A BILL FOR AN ACT

RELATING TO STATE LIGHT DUTY VEHICLES.

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

1	PART I
2	SECTION 1. The legislature finds that the use of fossil
3	fuels is the State's primary contributor to greenhouse gas
4	emissions. These emissions cause climate change, which poses a
5	serious threat to the State's economic well-being, public
6	health, infrastructure, and environment. The State's dependence
7	on fossil fuels also drains the economy of billions of dollars
8	each year, makes residents vulnerable to the volatility of oil
9	prices, and puts residents at increased risk in the event of a
10	natural disaster. Thus, Act 15, Session Laws of Hawaii 2018,
11	was enacted to establish a goal for the State to become carbon
12	neutral by 2045.
13	The legislature further finds that the transportation
14	sector accounts for the use of over two-thirds of the oil
15	imported into the State. The legislature notes that, for ground
16	transportation, electric vehicles provide a viable,
17	cost-effective alternative to webicles that run on fossil fuels

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- 1 For state-owned transportation fleets, the transition to
- 2 electric vehicles will bring with it considerable cost savings
- 3 because of lower costs to operate and maintain these vehicles.
- 4 With the impacts of the COVID-19 pandemic on the state budget,
- 5 it is imperative that the State take advantage of all
- 6 opportunities for savings, and the electrification of state
- 7 fleets to the extent possible is one of these opportunities.
- 8 The purpose of this part is to facilitate the transition to
- 9 one hundred per cent clean ground transportation in the State by
- 10 establishing a goal for the State to lead by example by:
- 11 (1) Establishing a procurement policy prioritizing certain
- types of medium- and heavy-duty motor vehicles for
- purchase by state agencies; and
- 14 (2) Establishing a goal to transition all state-owned,
- 15 light duty vehicles to be zero-emission vehicles by
- 16 2035 and tasking the department of transportation and
- 17 the Hawaii state energy office with developing
- 18 strategies to further this goal.
- 19 SECTION 2. Chapter 103D, Hawaii Revised Statutes, is
- 20 amended by adding a new section to be appropriately designated
- 21 and to read as follows:



1 "§103D- Other motor vehicle requirements. (a) The 2 procurement policy for all agencies purchasing or leasing 3 medium- and heavy-duty motor vehicles shall be to seek vehicles that reduce dependence on petroleum-based fuels that meet the 4 5 needs of the agency. 6 Priorities for selecting vehicles for lease or purchase 7 shall be as follows: 8 (1) Zero emission vehicles; 9 (2) Plug-in hybrid electric vehicles; 10 (3) Alternative fuel vehicles; and 11 (4) Hybrid vehicles. 12 (b) Vehicles shall not be larger than necessary for their 13 intended functions." 14 SECTION 3. Chapter 225P, Hawaii Revised Statutes, is 15 amended by adding a new section to be appropriately designated 16 and to read as follows: 17 "<u>§225P-</u> <u>Climate change mitigation</u>. (a) It shall be 18 the goal of the State to reduce emissions that cause climate 19 change and build energy efficiencies across all sectors,

including decarbonizing the transportation sector.

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(b) State agencies shall manage their fleets to achieve 1 2 the clean ground transportation goals defined in 3 section 196-9(c)(10) and decarbonization goals established 4 pursuant to chapter 225P." 5 SECTION 4. Chapter 264, Hawaii Revised Statutes, is 6 amended by adding a new section to be appropriately designated 7 and to read as follows: 8 "§264- Clean ground transportation goal. 9 department of transportation, in collaboration with the Hawaii state energy office, shall develop strategies to transition all 10 11 light-duty motor vehicles in the State's fleets to meet the 12 clean ground transportation goal established pursuant to 13 section 196-9(c)(10)." 14 SECTION 5. Section 103D-412, Hawaii Revised Statutes, is 15 amended to read as follows: 16 "§103D-412 Light-duty motor vehicle requirements. **17** The procurement policy for all agencies purchasing or leasing 18 light-duty motor vehicles shall be to reduce dependence on

(b) [Beginning January 1, 2010,] The procurement policy

for all [state and county entities, when] agencies purchasing or

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petroleum for transportation energy.

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1	<u>leasing</u> new vehicles[7] shall be to seek vehicles with reduced
2	dependence on petroleum-based fuels that meet the needs of the
3	agency. Priority for selecting vehicles shall be as follows:
4	(1) [Electric or plug-in hybrid electric vehicles and fuel
5	cell electric vehicles; Zero-emission vehicles;
6	(2) [Other alternative fuel] Plug-in hybrid electric
7	vehicles;
8	(3) [Hybrid electric] Alternative fuel vehicles; and
9	(4) [Vehicles that are 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 their class.] Hybrid
13	electric vehicles.
14	(c) Vehicles shall not be larger than necessary for their
15	intended functions.
16	[(c)] <u>(d)</u> For the purposes of this section:
17	"Agency" means a state agency, office, or department.
18	"Alternative fuel" [means alcohol fuels, mixtures
19	containing eighty-five per cent or more by volume of alcohols
20	with gasoline or other fuels, natural gas, liquefied petroleum
21	gas bydrogen biodiogol miyturos gentaining twenty nor gent ex

- 1 more by volume of biodiesel with diesel or other fuels, other
- 2 fuels derived from biological materials, and electricity
- 3 provided by off-board energy sources.] shall have the same
- 4 meaning as contained in title 10 Code of Federal Regulations
- 5 part 490; provided that "alternative fuel" includes liquid or
- 6 gaseous fuels produced from renewable feedstocks, such as
- 7 organic wastes, or from water using electricity from renewable
- 8 energy sources.
- 9 "Alternative fuel vehicle" shall have the same meaning as
- 10 contained in title 10 Code of Federal Regulations part 490.
- "Covered fleet" [has] shall have the same meaning as
- 12 contained in title 10 Code of Federal Regulations [Part]
- 13 part 490 [Subpart] subpart C.
- 14 "Excluded vehicles" [has] shall have the same meaning as
- 15 [provided] contained in title 10 Code of Federal Regulations
- 16 section 490.3.
- 17 "Fuel cell electric vehicle" means a zero-emission electric
- 18 vehicle that uses a fuel cell to convert hydrogen gas and oxygen
- 19 into electricity that is used in a vehicle powertrain for
- 20 propulsion.

1 "Hybrid electric vehicle" shall have the same meaning as 2 contained in title 40 Code of Federal Regulations 3 section 86.1803-01. 4 "Light-duty motor vehicle" [has] shall have the same 5 meaning as contained in title 10 Code of Federal Regulations 6 [Part] part 490[, not including any vehicle incapable of 7 traveling on highways or any vehicle with a gross vehicle weight 8 rating greater than eight thousand five hundred pounds]. 9 "Plug-in hybrid electric vehicle" shall have the same 10 meaning as contained in title 40 Code of Federal Regulations 11 part 86.1803-01. 12 "Zero-emission vehicle" shall have the same meaning as 13 contained in title 40 Code of Federal Regulations 14 section 88.102-94. 15 [(d)] (e) Agencies may apply to the chief procurement 16 officer for exemptions from the requirements of this section to 17 the extent that the vehicles required by this section are not 18 available or do not meet the specific needs of the agency; provided that life cycle vehicle and fuel costs may be included 19 20 in the determination of whether a particular vehicle meets the 21 needs of the agency. Estimates of future fuel costs shall be

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- 1 based on projections from the United States Energy Information
- 2 Administration.
- 3 [(e)] (f) Vehicles acquired from another state agency and
- 4 excluded vehicles are exempt from the requirements of this
- 5 section[-] but shall be included in the calculation of the clean
- 6 ground transportation goals established under
- 7 section 196-9(c)(10).
- 8 $\left[\frac{f}{f}\right]$ (g) Nothing in this section is intended to interfere
- 9 with the ability of a covered fleet to comply with the vehicle
- 10 purchase mandates required by title 10 Code of Federal
- 11 Regulations [Part] part 490 [Subpart] subpart C."
- 12 SECTION 6. Section 196-9, Hawaii Revised Statutes, is
- 13 amended by amending subsection (c) to read as follows:
- "(c) With regard to motor vehicles and transportation
- 15 fuel, each agency shall:
- 16 (1) Comply with $[\frac{\text{Title}}{\text{Title}}]$ title $10[\frac{1}{7}]$ Code of Federal
- 17 Regulations[, Part] part 490, [Subpart] subpart C,
- "Mandatory State Fleet Program", if applicable;
- 19 (2) Comply with all applicable state laws regarding
- vehicle purchases;

1	(3)	Once federal and state vehicle purchase mandates have
2		been satisfied, purchase the most fuel-efficient
3		vehicles that meet the needs of their programs;
4		provided that life cycle cost-benefit analysis of
5		vehicle purchases shall include projected fuel costs;
6	(4)	Purchase alternative fuels and ethanol blended
7		gasoline when available;
8	(5)	Evaluate a purchase preference for biodiesel blends,
9		as applicable to agencies with diesel fuel purchases;
10	(6)	Promote efficient operation of vehicles[+], including
11		efficient planning of charging station locations and
12		efficient utilization of renewable energy for charging
13		electric vehicles;
14	(7)	Use the most appropriate minimum octane fuel; provided
15		that vehicles shall use 87-octane fuel unless the
16		owner's manual for the vehicle states otherwise or the
17		engine experiences knocking or pinging;
18	(8)	Beginning with fiscal year 2005-2006 as the baseline,
19		collect and maintain, for the life of each vehicle
20		acquired, the following data:
21		(A) Vehicle acquisition cost;

1		(B)	United States Environmental Protection Agency
2			rated fuel economy;
3		(C)	Vehicle fuel configuration, such as gasoline,
4			diesel, flex-fuel gasoline/E85, and dedicated
5			propane;
6		(D)	Actual in-use vehicle mileage;
7		(E)	Actual in-use vehicle fuel consumption; [and]
8		(F)	Actual in-use annual average vehicle fuel
9			economy; and
10		<u>(G)</u>	Hourly charging data by electric vehicle and
11			electric vehicle charger;
12	(9)	Begi	nning with fiscal year 2005-2006 as the baseline
13		with	respect to each agency that operates a fleet of
14		thir	ty or more vehicles, collect and maintain, in
15		addi	tion to the data in paragraph (8), the following:
16		(A)	Information on the vehicles in the fleet,
17			including vehicle year, make, model, gross
18			vehicle weight rating, and vehicle fuel
19			configuration;
20		(B)	Fleet fuel usage, by fuel;
21		(C)	Fleet mileage: [and]

1		(D)	Overall annual average fleet fuel economy and
2			average miles per gallon of gasoline and
3			diesel[-]; and
4		(E)	Hourly charging data by electric vehicle and
5			electric vehicle charger; and
6	(10)	Plan	and coordinate vehicle acquisition to meet the
7		foll	owing clean ground transportation goals:
8		(A)	One hundred per cent of light-duty passenger cars
9			in the State's fleet shall be zero-emission
10			vehicles by December 31, 2030; and
11		<u>(B)</u>	One hundred per cent of light-duty motor vehicles
12			in the State's fleet shall be zero-emission
13			vehicles by December 31, 2035.
14	For	the p	urposes of this subsection:
15	"Lig	ht-du	ty motor vehicle" shall have the same meaning as
16	contained	in t	itle 10 Code Federal Regulations part 490.
17	"Pas	senge	r car" shall have the same meaning as contained in
18	title 49	Code	of Federal Regulations section 571.3.
19	<u>"Zer</u>	o-emi	ssion vehicle" shall have the same meaning as
20	contained	in t	itle 40 Code of Federal Regulations
21	section 8	8 1N2	-94 "

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- 1 SECTION 7. Section 196-42, Hawaii Revised Statutes, is 2 amended to read as follows:
- 3 "\$196-42 State support for achieving alternate fuels
- 4 standards [-] and clean ground transportation goals. (a) The
- 5 State shall facilitate the development of alternate fuels and
- 6 support the attainment of a statewide alternate fuels standard
- 7 of ten per cent of highway fuel demand to be provided by
- 8 alternate fuels by 2010, fifteen per cent by 2015,
- 9 twenty per cent by 2020, and thirty per cent by 2030. For
- 10 purposes of the alternate fuels standard, ethanol produced from
- 11 cellulosic materials shall be considered the equivalent of two
- 12 and one-half gallons of noncellulosic ethanol. "Alternate
- 13 fuels" shall have the same meaning as contained in title 10 Code
- 14 of Federal Regulations [Part] part 490; provided that it shall
- 15 also include liquid or gaseous fuels produced from renewable
- 16 feedstocks such as organic wastes, or from water using
- 17 electricity from renewable energy sources.
- 18 (b) The State shall support the attainment of the clean
- 19 ground transportation target established pursuant to
- 20 section 196-9(c)(10)."



1		PART II
2	SECT	ION 8. Section 26-6, Hawaii Revised Statutes, is
3	amended b	y amending subsection (b) to read as follows:
4	"(b)	The department shall:
5	(1)	Preaudit and conduct after-the-fact audits of the
6		financial accounts of all state departments to
7		determine the legality of expenditures and the
8		accuracy of accounts;
9	(2)	Report to the governor and to each regular session of
10		the legislature as to the finances of each department
11		of the State;
12	(3)	Administer the state risk management program;
13	(4)	Establish and manage motor pools;
14	(5)	Manage the preservation and disposal of all records of
15		the State;
16	(6)	Undertake the program of centralized engineering and
17		office leasing services, including operation and
18		maintenance and lease buyback processing pursuant to
19		subsection (d) of public buildings, for departments of
20		the State;
21	(7)	Undertake the functions of the state surveyor:

1	(8)	Estab	plish accounting and internal control systems;	
2	(9)	Under	the direction of the chief information officer,	
3		provi	de centralized computer information management	
4		and p	processing services;	
5	(10)	Estab	olish a program to provide a means for public	
6		acces	ss to public information and develop an	
7		infor	mation network for state government; [and]	
8	(11)	Assume administrative responsibility for the office of		
9		infor	rmation practices[-]; and	
10	(12)	Appro	ove state fleet acquisitions; provided that:	
11		<u>(A)</u>	Beginning January 1, 2022, all new light-duty	
12			passenger cars purchased for the State's fleet	
13			shall be zero-emission vehicles;	
14		<u>(B)</u>	Beginning as soon as practicable but no later	
15			than January 1, 2030, all new light-duty	
16			multipurpose passenger vehicles and trucks for	
17			the State's fleet shall be zero-emission	
18			vehicles; and	
19		(C)	The comptroller may authorize an exemption for	
20			new fleet vehicle purchases if zero-emission	
21			webicles are demonstrated to be cost-probibitive	

1	on a lifecycle basis or unsuitable for the
2	vehicle's planned purpose.
3	For the purposes of this subsection:
4	"Light-duty motor vehicle" shall have the same meaning as
5	contained in title 10 Code Federal Regulations part 490.
6	"Multipurpose passenger vehicle" shall have the same
7	meaning as contained in title 49 Code of Federal Regulations
8	section 571.3.
9	"Passenger car" shall have the same meaning as contained in
10	title 49 Code of Federal Regulations section 571.3.
11	"Truck" shall have the same meaning as contained in
12	title 49 Code of Federal Regulations section 571.3.
13	"Zero-emission vehicle" shall have the same meaning as
14	contained in title 40 Code of Federal Regulations
15	section 88.102-94."
16	PART III
17	SECTION 9. Chapter 103D, Hawaii Revised Statutes, is
18	amended by adding a new section to part IV to be appropriately
19	designated and to read as follows:
20	"§103D- Construction projects, roadway materials;
21	carbon footprint reduction. When purchasing building materials

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- 1 for the construction of new roads, state and county agencies
- 2 shall purchase building materials for the project that reduce
- 3 the carbon footprint of the project, where the purchase of such
- 4 building materials is feasible and cost-effective."
- 5 PART IV
- 6 SECTION 10. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 11. This Act shall take effect on July 1, 2050.

Report Title:

Clean Ground Transportation Goals; Fleet Procurement; Carbon Footprint Reduction

Description:

Part I: Prioritizes the purchases of certain medium— and heavy—duty motor vehicles by state agencies. Establishes clean ground transportation goals for state agencies to achieve a one hundred per cent light—duty motor vehicles zero—emission fleet by December 31, 2035. Part II: Authorizes the department of accounting and general services to approve state fleet acquisitions, including zero emission vehicle requirements for light—duty passenger cars and light—duty multipurpose passenger vehicles and trucks and allowance for exemptions. Part III: Requires state and county agencies to purchase building materials for the project that reduce the carbon footprint of the project whenever feasible and cost—effective. Effective 7/1/2050. (HD2)

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