide traffic records system in response to:

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

20 (2) Any request from a person having a legitimate reason,
21 as determined by the director, as provided under the
22 rules adopted by the director under paragraph (1), to

1 obtain the information for verification of vehicle
2 ownership, traffic safety programs, or for research or
3 statistical reports; [~~or~~]

4 (3) Any request from a person required or authorized by
5 law to give written notice by mail to owners of
6 vehicles[~~or~~]; or

7 (4) Any request from the energy resources coordinator to
8 track the number and type of vehicles in use and the
9 effectiveness of efforts to increase the efficiency
10 and diversify the fuel needs of Hawaii's
11 transportation sector."

12 SECTION 8. (a) No later than _____, the
13 department of transportation, in consultation with the
14 department of accounting and general services and the department
15 of business, economic development, and tourism, shall coordinate
16 with county governments, energy industry experts, transportation
17 specialists, and business, labor and community leaders to
18 develop and implement a plan to expedite state and county
19 permitting and installation of battery exchange stations and
20 electric vehicle charging outlets in homes, businesses, public
21 parking lots, and other buildings and facilities throughout the
22 State.

1 (b) The department of transportation shall submit a report
2 on its findings and recommendations, including any proposed
3 legislation, to the legislature not later than twenty days prior
4 to the convening of the regular session of .

5 SECTION 9. In codifying the new sections added by section
6 4 of this Act, the revisor of statutes shall substitute
7 appropriate section numbers for the letters used in designating
8 the new sections in this Act.

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

11 SECTION 11. This Act shall take effect on July 1, 2070.

Report Title:

Transportation; Energy Efficient Vehicles

Description:

Establishes the development of non-fossil fuel transportation as a state policy goal. Requires the designation of parking spaces for electric vehicles. Requires state and county agencies to follow a priority list when purchasing energy-efficient vehicles, including electric vehicles. Requires the director of transportation to furnish information to the energy resources coordinator on the use of electric vehicles in the State. Requires the department of transportation to develop a plan for electric vehicle infrastructure. (SD2)