## A BILL FOR AN ACT

RELATING TO ZERO-EMISSION VEHICLES.

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

- 1 SECTION 1. The legislature finds that climate change
- 2 caused by greenhouse gas emissions from burning fossil fuels
- 3 poses a serious threat to the economic well-being, public
- 4 health, natural resources, and environment of Hawaii. The
- 5 potential adverse impacts of climate change include the
- 6 exacerbation of air-quality problems, a reduction in the quality
- 7 and supply of water, a rise in sea levels resulting in the
- 8 displacement of coastal businesses and residences, damage to
- 9 marine ecosystems and the natural environment, and an increase
- 10 in incidents of infectious diseases, asthma, and other human
- 11 health-related problems.
- 12 The State has committed to eliminating imported fuels from
- 13 the electricity and ground transportation sectors and has also
- 14 committed to abiding by the Paris Climate Accord's goal to limit
- 15 the amount of global warming to less than 1.5 degrees Celsius.
- 16 The legislature finds that meeting the State's clean energy

- 1 goals and commitments necessitates the rapid transition to
- 2 vehicles that utilize local, renewable energy sources.
- 3 The legislature further finds that rental motor vehicles
- 4 represent the largest passenger vehicle fleets in Hawaii and are
- 5 responsible for a significant amount of carbon emissions.
- 6 Incorporating large numbers of zero-emission vehicles into
- 7 rental motor vehicle fleets would significantly reduce carbon
- 8 emissions, increase the number of zero-emission vehicles
- 9 entering the secondary market, making them more affordable to
- 10 more Hawaii residents, and demonstrate to all who visit the
- 11 State that Hawaii is a leader in clean energy and sustainable
- 12 transportation.
- The purpose of this Act is to:
- 14 (1) Set requirements for rental motor vehicle lessors
- operating in Hawaii, with more than two hundred light
- duty passenger vehicles, to expedite the incorporation
- of zero-emission vehicles in the lessors' fleets; and
- 18 (2) Require each rental motor vehicle lessor operating in
- 19 Hawaii to report to the director of commerce and
- consumer affairs, the make, model, license plate

1 number, and fuel type of each rental motor vehicle in 2 its fleet. 3 SECTION 2. Chapter 437D, Hawaii Revised Statutes, is 4 amended by adding a new section to be appropriately designated 5 and to read as follows: 6 "§437D- Zero-emission vehicles. (a) Each lessor in the 7 State shall incorporate zero-emission vehicles into the lessor's 8 fleet according to the following schedule: 9 (1) No less than ten per cent by July 1, 2026; 10 (2) No less than twenty-five per cent by July 1, 2028; and 11 (3) No less than fifty per cent by July 1, 2030. 12 (b) The requirements set forth in this section shall apply 13 only to lessors owning and operating, as rental motor vehicles, 14 a total of more than two hundred light duty passenger vehicles 15 with a gross weight rating below 8,500 pounds, and the required 16 zero-emission vehicle percentages shall apply only to those 17 light duty passenger vehicles with a gross weight rating below 18 8,500 pounds. 19 (c) To certify compliance with these requirements, 20 beginning in 2021, each lessor in the State shall report to the 21 director annually by December 1, detailing the make, model,

1 license plate number, and fuel type of each rental motor vehicle 2 in the lessor's fleet. 3 (d) Lessors who are found to have fewer than the required 4 number of zero-emission vehicles in their rental motor vehicle 5 fleet shall pay a fine of \$1,000 per month for each vehicle 6 below the required amount. 7 (e) For the purposes of this section: "Battery electric vehicle" means a vehicle with four or 8 9 more wheels that draws propulsion exclusively from a battery 10 that can be recharged from an external source of energy. 11 "Hydrogen fuel cell vehicle" means a vehicle with four or 12 more wheels that draws propulsion from electricity generated by 13 passing hydrogen through a fuel cell. 14 "Plug-in hybrid electric vehicle" means a vehicle with four 15 or more wheels that draws propulsion from a battery, but which 16 also has an internal combustion engine that may be used to 17 either propel the vehicle directly, or to produce electricity to 18 recharge the battery; provided that a plug-in hybrid electric 19 vehicle with sixteen or more kilowatt hours of battery storage 20 qualifies as a full zero-emission vehicle, while a plug-in 21 hybrid electric vehicle with less energy storage qualifies as a

- 1 partial zero-emission vehicle, to be calculated by dividing the
- 2 total kilowatt hours of energy storage in the battery by
- 3 sixteen, rounded to the nearest tenth.
- 4 "Zero-emission vehicle" means a battery electric vehicle, a
- 5 plug-in hybrid electric vehicle, or a hydrogen fuel cell
- 6 vehicle."
- 7 SECTION 3. New statutory material is underscored.
- 8 SECTION 4. This Act shall take effect on July 1, 2050.

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## Report Title:

Zero-emission Vehicles; Rental Motor Vehicles; Lessors

## Description:

Requires rental motor vehicle lessors with more than two hundred light duty passenger vehicles, to expedite the incorporation of at least fifty per cent of zero-emission vehicles into the lessor's fleet by 2030. Requires all rental motor vehicle lessors to report a list of the make, model, license plate number, and fuel type of each rental motor vehicle in the lessor's fleet to the Director of Commerce and Consumer Affairs. Effective 7/1/2050. (SD2)

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