
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. The legislature finds that many major vehicle
2 manufacturers are planning to phase out the sale of new fossil
3 fuel vehicles by 2035. The largest vehicle markets in
4 California, New York, Europe, and other areas have already
5 prohibited the sale of fossil fuel vehicles beyond 2035.
6 However, rental fleets in Hawaii will be unable to adapt unless
7 sufficient electric vehicle charging infrastructure is available
8 at rental hubs, including airports, and destinations, including
9 hotels and visitor attractions.

10 The legislature further finds that due to their size,
11 public vehicle fleets and rental motor vehicle fleets are
12 responsible for the largest sources of vehicle pollution. In an
13 effort to address this issue, the legislature enacted Act 74,
14 Session Laws of Hawaii 2021, to require all state-owned, light
15 duty motor vehicles to be zero-emission vehicles by the end of
16 2035. The legislature recognizes that transitioning rental
17 motor vehicle fleets to zero-emission vehicles will reduce



1 carbon emissions and increase the number of zero-emissions
2 vehicles entering the secondary market, making clean electric
3 vehicles more affordable and lowering the cost of transportation
4 for local residents.

5 Finally, the legislature finds that transitioning to
6 zero-emission rental fleets will demonstrate to visitors that
7 Hawaii is keeping pace with the innovation and electrification
8 of transportation of cities across Asia, Europe, and the United
9 States.

10 Accordingly, the purpose of this Act is to require lessors
11 of rental motor vehicles to incorporate zero-emission vehicles
12 or plug-in hybrid electric vehicles, or both, into the lessor's
13 rental motor vehicle fleets.

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

17 "§437D- Rental vehicle transition. (a) Each lessor
18 shall incorporate either zero-emission vehicles or plug-in
19 hybrid electric vehicles, or both, into each of the lessor's
20 rental motor vehicle fleets in the State according to the
21 following schedule:



1 (1) By January 1, 2027, at least thirty per cent of all
2 vehicles in each fleet shall be zero-emission vehicles
3 or plug-in hybrid electric vehicles, or both;

4 (2) By January 1, 2031, at least sixty per cent of all
5 vehicles in each fleet shall be zero-emission vehicles
6 or plug-in hybrid electric vehicles, or both; and

7 (3) By January 1, 2035, one hundred per cent of all
8 vehicles in each fleet shall be zero-emission vehicles
9 or plug-in hybrid electric vehicles, or both.

10 (b) As used in this section:

11 "Plug-in hybrid electric vehicle" means a light duty truck,
12 sports utility vehicle, or van that:

13 (1) Has four or more wheels;

14 (2) Is able to be plugged into, and draw charge from, a
15 standard electric vehicle charger;

16 (3) Draws propulsion from a battery; and

17 (4) Has an internal combustion engine that may be used to
18 either propel the vehicle directly or produce
19 electricity to recharge the battery.

20 "Zero-emission vehicle" includes:

21 (1) Electric vehicles, as defined in section 291-71; and



H.B. NO. 937

Report Title:

Rental Motor Vehicles; Zero-emission Vehicles; Plug-in Hybrid Vehicles

Description:

Requires lessors of rental motor vehicles to incorporate zero-emission vehicles or plug-in hybrid electric vehicles, or both, into the lessor's rental motor vehicle fleets.

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