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### A BILL FOR AN ACT

RELATING TO THE ENVIRONMENT.

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

1 The legislature finds that the use of fossil SECTION 1. 2 fuels is the State's primary contributor to greenhouse gas 3 emissions in the atmosphere. These emissions cause climate 4 change, which poses a serious threat to the State's economic 5 well-being, public health, infrastructure, and environment. The State's dependence on fossil fuels also drains the economy of 6 7 billions of dollars each year, makes residents vulnerable to the volatility of oil prices, and puts residents at increased risk 8 9 in the event of a natural disaster. Thus, Act 15, Session Laws 10 of Hawaii 2018, was enacted to establish a goal for the State's 11 economy to become carbon neutral by the year 2045.

12 The legislature further finds that the transportation 13 sector accounts for the use of over two-thirds of the oil 14 imported into the State. The legislature notes that, for ground 15 transportation, electric vehicles provide a viable, cost-16 effective alternative to vehicles that run on fossil fuels. For 17 state-owned transportation fleets, the transition to electric



vehicles will bring with it considerable cost savings because of
 lower costs to operate and maintain these vehicles.

3 The purpose of this Act is to begin the transition to one 4 hundred per cent clean ground transportation in the State by 5 establishing goals for the reduction and ultimate elimination of 6 the use of fossil fuels for ground transportation by 2045, 7 including a goal for the State to lead by example by 8 transitioning one hundred per cent of its light-duty motor 9 vehicles by 2035. The legislature recognizes the challenges of 10 transitioning medium- and heavy-duty motor vehicles and the 11 resultant impacts on the feasibility of completely eliminating 12 the use of fossil fuels. This Act intends to establish a goal 13 to help drive future clean transportation policies regardless of 14 whether the transition is completed by 2045.

15 SECTION 2. Chapter 103D, Hawaii Revised Statutes, is 16 amended by adding a new section to be appropriately designated 17 and to read as follows:

18 "§103D- Other motor vehicle requirements. (a) The
19 procurement policy for all agencies purchasing or leasing
20 medium- and heavy-duty motor vehicles shall be to seek vehicles



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1	that reduce dependence on petroleum-based fuels that meet the		
2	needs of the agency, where feasible and cost-effective.		
3	Priorities for selecting vehicles for lease or purchase		
4	shall be as follows:		
5	(1) Electric or plug-in hybrid electric vehicles and fuel		
6	cell electric vehicles;		
7	(2) Other alternative fuel vehicles;		
8	(3) Hybrid electric vehicles; and		
9	(4) Vehicles that are identified by the United States		
10	Environmental Protection Agency in its annual "Fuel		
11	Economy Leaders" report as being among the top		
12	performers for fuel economy in their class.		
13	(b) Vehicles shall not be larger than necessary for their		
14	intended functions."		
15	SECTION 3. Chapter 225P, Hawaii Revised Statutes, is		
16	amended by adding a new section to be appropriately designated		
17	and to read as follows:		
18	"§225P- Climate change mitigation goal. It shall be		
19	the goal of the State to reduce greenhouse gas emissions and		
20	build energy efficiencies, including but not limited to clean		
21	ground transportation, across all business sectors of the State		



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1	to attain a goal of one hundred per cent of light duty vehicles
2	powered by renewable energy sources by December 31, 2045, and,
3	for state-owned vehicles, by December 31, 2035."
4	SECTION 4. Chapter 264, Hawaii Revised Statutes, is
5	amended by adding a new section to part I to be appropriately
6	designated and to read as follows:
7	"§264- Clean ground transportation goal. The
8	department of transportation, in collaboration with the Hawaii
9	state energy office, shall develop strategies to transition all
10	light-duty motor vehicles, public and private, in the State to
11	meet the clean ground transportation goal of being one hundred
12	per cent powered by renewable sources by December 31, 2045, and
13	the state fleet by December 1, 2035."
14	SECTION 5. Section 103D-412, Hawaii Revised Statutes, is
15	amended as follows:
16	1. By amending subsections (a) and (b) to read:
17	"(a) The procurement policy for all agencies purchasing or
18	leasing light-duty motor vehicles shall be to reduce dependence
19	on petroleum for transportation energy $[-,]$ and meet the following
20	clean ground transportation goals:



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1	(1)	Thirty per cent of light-duty motor vehicles of each
2		fleet shall be powered by renewable sources by
3		December 31, 2025;
4	(2)	Sixty per cent of light-duty motor vehicles of each
5		fleet shall be powered by renewable sources by
6		December 31, 2030; and
7	(3)	One hundred per cent of light-duty motor vehicles of
8		each fleet shall be powered by renewable sources by
9		December 31, 2035.
10	(b)	Beginning January 1, 2010, all state and county
11	entities,	when purchasing new vehicles, shall seek vehicles with
12	reduced d	ependence on petroleum-based fuels that meet the needs
13	of the ag	ency. Priority for selecting vehicles shall be as
14	follows:	
15	(1)	Electric or plug-in hybrid electric vehicles and fuel
16		cell electric vehicles;
17	(2)	Other alternative fuel vehicles;
18	(3)	Hybrid electric vehicles; [and]
19	(4)	Vehicles that are identified by the United States
20		Environmental Protection Agency in its annual "Fuel



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1		Economy Leaders" report as being among the top		
2		performers for fuel economy in their class[-]; and		
3	(5)	Vehicles not larger than necessary for their intended		
4		functions."		
5	2. B	y amending subsection (e) to read:		
6	"(e)	Vehicles acquired from another state agency and		
7	excluded v	ehicles are exempt from the requirements of this		
8	section[+]	but shall be included in the calculation of the clean		
9	ground tra	nsportation goals established in subsection (a)."		
10	SECTION 6. Section 196-9, Hawaii Revised Statutes, is			
11	amended by	amending subsection (c) to read as follows:		
12	"(C)	With regard to motor vehicles and transportation		
13	fuel, each	agency shall:		
14	(1)	Comply with Title 10, Code of Federal Regulations,		
15		Part 490, Subpart C, "Mandatory State Fleet Program",		
16		if applicable;		
17	(2)	Comply with all applicable state laws regarding		
18		vehicle purchases;		
19	(3)	Once federal and state vehicle purchase mandates have		
20		been satisfied, purchase the most fuel-efficient		
21		vehicles that meet the needs of their programs;		



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1		provided that life cycle cost-benefit analysis of		
2		vehicle purchases shall include projected fuel costs;		
3	(4)	Purchase alternative fuels and ethanol blended		
4		gasoline when available;		
5	(5)	Evaluate a purchase preference for biodiesel blends,		
6		as applicable to agencies with diesel fuel purchases;		
7	(6)	Promote efficient operation of vehicles;		
8	(7)	Use the most appropriate minimum octane fuel; provided		
9		that vehicles shall use 87-octane fuel unless the		
10		owner's manual for the vehicle states otherwise or the		
11		engine experiences knocking or pinging;		
12	(8)	Beginning with fiscal year 2005-2006 as the baseline,		
13		collect and maintain, for the life of each vehicle		
14		acquired, the following data:		
15		(A) Vehicle acquisition cost;		
16		(B) United States Environmental Protection Agency		
17		rated fuel economy;		
18		(C) Vehicle fuel configuration, such as gasoline,		
19		diesel, flex-fuel gasoline/E85, and dedicated		
20		propane;		
21		(D) Actual in-use vehicle mileage;		



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1		(E)	Actual in-use vehicle fuel consumption; and	
2		(F)	Actual in-use annual average vehicle fuel	
3			economy; [ <del>and</del> ]	
4	(9)	Begi	nning with fiscal year 2005-2006 as the baseline	
5		with	respect to each agency that operates a fleet of	
6		thir	thirty or more vehicles, collect and maintain, in	
7		addi	tion to the data in paragraph (8), the following:	
8		(A)	Information on the vehicles in the fleet,	
9			including vehicle year, make, model, gross	
10			vehicle weight rating, and vehicle fuel	
11			configuration;	
12		(B)	Fleet fuel usage, by fuel;	
13		(C)	Fleet mileage; and	
14		(D)	Overall annual average fleet fuel economy and	
15			average miles per gallon of gasoline and	
16			diesel [-]; and	
17	(10)	Plar	and coordinate vehicle acquisition to meet the	
18		foll	owing clean ground transportation goals:	
19		(A)	Thirty per cent of light-duty motor vehicles of	
20			each fleet shall be powered by renewable sources	
21			by December 31, 2025;	



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1	(B) Sixt	y per cent of light-duty motor vehicles of
2	each	fleet shall be powered by renewable sources
3	by I	December 31, 2030; and
4	(C) One	hundred per cent of light-duty motor vehicles
5	ofe	each fleet shall be powered by renewable
6	sour	ces by December 31, 2035."
7	SECTION 7. Se	ection 196-42, Hawaii Revised Statutes, is
8	amended to read as	follows:
9	"§196-42 Stat	e support for achieving alternate fuels
10	standards $[-]$ and c	lean ground transportation goals. (a) The
11	State shall facilit	ate the development of alternate fuels and
12	support the attain	ment of a statewide alternate fuels standard
13	of ten per cent of	highway fuel demand to be provided by
14	alternate fuels by	2010, fifteen per cent by 2015, twenty per
15	cent by 2020, and	thirty per cent by 2030. For purposes of the
16	alternate fuels sta	andard, ethanol produced from cellulosic
17	materials shall be	considered the equivalent of two and one-half
18	gallons of noncell	losic ethanol. "Alternate fuels" shall have
19	the same meaning a	s contained in 10 Code of Federal Regulations
20	Part 490; provided	that it shall also include liquid or gaseous

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1	fuels produced from renewable feedstocks such as organic wastes,
2	or from water using electricity from renewable energy sources.
3	(b) The State shall support the attainment of the clean
4	ground transportation goals established by sections 225P- and
5	<u>264</u> "
6	SECTION 8. Statutory material to be repealed is bracketed
7	and stricken. New statutory material is underscored.
8	SECTION 9. This Act shall take effect on July 1, 2050.





### Report Title:

Clean Ground Transportation Goals; Fleet Procurement

#### Description:

Establishes clean ground transportation goals for state agencies on a staggered basis until achieving a 100 per cent light-duty motor vehicle clean fleet by 12/31/2035, and for all light-duty motor vehicles in the State by 12/31/2045. Effective 7/1/2050. (HD2)

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