# A BILL FOR AN ACT

RELATING TO ENERGY.

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

1	SECTION 1. The legislature finds that Hawaii's dependence
2	on imported fossil fuels drains the state economy of billions of
3	dollars each year. The volatility of imported fuel prices
4	creates significant risks for the economy and adds to costs for
5	local families. The legislature further finds that the use of
6	fossil fuel reduces air quality and leads to increased
7	greenhouse gas emissions in the atmosphere. This contributes to
8	climate change, which poses a serious threat to Hawaii's
9	economic well-being, public health, natural resources, and
10	environment. Climate change harms marine ecosystems and causes
11	sea levels to rise, which results in the displacement of coastal
12	residences and businesses. Climate change also poses a serious
13	threat to public health by increasing the incidence of
14	infectious diseases, asthma, and other health-related problems.
15	The legislature notes that on a per-mile basis, it is less
16	expensive to commute in an electric vehicle than it is to
17	commute in a gas-powered automobile. Residents can lower their

# H.B. NO. H.D. 2

- 1 cost of living by relying on local renewable energy for
- 2 transportation and transitioning to less-expensive renewable
- 3 vehicles and transportation systems. However, in order for
- 4 local consumers and families to benefit from these changes and
- 5 properly transition away from expensive fossil fuel vehicles,
- 6 Hawaii must be prepared with critical infrastructure elements,
- 7 such as electric vehicle charging and hydrogen fueling stations.
- 8 The purpose of this Act is to, among other things, begin
- 9 the transition to one hundred per cent clean ground
- 10 transportation in Hawaii by establishing a clean ground
- 11 transportation benchmark framework, including a near term 2025
- 12 target supporting Hawaii's goal for the reduction and ultimate
- 13 elimination of the use of imported fuels for ground
- 14 transportation by 2045. The legislature recognizes the
- 15 potential difficulties in achieving a complete elimination of
- 16 the use of imported fossil fuels for ground transportation by
- 17 2045, but intends for this Act to establish a goal and a plan to
- 18 prepare state facilities to accommodate the transition from
- 19 imported fossil fuels regardless of whether the transition is
- 20 completed by 2045.

1	SECTI	ON 2. Chapter 196, Hawaii Revised Statutes, is		
2	amended by	adding a new section to part I to be appropriately		
3	designated	and to read as follows:		
4	" <u>§196</u>	- Hawaii clean ground transportation initiative.		
5	(a) The d	epartment of transportation, in collaboration with the		
6	state ener	gy office of the department of business, economic		
7	development, and tourism, shall convene stakeholders, including			
8	ground transportation fuel providers, in a clean ground			
9	transportation forum to solicit and incorporate input on the			
10	department of transportation's clean ground transportation			
11	activities	to help achieve the goals of this section, including:		
12	(1)	Identifying actions to support the clean ground		
13		transportation goals identified in section		
14		196-10.5(a)(8), in a manner that is consistent with		
15		the clean ground transportation goals identified in		
16		sections 226-17 and 226-18; and		
17	(2)	Developing recommendations regarding the additional		
18		steps necessary to help achieve the goals of this		
19		section.		
20	(b)	In its annual report submitted to the legislature		
21	pursuant t	o part II of Act 100, Session Laws of Hawaii 1999, the		

1	department of transportation shall include recommendations as
2	developed pursuant to this section.
3	(c) For purposes of this section, "clean ground
4	transportation" means ground transportation that avoids fossil
5	fuel consumption.
6	(d) The clean ground transportation forum established by
7	the department of transportation pursuant to this section shall
8	not be subject to chapter 92."
9	SECTION 3. Section 196-10.5, Hawaii Revised Statutes, is
10	amended by amending subsection (a) to read as follows:
11	"(a) There is established within the department of
12	business, economic development, and tourism, a Hawaii clean
13	energy initiative program to manage the State's transition to a
14	clean energy economy. The clean energy program shall design,
15	implement, and administer activities that include:
16	(1) Strategic partnerships for the research, development,
17	testing, deployment, and permitting of clean and
18	renewable technologies;
19	(2) Engineering and economic evaluations of Hawaii's
20	potential for near-term project opportunities for the

State's renewable energy resources;

21

1	(3)	Electric grid reliability and security projects that
2		will enable the integration of a substantial increase
3		of electricity from renewable-energy resources;
4	(4)	A statewide clean energy public education and outreach
5		plan to be developed in coordination with Hawaii's
6		institutions of public education;
7	(5)	Promotion of Hawaii's clean and renewable resources to
8		potential partners and investors;
9	(6)	A plan, to be implemented from 2011 to 2030, to
10		transition the State to a clean energy economy; [and]
11	(7)	A plan, to be implemented from 2011 to 2030, to assist
12		each county in transitioning to a clean energy
13		economy[-] <u>;</u>
14	(8)	From 2017 to 2025, the identification of and support
15		for actions to reduce per capita retail sales of
16		ground transportation fossil fuel by five per cent, in
17		a manner consistent with section 226-17(a)(3). The
18		actions may include economic evaluation of the costs
19		of implementing this reduction and other metrics to
20		measure and evaluate progress towards the target

1		redu	ctions in ground transportation fossil fuel
2		cons	sumption; and
3	(9)	A re	port, to be submitted to the legislature at least
4		twen	ty days prior to the convening of the regular
5		sess	ion of 2023 and every five years thereafter, that:
6		<u>(A)</u>	Presents information on the progress in achieving
7			established target benchmarks for the reduction
8			of fossil fuel consumption in ground
9			transportation;
10		(B)	Establishes new target benchmarks for the
11			reduction of fossil fuel consumption in ground
12			transportation for five years from the previous
13			target, consistent with section 226-17(a)(3);
14			provided that the report may exclude new target
15			benchmarks if the department of business,
16			economic development, and tourism makes a finding
17			that:
18			(i) The target benchmarks cannot be met in a
19			manner that is beneficial to the economy of
20			Hawaii in relation to comparable fossil fuel
21			resources;

1	<u>(ii)</u>	There are technological limitations on the
2		availability or implementation of clean
3		ground transportation alternatives that
4		prevent the target benchmarks from being
5		met; or
6	<u>(iii)</u>	The target benchmarks cannot be met due to
7		other barriers that create substantial
8		limitations, restrictions, or prohibitions
9		on clean ground transportation alternatives;
10	(C) Requ	ests legislative action to support the
11	achi	evement of the next target benchmarks for the
12	redu	ction of fossil fuel consumption in ground
13	tran	sportation; and
14	(D) Requ	ests an appropriation to fund an analysis
15	requ	ired to develop new benchmarks in a timeframe
16	nece	ssary for the next report."
17	SECTION 4. Se	ction 226-17, Hawaii Revised Statutes, is
18	amended by amending	subsection (a) to read as follows:
19	"(a) Planning	for the State's facility systems with regard
20	to transportation s	hall be directed towards the achievement of
21	the following object	tives[+], giving due consideration to all:

1	(1)	An integrated multi-modal transportation system that
2		services statewide needs and promotes the efficient,
3		economical, safe, and convenient movement of people
4		and goods [-] ;
5	(2)	A statewide transportation system that is consistent
6		with and will accommodate planned growth objectives
7		throughout the State[-]; and
8	(3)	Increased energy security and self-sufficiency through
9		the reduction and ultimate elimination, by 2045, of
10		imported fossil fuel for ground transportation and
11		electrical generation."
12	SECT	ION 5. Section 226-18, Hawaii Revised Statutes, is
13	amended by	y amending subsection (a) to read as follows:
14	"(a)	Planning for the State's facility systems with regard
15	to energy	shall be directed toward the achievement of the
16	following	objectives, giving due consideration to all:
17	(1)	Dependable, efficient, and economical statewide energy
18		systems capable of supporting the needs of the people;
19	(2)	Increased energy security and self-sufficiency through
20		the reduction and ultimate elimination, by 2045, of

1		Hawaii's dependence on imported fuels for electrical	
2		generation and ground transportation;	
3	(3)	Greater diversification of energy generation in the	
4		face of threats to Hawaii's energy supplies and	
5		systems;	
6	(4)	Reduction, avoidance, or sequestration of greenhouse	
7		gas emissions from energy supply and use; and	
8	(5)	Utility models that make the social and financial	
9		interests of Hawaii's utility customers a priority."	
10	SECTION 6. Act 168, Session Laws of Hawaii 2012, is		
11	amended by amending subsection (d) of section 2 to read as		
12	follows:		
13	" (d)	For the purposes of this Act:	
14	"Ele	ctric vehicle" means:	
15	(1)	A neighborhood electric vehicle; [or]	
16	(2)	A vehicle, with four or more wheels, that draws	
17		propulsion energy from a battery with at least four	
18		kilowatt hours of energy storage capacity that can be	
19		recharged from an external source of electricity[+];	
20		<u>or</u>	
21	(3)	A fuel cell electric vehicle.	

- 1 "Fuel cell electric vehicle" means a zero-emission electric
- 2 vehicle that uses a fuel cell to convert hydrogen gas and oxygen
- 3 into electricity that is used in a vehicle powertrain for
- 4 propulsion."
- 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, 2050;
- 8 provided that section 2 shall be repealed on January 31, 2046.

#### Report Title:

Department of Transportation; Renewable Energy; Working Group

#### Description:

Establishes a clean ground transportation benchmark framework to maximize consumer fuel savings, including a near term 2025 target encouraging electric vehicle infrastructure buildout supporting Hawaii's goal for the reduction and ultimate elimination of the use of imported fuels for ground transportation by 2045. Directs the department of transportation to collaborate with the state energy office to develop recommendations to achieve those benchmarks. Amends the definition of electric vehicle to include fuel cell electric vehicles. Effective 7/1/2050. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.