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# A BILL FOR AN ACT

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RELATING TO ZERO-EMISSION VEHICLES.

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

1       SECTION 1. The legislature finds that climate change  
2 caused by greenhouse gas emissions from burning fossil fuels  
3 poses a serious threat to the economic well-being, public  
4 health, natural resources, and environment of Hawaii. The  
5 potential adverse impacts of climate change include the  
6 exacerbation of air-quality problems, a reduction in the quality  
7 and supply of water, a rise in sea levels resulting in the  
8 displacement of coastal businesses and residences, damage to  
9 marine ecosystems and the natural environment, and an increase  
10 in incidents of infectious diseases, asthma, and other human  
11 health-related problems.

12       The State has committed to eliminating imported fuels from  
13 the electricity and ground transportation sectors and has also  
14 committed to abiding by the Paris Climate Accord's goal to limit  
15 the amount of global warming to less than 1.5 degrees Celsius.  
16 The legislature finds that meeting the State's clean energy



1 goals and commitments necessitates the rapid transition to  
2 vehicles that utilize local, renewable energy sources.

3 The legislature further finds that rental motor vehicles  
4 represent the largest passenger vehicle fleets in Hawaii and are  
5 responsible for a significant amount of carbon emissions.  
6 Incorporating large numbers of zero-emission vehicles into  
7 rental motor vehicle fleets would significantly reduce carbon  
8 emissions, increase the number of zero-emission vehicles  
9 entering the secondary market, making them more affordable to  
10 more Hawaii residents, and demonstrate to all who visit the  
11 State that Hawaii is a leader in clean energy and sustainable  
12 transportation.

13 The purpose of this Act is to:

- 14 (1) Set requirements for rental motor vehicle lessors  
15 operating in Hawaii, with more than two hundred light  
16 duty passenger vehicles, to expedite the incorporation  
17 of zero-emission vehicles in the lessors' fleets; and  
18 (2) Require each rental motor vehicle lessor operating in  
19 Hawaii to report to the director of commerce and  
20 consumer affairs, the make, model, license plate



1           number, and fuel type of each rental motor vehicle in  
2           its fleet.

3           SECTION 2. Chapter 437D, Hawaii Revised Statutes, is  
4 amended by adding a new section to be appropriately designated  
5 and to read as follows:

6           "§437D-    Zero-emission vehicles. (a) Each lessor in the  
7 State shall incorporate zero-emission vehicles into the lessor's  
8 fleet according to the following schedule:

9           (1) No less than ten per cent by July 1, 2026;

10          (2) No less than twenty-five per cent by July 1, 2028; and

11          (3) No less than fifty per cent by July 1, 2030.

12          (b) The requirements set forth in this section shall apply  
13 only to lessors owning and operating, as rental motor vehicles,  
14 a total of more than two hundred light duty passenger vehicles  
15 with a gross weight rating below 8,500 pounds, and the required  
16 zero-emission vehicle percentages shall apply only to those  
17 light duty passenger vehicles with a gross weight rating below  
18 8,500 pounds.

19          (c) To certify compliance with these requirements,  
20 beginning in 2021, each lessor in the State shall report to the  
21 director annually by December 1, detailing the make, model,



1 license plate number, and fuel type of each rental motor vehicle  
2 in the lessor's fleet.

3 (d) Lessors who are found to have fewer than the required  
4 number of zero-emission vehicles in their rental motor vehicle  
5 fleet shall pay a fine of \$1,000 per month for each vehicle  
6 below the required amount.

7 (e) For the purposes of this section:

8 "Battery electric vehicle" means a vehicle with four or  
9 more wheels that draws propulsion exclusively from a battery  
10 that can be recharged from an external source of energy.

11 "Hydrogen fuel cell vehicle" means a vehicle with four or  
12 more wheels that draws propulsion from electricity generated by  
13 passing hydrogen through a fuel cell.

14 "Plug-in hybrid electric vehicle" means a vehicle with four  
15 or more wheels that draws propulsion from a battery, but which  
16 also has an internal combustion engine that may be used to  
17 either propel the vehicle directly, or to produce electricity to  
18 recharge the battery; provided that a plug-in hybrid electric  
19 vehicle with sixteen or more kilowatt hours of battery storage  
20 qualifies as a full zero-emission vehicle, while a plug-in  
21 hybrid electric vehicle with less energy storage qualifies as a



1 partial zero-emission vehicle, to be calculated by dividing the  
2 total kilowatt hours of energy storage in the battery by  
3 sixteen, rounded to the nearest tenth.

4 "Zero-emission vehicle" means a battery electric vehicle, a  
5 plug-in hybrid electric vehicle, or a hydrogen fuel cell  
6 vehicle."

7 SECTION 3. New statutory material is underscored.

8 SECTION 4. This Act shall take effect upon its approval.

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**Report Title:**

Zero-emission Vehicles; Rental Motor Vehicles; Lessors

**Description:**

Requires rental motor vehicle lessors with more than two hundred light duty passenger vehicles, to expedite the incorporation of at least 50% of zero-emission vehicles into the lessor's fleet by 2030. Requires all rental motor vehicle lessors to report a list of the make, model, license plate number, and fuel type of each rental motor vehicle in the lessor's fleet to the Director of the Commerce and Consumer Affairs. (SD1)

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