

## ACT 226

S.B. NO. 1024

A Bill for an Act Relating to Transportation.

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

SECTION 1. The legislature finds that transportation accounts for the majority of Hawaii's greenhouse gas emissions. However, Hawaii is ideally suited to serve as a unique incubator for innovative new technologies and services that will help countries around the world achieve zero-emissions transportation.

The legislature further finds that Hawaii is an island chain having a population density sufficient to support the electrification of ground transportation. Hawaii does not face the same issues of range anxiety found in larger jurisdictions. Hawaii can achieve electric charging saturation much more easily than larger or more sparsely populated jurisdictions. Hawaii is on track to achieve one hundred per cent clean electricity, which will make it possible to charge a truly clean transportation fleet. Further, Hawaii has excellent year-round weather, making it possible to significantly reduce the need for fossil fuel transportation year-round by enabling pedestrian, bicycle, and other mobility for large portions of the population, as has already been achieved successfully in many other nations.

The legislature further finds that Hawaii is also ideally suited to serve as an incubator for short-range sea and air travel between the islands. Electric ferries of significant commercial scale already operate in coastal areas of Europe, and commercial electric aircraft are now entering markets in regions around the world. As vehicles scale up in size and range, Hawaii is a unique regional market of significant population and travel density in which to deploy new technologies and services.

Accordingly, the purpose of this Act is to:

- (1) Establish long-term goals for zero-emissions transportation in Hawaii and take steps to achieve the reduction and elimination of transportation emissions;

- (2) Provide a commitment and support from the State to emerging companies looking to demonstrate and pioneer new technologies and services in the years to come; and
- (3) Establish working groups of government agencies and expert stakeholders to develop plans and recommendations and take steps to help achieve zero-emissions transportation.

SECTION 2. Chapter 225P, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§225P- Zero emissions transportation. (a) It shall be the goal of the State to reduce greenhouse gas emissions and achieve zero emissions across all transportation modes within the State, including across all sectors of:

- (1) Ground Transportation; and
- (2) Sea and air interisland transportation.

(b) Each department, board, and commission shall incorporate these goals into the department, board, or commission’s plans and take any actions necessary to achieve the goals established in this section.

(c) The department of transportation, office of planning and sustainable development, and Hawaii state energy office shall:

- (1) Develop plans in coordination with the clean ground transportation working group and interisland clean transportation working group to ensure that the State’s electric charging capacity is sufficient to support the growing use of electric modes of transportation by providing for an increase of the State’s electric charging capacity at a rate that exceeds:
  - (A) The rate by which electric vehicle sales are projected to replace internal combustion vehicle sales; and
  - (B) The rate by which other electric transportation options are projected to require charging capacity;
- (2) Allow continued access to high-occupancy vehicle lanes by electric vehicles until electric vehicles constitute at least forty per cent of all new vehicle sales; and
- (3) Develop and implement other options to accelerate the transition to zero-emissions transportation.

(d) The department of transportation and Hawaii state energy office may adopt rules pursuant to chapter 91 to effectuate this section.”

SECTION 3. (a) There is established a clean ground transportation working group within the department of transportation for administrative purposes.

(b) The working group shall:

- (1) Develop metrics, benchmarks, plans, and recommendations for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes;
- (2) Coordinate with other groups, agencies, and programs within and outside of the State that are working to achieve zero-emissions transportation;
- (3) Coordinate with the State and applicable stakeholders to pursue grants and other funding opportunities for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes;
- (4) Consider reducing vehicle miles travelled and demand management; and

- (5) Consider equity concerns, including economic and accessibility impacts to low-income communities.
- (c) The working group shall comprise the following:
  - (1) The director of transportation, or the director's designee, who shall serve as co-chairperson of the working group;
  - (2) The chief energy officer of the Hawaii state energy office, or the chief energy officer's designee, who shall serve as co-chairperson of the working group;
  - (3) The director of the office of planning and sustainable development, or the director's designee;
  - (4) The co-chairpersons of the commission, or the co-chairpersons' designees;
  - (5) The chairpersons of the senate and house of representatives standing committees having primary jurisdiction over transportation, or their designees;
  - (6) The mayor of each county, or their designees, who shall be invited by the working group to participate; and
  - (7) Other relevant stakeholders as recommended by the working group.
- (d) The working group shall:
  - (1) Submit annual interim reports to the commission of the working group's activities performed, progress made, and recommendations for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes, twenty days prior to the convening of each regular session from 2024 to 2034; and
  - (2) Submit a final report on the progress made and recommendations for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2035.
- (e) The working group shall cease to exist on January 1, 2035.

SECTION 4. (a) There is established an interisland clean transportation working group within the department of transportation for administrative purposes.

- (b) The working group shall:
  - (1) Develop metrics, benchmarks, plans, and recommendations for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes;
  - (2) Coordinate with other groups, agencies, and programs within and outside of the State that are working to achieve zero-emissions interisland transportation;
  - (3) Coordinate with other groups, agencies, and programs within and outside of the State that are developing interim solutions to achieve long-haul zero-emissions transportation, which may include lower-carbon sustainable aviation fuels, hydrogen-based fuel, or other potential options;
  - (4) Coordinate with stakeholders to identify not less than fifteen possible transportation hubs throughout the State with at least two in each county to support innovative point-to-point or island-to-island transportation options, including options such as electric vertical takeoff and landing aircraft, electric sea gliders, and other similar forms of innovative zero-emissions technology;
  - (5) Develop recommendations for a coordinated package of environmental review, infrastructure planning, and other due diligence for

- fifteen sites throughout the State that shall enable innovative transportation operators to more easily deploy innovative options for zero-emissions transportation;
- (6) Coordinate with the State and applicable stakeholders to pursue grants and other funding opportunities for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes;
  - (7) Consider reducing vehicle miles travelled and demand management; and
  - (8) Consider equity concerns, including economic and accessibility impacts to low-income communities.
- (c) The working group shall comprise the following:
- (1) The director of transportation, or the director’s designee, who shall serve as co-chairperson of the working group;
  - (2) The chief energy officer of the Hawaii state energy office, or the chief energy officer’s designee, who shall serve as co-chairperson of the working group;
  - (3) The director of the office of planning and sustainable development, or the director’s designee;
  - (4) The co-chairpersons of the commission, or the co-chairpersons’ designees;
  - (5) The chairpersons of the senate and house of representatives standing committees having primary jurisdiction over transportation, or the chairpersons’ designees;
  - (6) The mayor of each county, or the mayor’s designees, who shall be invited by the working group to participate; and
  - (7) Other relevant stakeholders, as recommended by the working group.
- (d) The working group shall:
- (1) Submit annual interim reports to the commission of the working group’s activities performed, progress made, and recommendations for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes, twenty days prior to the convening of each regular session from 2024 to 2034; and
  - (2) Submit a final report of the progress made and recommendations for the State to achieve the goals set forth in sections 225P-5 and 225P- (a), Hawaii Revised Statutes, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2035.
- (e) The working group shall cease to exist on January 1, 2035.

SECTION 5. New statutory material is underscored.<sup>1</sup>

SECTION 6. This Act shall take effect on July 1, 2023.

(Approved July 5, 2023.)

**Note**

1. Edited pursuant to HRS §23G-16.5.