

---

---

# A BILL FOR AN ACT

RELATING TO ELECTRIC VEHICLES.

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

1           SECTION 1. The legislature finds that to reach the Hawaii  
2 clean energy initiative's goal in transportation, Hawaii must  
3 deploy a significant number of electric drive vehicles and  
4 create an electric vehicle charging infrastructure. To  
5 encourage the widespread availability of electric vehicles and  
6 the creation of a vehicle charging infrastructure in Hawaii, it  
7 is necessary to attract the attention of automakers to encourage  
8 them to make electric vehicles available in Hawaii and encourage  
9 Hawaii consumers and vehicle dealers to select these vehicles.  
10 The transformation to a clean energy economy will reduce the  
11 impact on Hawaii of oil price volatility, provide a measure of  
12 energy security, provide economic diversification, and keep  
13 energy dollars circulating within Hawaii's economy.

14           The purpose of this Act is to encourage the deployment of  
15 electric vehicles in the state by:

16           (1) Exempting electric vehicles and electric vehicle  
17           charging systems from the general excise tax; and



1 (2) Preventing multi-family residential dwelling and  
2 townhouse associations from prohibiting the  
3 installation or use of electric vehicle charging  
4 systems.

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

8 "§196- Placement of Electric vehicle charging system.

9 (a) Notwithstanding any law to the contrary, no person shall be  
10 prevented by any covenant, declaration, bylaw, restriction,  
11 deed, lease, term, provision, condition, codicil, contract, or  
12 similar agreement, however worded, from installing an electric  
13 vehicle charging system on or near the parking stall of any  
14 multi-family residential dwelling or townhouse that the person  
15 owns. Any provision in any lease, instrument, or contract  
16 contrary to the intent of this section shall be void and  
17 unenforceable.

18 (b) Every private entity may adopt rules that reasonably  
19 restrict the placement and use of electric vehicle charging  
20 systems for the purpose of charging electrical vehicles in the  
21 parking stalls of any multi-family residential dwelling or  
22 townhouse; provided that those restrictions shall not prohibit



1 the placement or use of electric vehicle charging systems  
2 altogether. No private entity shall assess or charge any  
3 homeowner any fees for the placement of any electric vehicle  
4 charging system; provided that the private entity may require  
5 fair payment for electricity used by such electric vehicle  
6 charging system.

7 (c) Any person may place an electric vehicle charging  
8 system on or near the parking stall of any multi-family  
9 residential dwelling or townhouse unit owned by that person,  
10 provided that:

- 11 (1) The system is in compliance with any rules and  
12 specifications adopted pursuant to subsection (b);
- 13 (2) The system is registered with the private entity of  
14 record within thirty days of installation;
- 15 (3) If the system is placed on a common element or limited  
16 common element as defined by a project's declaration,  
17 the homeowner shall first obtain the consent of the  
18 private entity; provided further that such consent  
19 shall be given if the homeowner agrees in writing to:
- 20 (A) Comply with the private entity's design  
21 specification for the installation of the system;



- 1           (B) Engage a duly licensed contractor to install the
- 2           system; and
- 3           (C) Within fourteen days of approval of the system by
- 4           the private entity, provide a certificate of
- 5           insurance naming the private entity as an
- 6           additional insured on the homeowner's insurance
- 7           policy.
- 8           (d) If an electric vehicle charging system is placed on a
- 9           common element or limited common element:
- 10          (1) The owner and each successive owner of the parking
- 11          stall on which or near where the system is placed
- 12          shall be responsible for any costs for damages to the
- 13          system, common elements, limited common elements, and
- 14          any adjacent units, arising or resulting from the
- 15          installation, maintenance, repair, removal, or
- 16          replacement of the system. The repair, maintenance,
- 17          removal, and replacement responsibilities shall be
- 18          assumed by each successive owner until the electric
- 19          vehicle charging system has been removed from the
- 20          common elements or limited common elements. The owner
- 21          and each successive owner shall at all times have and
- 22          maintain a policy of insurance covering the



1 obligations of the owner under this paragraph and  
2 shall name the private entity as an additional insured  
3 under the policy; and

4 (2) The owner and any successive owner of the parking  
5 stall on which or near where the system is placed  
6 shall be responsible for removing the electric vehicle  
7 charging system if reasonably necessary or convenient  
8 for the repair, maintenance, or replacement of the  
9 common elements or limited common elements.

10 (e) For the purpose of this section:

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

17 "Private entity" means any association of homeowners,  
18 community association, condominium association, cooperative, or  
19 any other nongovernmental entity with covenants, bylaws, and  
20 administrative provisions with which a homeowner's compliance is  
21 required."

1 SECTION 3. Chapter 237, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 "§237- Exemption of sale or lease of certain vehicles  
5 and infrastructure. (a) There shall be exempted from the  
6 measure of the taxes imposed by this chapter all of the gross  
7 proceeds arising from the sale or lease of electric vehicles and  
8 electric vehicle charging systems purchased or placed in service  
9 after July 1, 2010, and before January 1, 2015."

10 SECTION 4. Section 237-1, Hawaii Revised Statutes, is  
11 amended by adding three new definitions to be appropriately  
12 inserted and to read as follows:

13 "Electric vehicle" means a motor vehicle, including a  
14 plug-in hybrid electric vehicle that:

- 15 (1) Draws propulsion using a traction battery with at  
16 least four kilowatt hours of capacity;  
17 (2) Uses an off-board source of energy to recharge the  
18 battery;  
19 (3) Is originally used by the taxpayer; and  
20 (4) Is acquired for use or lease by the taxpayer and not  
21 for resale.



1       "Electric vehicle charge point" means the part of the  
2 electric vehicle charging system that delivers electricity from  
3 a source outside an electric vehicle into an electric vehicle.

4       "Electric vehicle charging system" means a system that is  
5 designed in compliance with Article 625 of the National  
6 Electrical Code and delivers electricity from a source outside  
7 an electric vehicle into one or more electric vehicles. An  
8 electric vehicle charging system may include several charge  
9 points simultaneously connecting several electric vehicles to  
10 the system. The cost of the electric vehicle charging system  
11 includes all costs to acquire, construct, and install the  
12 electric vehicle charging system that are required to be  
13 capitalized to the electric vehicle charging system under  
14 Section 263 of the Internal Revenue Code. The cost of the  
15 electric vehicle charging system does not include costs that are  
16 properly allocable to land or to a building and its structural  
17 components, including but not limited to costs related to the  
18 acquisition of land on which the electric vehicle charging  
19 system is located, and expenses for permits, legal fees, project  
20 management, or engineering to the extent those expenses are  
21 related to the land."

22       SECTION 5. New statutory material is underscored.



1 SECTION 6. This Act shall take effect upon its approval;  
2 provided that sections 3 and 4 shall take effect on July 1,  
3 2010, and be repealed on January 1, 2015, and section 237-1,  
4 Hawaii Revised Statutes, shall be reenacted in the form in which  
5 it read on the day prior to the effective date of this Act.





**Report Title:**

General Excise Tax; Electric Vehicles; Exemption

**Description:**

Exempts electric vehicles and electric vehicle charging systems from the general excise tax from July 1, 2010, to before January 1, 2015. (SB2231 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

