

JAN 23 2025

A BILL FOR AN ACT

RELATING TO ELECTRIC VEHICLE INFRASTRUCTURE.

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

1 SECTION 1. The legislature finds that the State has one of
2 the most aggressive clean energy goals in the nation and was the
3 first to commit to a one hundred per cent renewable energy goal.
4 The State aims for a zero emissions clean energy economy "as
5 quickly as practicable, but no later than 2045" with a fifty per
6 cent reduction from 2005 levels by 2030 per Act 15, Session Laws
7 of Hawaii 2018. Hawaii was also the first state in the nation
8 to declare a climate emergency through S.C.R. No. 44, S.D. 1,
9 H.D. 1 (2021), which also called for a statewide commitment to a
10 decarbonized economy. To help achieve the State's renewable
11 energy goals, Act 74, Session Laws of Hawaii 2021, requires one
12 hundred per cent of the State's light-duty fleet to be fueled by
13 renewable energy by the end of 2035.

14 The legislature also finds that the use of fossil fuels is
15 the primary source of greenhouse gas emissions in the State,
16 contributing to climate change and posing a serious threat to
17 the State's economic well-being, public health, infrastructure,



1 environment, and way of life. Of those emissions, the
2 transportation sector is responsible for almost two-third of all
3 petroleum imported and consumed in the State. The legislature
4 notes that for ground transportation, electric vehicles provide
5 a viable, cost-effective alternative to vehicles that run on
6 fossil fuels. The legislature further finds that electric
7 vehicles will play an integral role in Hawaii's clean energy
8 future and in meeting the goals set for the State in reducing
9 its greenhouse gas emissions, particularly as electrical
10 generation in Hawaii transitions more completely to renewable
11 energy sources.

12 The legislature further finds that current charging
13 facilities for electric vehicles do not meet Hawaii's needs and
14 fall short of supporting the State's goal of zero emissions by
15 2045. The State must accelerate a transition to cleaner
16 transportation to reach its carbon emissions reduction goals.
17 Additionally, the legislature finds that as the State progresses
18 toward a fully decarbonized economy, the challenges of
19 addressing hard-to-decarbonize sectors will also increase. To
20 achieve the goal of a fully decarbonized economy, the State
21 needs to plan ahead and understand the steps necessary to create



1 a carbon-negative economy by 2045. The legislature also finds
2 that significant investment in clean energy technology and
3 infrastructure will be required to achieve the State's goals of
4 energy self-sufficiency, energy security, and energy
5 diversification.

6 Accordingly, the purpose of this Act is to facilitate the
7 transition to one hundred per cent clean energy in the State by:

8 (1) Creating a funding program that incentivizes electric
9 vehicle charging systems and infrastructure

10 development;

11 (2) Increasing the amount of petroleum tax to be deposited
12 into the electric vehicle charging system subaccount;

13 and

14 (3) Allowing funds from the electric vehicle charging
15 system subaccount to be expended for the funding

16 program.

17 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
18 amended by adding two new section to be appropriately designated
19 and to read as follows:

20 **"§269-A Electric vehicle charging systems and**
21 **infrastructure; funding program.** (a) The public utilities



1 commission shall administer a funding program that incentivizes
2 the installation, maintenance, and upgrade of electric vehicle
3 charging systems and infrastructure throughout the State to
4 achieve and maintain a zero emissions clean energy economy. The
5 public utilities commission may contract with a third-party
6 administrator pursuant to section 269-B to operate and manage
7 the funding program.

8 (b) Funding shall be made available to applicants for the
9 purposes of developing, maintaining, and upgrading electric
10 vehicle charging systems, infrastructure, related technologies,
11 and related grid services.

12 (c) Funding shall be subject to availability, and the
13 program administrator shall not approve additional funding for
14 the remainder of the fiscal year after program funds have been
15 fully exhausted.

16 (d) The public utilities commission, or its designated
17 program administrator shall:

- 18 (1) Prepare any forms that may be necessary for an
19 applicant to claim funding pursuant to this section;
20 and



1 (2) Require each applicant to furnish reasonable
2 information to ascertain the validity of the claim,
3 including but not limited to documentation necessary
4 to demonstrate that the installation, maintenance, and
5 upgrade for which the funding is claimed is eligible.

6 (e) In administering the funding program, the public
7 utilities commission shall give consideration to the following
8 guidelines:

9 (1) Priority shall be given to electric vehicle charging
10 systems that are publicly available; serve multiple
11 tenants, employees, or customers; serve electric
12 vehicle fleets; support the visitor industry in
13 transitioning to clean transportation; or serve
14 low-income, moderate-income, underserved, or
15 environmental justice communities;

16 (2) Funding shall enhance broader public clean energy and
17 grid resiliency goals by supporting deployment of
18 electric vehicle charging systems that can regulate
19 their time of use, be networked and co-optimized with
20 other electric vehicle charging systems and clean
21 transportation options, and otherwise provide grid



1 services or other benefits to the utility and electric
2 grid; and

3 (3) The program administrator may propose new or modified
4 guidelines to be considered in addition to those
5 specified in this subsection and may make programmatic
6 adjustments due to market changes, technological
7 advancements, and levels of participation to ensure
8 the prudent use of taxpayer funds to effectively
9 manage the program budget.

10 (f) Eligible applicants receiving funds through the
11 funding program shall at minimum:

12 (1) State the name of the applicant requesting program
13 funds;

14 (2) State the amount of program funds being requested; and

15 (3) Describe the electric vehicle charging system or
16 infrastructure to be installed, maintained, or
17 upgraded.

18 (g) Eligible applicants may be eligible for program
19 funding if the funds are used to:

20 (1) Install a new vehicle charging system or
21 infrastructure where none previously existed to:



1 (A) An alternating current Level 2 station with one
2 port;

3 (B) An alternating current Level 2 station with one
4 or more ports that provide electricity to one or
5 more electric vehicles; or

6 (C) A direct current fast charging system; or

7 (2) Upgrade an existing electric vehicle charging system
8 or infrastructure to:

9 (A) An alternating current Level 2 station with one
10 port;

11 (B) An alternating current Level 2 station with one
12 or more ports that provide electricity to one or
13 more electric vehicles; or

14 (C) A direct current fast charging station.

15 (h) Eligible applicants receiving funds through the
16 funding program shall use funds in accordance with the
17 requirements of this section. Installations funded by the
18 funding program shall be performed by experienced and qualified
19 persons.

20 (i) Eligible applicants receiving funds through the
21 funding program shall comply with all applicable federal and



1 state laws prohibiting discrimination against any person on the
2 basis of race, color, national origin, religion, creed, sex,
3 age, sexual orientation, or disability, or any other
4 characteristic protected under applicable law.

5 (j) Eligible applicants receiving funds shall indemnify
6 and save harmless the State and its officers, agents, and
7 employees from and against any and all claims arising out of or
8 resulting from activities carried out or projects undertaken
9 with funds provided hereunder and procure sufficient insurance
10 to provide this indemnification.

11 (k) For the purposes of this section:

12 "Alternating current Level 2 charging station" has the same
13 meaning as in section 269-72.

14 "Applicant" means an individual; non-profit or for-profit
15 corporation; local, state, or federal government agency; public
16 utility; homeowner association; or any other eligible entity as
17 defined under rules adopted for the electric vehicle charging
18 system funding program.

19 "Direct current fast charging system" has the same meaning
20 as in section 269-72.



1 "Electric vehicle charging system" has the same meaning as
2 "electric vehicle supply equipment" as defined in article 625.2
3 of the National Electrical Code of 1897, as amended.

4 "Person" means any individual, estate, trust, receiver,
5 cooperative association, club, corporation, company, firm,
6 partnership, joint venture, syndicate, or other entity.

7 **§269-B Electric vehicle charging system and**
8 **infrastructure; administrator.** (a) The public utilities
9 commission may contract with a third-party administrator to
10 operate and manage the funding program established under
11 section 269-A. The administrator shall not be deemed to be a
12 "governmental body" as defined in section 103D-104; provided
13 that all moneys transferred to the third-party administrator
14 shall have been appropriated by the legislature or shall be from
15 funds provided by the federal government or private funding
16 sources. The administrator shall not expend more than fifteen
17 per cent or a reasonable percentage, as determined by the public
18 utilities commission, of the amount appropriated for the funding
19 program for administration of the program established under
20 section 269-A; provided that program administration expenses may
21 include marketing and outreach expenses to increase program



1 participation, if needed; provided further that not more than
2 ten per cent of the amounts appropriated for the funding program
3 may be expended on non-marketing and outreach programs or
4 administration of the program.

5 (b) The administrator shall be subject to regulation by
6 the public utilities commission under any provision applicable
7 to a public utility in sections 269-7, 269-8, 269-8.2, 269-8.5,
8 269-9, 269-10, 269-13, 269-15, 269-19.5, and 269-28, and shall
9 report to the public utilities commission on a regular basis."

10 SECTION 3. Section 243-3.5, Hawaii Revised Statutes, is
11 amended by amending subsection (a) to read as follows:

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



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

(2) 4 cents of the tax on each barrel shall be deposited into the energy security special fund established under section 201-12.8;

(3) 5 cents of the tax on each barrel shall be deposited into the energy systems development special fund established under section 304A-2169.1;

(4) [~~3~~] 10 cents of the tax on each barrel shall be deposited into the electric vehicle charging system subaccount established pursuant to section 269-33(e); and

(5) 3 cents of the tax on each barrel shall be deposited into the hydrogen fueling system subaccount established pursuant to section 269-33(f).

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

SECTION 4. Section 269-33, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:



1 "(e) There is established within the public utilities
2 commission special fund an electric vehicle charging system
3 subaccount. The public utilities commission shall expend up to
4 forty per cent of the moneys in the subaccount for the purposes
5 of funding the electric vehicle charging system rebate program
6 established pursuant to sections 269-72 and 269-73[+] and up to
7 sixty per cent of the moneys in the subaccount for the purposes
8 of funding the electric vehicle charging systems and
9 infrastructure program pursuant to sections 269-A and 269-B.

10 The funds in this subaccount shall not be subject to the special
11 fund ceiling in subsection (d)."

12 SECTION 5. There is appropriated out of the electric
13 vehicle charging system subaccount within the public utilities
14 commission special fund the sum of \$2,373,908 or so much thereof
15 as may be necessary for fiscal year 2025-2026 and the same sum
16 or so much thereof as may be necessary for the fiscal year
17 2026-2027 for the purpose of funding the electric vehicle
18 charging systems and infrastructure funding program established
19 pursuant to this Act.

20 The sums appropriated shall be expended by the public
21 utilities commission for the purposes of this Act.



1 SECTION 6. In codifying the new sections added by
2 section 2 of this Act, the revisor of statutes shall substitute
3 appropriate section numbers for the letters used in designating
4 the new sections in this Act.

5 SECTION 7. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 8. This Act shall take effect on July 1, 2025.

8

INTRODUCED BY:



S.B. NO. 1668

Report Title:

Public Utilities Commission; Electric Vehicle Charging System
Funding Program; Clean Energy; Electric Vehicle Charging System
Subaccount; Appropriations

Description:

Establishes the Electric Vehicle Charging System and
Infrastructure Funding Program and allows the Electric Vehicle
Charging System Subaccount to expend funds for the Program.
Increases the amount of petroleum tax to be deposited into the
Electric Vehicle Charging System Subaccount. Appropriates
funds.

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not legislation or evidence of legislative intent.*

