

ACT 142

H.B. NO. 1585

A Bill for an Act Relating to the Environment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State of Hawaii has made significant progress in implementing policy to reduce the use of fossil fuels for energy generation. However, more than two-thirds of the fossil fuel imported into the State is used for transportation, which is not included in Hawaii's one hundred per cent renewable energy policy. Therefore, the legislature finds that the State must accelerate a transition to cleaner transportation to reach its carbon emissions reduction goals.

Although the cost of electric vehicles has decreased and continues to drop, the lack of electric vehicle charging systems remains a barrier to the more widespread adoption of electric vehicles. Creating incentives to build out a more robust electric vehicle infrastructure will make electric vehicles a viable option for more consumers, especially those who may not have a rooftop solar system that allows them to charge their electric vehicles at home at a lower cost.

The purpose of this Act is to create a program to be administered by the public utilities commission that offers rebates for the installation of new electric vehicle charging systems or the upgrade of existing electric vehicle charging systems.

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

"§269-A Electric vehicle charging system; rebate program. (a) The public utilities commission, in consultation with electric vehicle stakeholders and the state energy office, shall administer a rebate program that incentivizes the installation or upgrade of an electric vehicle charging system, as provided in this section, and may contract with a third-party administrator pursuant to section 269-B to operate and manage the rebate program.

(b) An applicant may be eligible for a rebate under the rebate program if the applicant:

- (1) Installs a new electric vehicle charging system where none previously existed to either:
 - (A) An alternating current Level 2 station with two or more ports that provide electricity to two or more electric vehicles; or
 - (B) A direct current fast charging system; or
- (2) Upgrades an existing electric vehicle charging system to either:
 - (A) An alternating current Level 2 station with two or more ports that provide electricity to two or more electric vehicles; or
 - (B) A direct current fast charging system.
- (c) Subject to subsection (d), rebates shall be distributed as follows:
 - (1) Each eligible installation of an electric vehicle charging system shall receive:
 - (A) \$4,500 for the installation of an alternating current Level 2 station with two or more ports; and
 - (B) \$35,000 for the installation of a direct current fast charging system; and
 - (2) Each eligible upgrade of an electric vehicle charging system shall receive:
 - (A) \$3,000 for the upgrade to an alternating current Level 2 station with two or more ports; and
 - (B) \$28,000 for the upgrade to a direct current fast charging system.
- (d) The public utilities commission shall not issue more than \$500,000 in total rebates under this section each fiscal year.
- (e) The public utilities commission shall:
 - (1) Prepare any forms that may be necessary for an applicant to claim a rebate pursuant to this section; and
 - (2) Require each applicant to furnish reasonable information to ascertain the validity of the claim, including but not limited to documentation necessary to demonstrate that the installation or upgrade for which the rebate is claimed is eligible.
- (f) This section shall apply to electric vehicle charging systems that are installed or upgraded after December 31, 2019.
- (g) Applicants shall submit applications to the public utilities commission within twelve months of the date that the newly installed or upgraded charging system is placed into service to claim a rebate from the electric vehicle charging system rebate program. Failure to apply to the commission within twelve months of the date that the newly installed or upgraded charging system is placed into service shall constitute a waiver of the right to claim the rebate.
- (h) Nothing in this section shall alter taxes due on the original purchase or upgrade price of an electric vehicle charging system prior to the application of the rebate. Any rebate received pursuant to the electric vehicle charging system rebate program shall not be considered income for the purposes of state or county taxes.
- (i) In administering the electric vehicle charging system rebate program, the public utilities commission shall give consideration to the following guidelines:
 - (1) Priority should be given to electric vehicle charging systems that are publicly available, serve multiple tenants, employees, or customers, or serve electric vehicle fleets;
 - (2) Electric vehicle charging system rebates should enhance broader public clean energy and grid resiliency goals by supporting deployment of electric vehicle charging systems that can regulate their time of use, be networked and co-optimized with other electric vehicle

charging systems, and otherwise provide grid services or other benefits to the utility and electric grid; and

- (3) Electric vehicle charging systems that serve a single person, such as a reserved parking stall or a single-family residence, shall not be eligible for rebates.

(j) As used in this section:

“Alternating current Level 2 charging station”, commonly referred to as “Level 2 charging station”, means an electric vehicle charging system that utilizes alternating current electricity providing at least three kilowatts and means a system that:

- (1) Is capable of providing electricity from a non-vehicle source to charge the batteries of one or more electric vehicles;
- (2) Meets recognized standards and protocols including, but not limited to, Society of Automotive Engineers (SAE) J1772™ of SAE International and Tesla protocol; and
- (3) Is designed and installed in compliance with article 625 of the National Electrical Code to appropriate Nationally Recognized Testing Laboratories’ standards.

“Applicant” means an individual; non-profit or for-profit corporation; local, state, or federal government agency; homeowner association; or any other eligible entity as defined under rules adopted for the electric vehicle charging system rebate program.

“Direct current fast charging system”, commonly referred to as “DC fast charging system”, means an electric vehicle charging system that utilizes direct current electricity providing forty kilowatts or greater and:

- (1) Is capable of providing electricity from a non-vehicle source to charge the batteries of one or more electric vehicles;
- (2) Meets recognized standards and protocols, including, but not limited to, Society of Automotive Engineers (SAE) J1772™ of SAE International, Tesla protocol, and CHAdeMO protocol; and
- (3) Is designed and installed in compliance with article 625 of the National Electrical Code to appropriate Nationally Recognized Testing Laboratories’ standards.

“Electric vehicle charging system” has the same meaning as Electric Vehicle Supply Equipment as defined in article 625.2 of the National Electrical Code, as amended.

§269-B Electric vehicle charging system; rebate program; administrator; establishment. (a) The public utilities commission may contract with a third-party administrator to operate and manage any programs established under section 269-A. The administrator shall not be deemed to be a “governmental body” as defined in section 103D-104; provided that all moneys transferred to the third-party administrator shall have been appropriated by the legislature or shall be from funds provided by the federal government or private funding sources. The administrator shall not expend more than ten per cent of the amounts appropriated for the rebate program or other reasonable percentage determined by the public utilities commission for administration of the programs established under section 269-A.

(b) The electric vehicle charging system rebate program administrator shall be subject to regulation by the public utilities commission under any provision applicable to a public utility in sections 269-7, 269-8, 269-8.2, 269-8.5, 269-9, 269-10, 269-13, 269-15, 269-19.5, and 269-28, and shall report to the public utilities commission on a regular basis. Notwithstanding any other provision of

law to the contrary, the electric vehicle charging system rebate program administrator shall not be an electric public utility or an electric public utility affiliate.”

SECTION 3. There is appropriated out of the energy security special fund the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2020-2021 for deposit into the public utilities commission special fund.

SECTION 4. There is appropriated out of the public utilities commission special fund the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2020-2021 for the purposes authorized in section 2 of this Act.

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

SECTION 5. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 6. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2019.

(Approved June 26, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.