

---

---

# A BILL FOR AN ACT

RELATING TO ELECTRIC VEHICLES.

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

1 SECTION 1. Chapter 269, Hawaii Revised Statutes, is  
2 amended by adding a new section to part III to be appropriately  
3 designated and to read as follows:

4 **"§269- Electric vehicle rebate program; special fund.**

5 (a) The public utilities commission, in consultation with  
6 electric vehicle stakeholders and the state energy office, shall  
7 administer the electric vehicle rebate program to incentivize  
8 the purchase of new electric vehicles, as provided in this  
9 section, and may contract with a third-party administrator  
10 pursuant to section 269-73 to operate and manage the rebate  
11 program.

12 (b) There is established within the state treasury the  
13 electric vehicle rebate special fund into which shall be  
14 deposited:

15 (1) The portion of the environmental response, energy, and  
16 food security tax specified under section 243-3.5;

17 (2) Appropriations made by the legislature;



- 1        (3) Gifts, grants, and other public and private funds;
- 2        (4) Any federal funds; and
- 3        (5) All interest and revenue of receipts derived from the
- 4                fund.

5        (c) Moneys in the electric vehicle rebate special fund

6        shall:

7        (1) Provide rebates for the acquisition of new electric  
 8                vehicles of an amount not to exceed \$2,000 per  
 9                electric vehicle; and

10       (2) Pay for any administrative, operational, training, and  
 11                marketing costs associated with providing rebates from  
 12                the electric vehicle rebate special fund.

13       (d) Applications for rebates shall be made to the public  
 14       utilities commission and shall be for the acquisition of one or  
 15       more new electric vehicles licensed and intended for use on  
 16       Hawaii's highways; provided that the electric vehicles are:

17       (1) Intended to be charged primarily by renewable energy  
 18                sources; or

19       (2) Able to be integrated intelligently with the  
 20                electrical grid.



1       (e) An applicant may be eligible for a rebate under the  
2 electric vehicle rebate program if the applicant:

3       (1) Meets the specifications and requirements established  
4 by the public utilities commission;

5       (2) Files a completed application form, as prescribed by  
6 the public utilities commission, together with all  
7 supporting documentation required by the public  
8 utilities commission;

9       (3) Completes the purchase or lease, licensing, and  
10 registration of one or more new electric vehicles,  
11 prior to applying for one or more electric vehicle  
12 rebates;

13       (4) Provides any other information deemed necessary by the  
14 public utilities commission; and

15       (5) Meets any additional requirements as determined by the  
16 public utilities commission.

17       (f) Disbursements from the electric vehicle rebate special  
18 fund shall not be subject to chapter 42F.

19       (g) This section shall apply to new electric vehicles  
20 purchased after July 1, 2020.



1        (h) Applicants shall submit applications to the public  
2 utilities commission within twelve months of the date of  
3 completion of the purchase or lease, licensing, and registration  
4 of an applicable electric vehicle. Failure to apply to the  
5 commission within twelve months shall constitute a waiver of the  
6 right to claim the rebate.

7        (i) Nothing in this section shall alter the taxes due on  
8 the original purchase of an electric vehicle prior to the  
9 application of the rebate. Any rebate received pursuant to the  
10 electric vehicle rebate program shall not be considered income  
11 for the purposes of state or county taxes.

12        (j) The public utilities commission shall include  
13 information on the electric vehicle rebate special fund and  
14 statistical information on participation in the public utilities  
15 commission's annual report to the governor pursuant to section  
16 269-5.

17        (k) As used in this section:  
18        "Electric vehicle" has the same meaning as contained in  
19 Section 30D of the Internal Revenue Code for "new qualified  
20 plug-in electric drive motor vehicle".



1       "Integrated intelligently with the electrical grid" means  
2 that the demand of the electric vehicle for electricity from the  
3 grid is controlled to enable reduction of the vehicle's  
4 electrical demand on the grid during peak demand times and to  
5 enable maximum use of renewable energy sources, baseload energy  
6 sources, or renewable energy potentially available off peak that  
7 would otherwise be curtailed."

8       SECTION 2. Section 243-3.5, Hawaii Revised Statutes, is  
9 amended by amending subsection (a) to read as follows:

10       "(a) In addition to any other taxes provided by law,  
11 subject to the exemptions set forth in section 243-7, there is  
12 hereby imposed a state environmental response, energy, and food  
13 security tax on each barrel or fractional part of a barrel of  
14 petroleum product sold by a distributor to any retail dealer or  
15 end user of petroleum product, other than a refiner. The tax  
16 shall be [~~\$1.05~~] \$\_\_\_\_ on each barrel or fractional part of a  
17 barrel of petroleum product that is not aviation fuel; provided  
18 that of the tax collected pursuant to this subsection:

19       (1) 5 cents of the tax on each barrel shall be deposited  
20           into the environmental response revolving fund  
21           established under section 128D-2;



- 1 (2) 5 cents of the tax on each barrel shall be deposited
- 2 into the energy security special fund established
- 3 under section 201-12.8;
- 4 (3) 10 cents of the tax on each barrel shall be deposited
- 5 into the energy systems development special fund
- 6 established under section 304A-2169.1; ~~and~~
- 7 (4) 15 cents of the tax on each barrel shall be deposited
- 8 into the agricultural development and food security
- 9 special fund established under section 141-10~~[+]~~; and
- 10 (5) \_\_\_\_\_ cents of the tax on each barrel shall be deposited
- 11 into the electric vehicle rebate special fund
- 12 established under section 269-\_\_\_\_\_.

13 The tax imposed by this subsection shall be paid by the  
 14 distributor of the petroleum product."

15 SECTION 3. Section 269-73, Hawaii Revised Statutes, is  
 16 amended to read as follows:

17 "[+]§269-73[+] **Electric vehicle charging system; new**  
 18 **electric vehicle; rebate program; administrator; establishment.**

19 (a) The public utilities commission may contract with a third-  
 20 party administrator to operate and manage any programs  
 21 established under section 269-72~~[+]~~ or 269-\_\_\_\_\_. The



1 administrator shall not be deemed to be a "governmental body" as  
2 defined in section 103D-104; provided that all moneys  
3 transferred to the third-party administrator shall have been  
4 appropriated by the legislature or shall be from funds provided  
5 by the federal government or private funding sources. The  
6 administrator shall not expend more than ten per cent of the  
7 amounts appropriated for the rebate [~~program~~] programs or other  
8 reasonable percentage determined by the public utilities  
9 commission for administration of the programs established under  
10 section 269-72[~~-~~] or 269-\_\_\_\_\_.

11 (b) The electric vehicle charging system rebate program  
12 administrator and the electric vehicle rebate program  
13 administrator shall be subject to regulation by the public  
14 utilities commission under any provision applicable to a public  
15 utility in sections 269-7, 269-8, 269-8.2, 269-8.5, 269-9,  
16 269-10, 269-13, 269-15, 269-19.5, and 269-28, and shall report  
17 to the public utilities commission on a regular basis.  
18 Notwithstanding any other provision of law to the contrary, the  
19 electric vehicle charging system rebate program administrator  
20 and the electric vehicle rebate program administrator shall not



1 be an electric public utility or an electric public utility  
2 affiliate."

3 SECTION 4. There is appropriated out of the electric  
4 vehicle rebate special fund the sum of \$ or so much  
5 thereof as may be necessary for fiscal year 2020-2021 for the  
6 electric vehicle rebate program.

7 The sum appropriated shall be expended by the public  
8 utilities commission for the purposes of this Act.

9 SECTION 5. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect on July 1, 2020.

12

INTRODUCED BY:

JAN 22 2020





# H.B. NO. 2462

**Report Title:**

PUC; Electric Vehicle; Rebates; Appropriation

**Description:**

Establishes the electric vehicle rebate program of the Public Utilities Commission to award rebates for the purchase of new electric vehicles. Appropriates funds.

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

