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# 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 the incidences of infectious diseases, asthma, and other  
11 human health-related problems.

12           The legislature further finds that the State has committed  
13 to both eliminating imported fuels from both the electricity and  
14 ground transportation sectors and abiding by the 2015 Paris  
15 Agreement's goal to limit the amount of global warming to less  
16 than 1.5 degrees Celsius.



1           The legislature acknowledges that meeting the State's clean  
2 energy goals and commitments necessitates the rapid transition  
3 to vehicles that utilize local, renewable energy sources.

4           The legislature further acknowledges that rental motor  
5 vehicles represent the largest passenger vehicle fleet in Hawaii  
6 and are responsible for a significant amount of carbon  
7 emissions.

8           The legislature finds that incorporating large numbers of  
9 zero-emission vehicles into rental motor vehicle fleets would:  
10 significantly reduce carbon emissions; increase the number of  
11 zero-emission vehicles entering the secondary market, making the  
12 vehicles more affordable to more Hawaii residents; and  
13 demonstrate to all who visit the State that Hawaii is a leader  
14 in clean energy and sustainable transportation.

15           The purpose of this Act is to:

- 16           (1) Require rental motor vehicle lessors operating in  
17 Hawaii to expedite the incorporation of zero-emission  
18 vehicles into the lessors' fleets; and
- 19           (2) Establish a Hawaii zero-emission vehicle  
20 infrastructure special fund and a grant program to  
21 promote the development of the refueling



1 infrastructure necessary to enable the large-scale  
2 adoption of zero-emission vehicles.

3 SECTION 2. Chapter 437D, Hawaii Revised Statutes, is  
4 amended by adding two new sections to be appropriately  
5 designated and to read as follows:

6 **"§437D-A Zero-emission vehicles.** (a) All lessors of  
7 rental motor vehicles in the State shall incorporate zero-  
8 emission light duty passenger vehicles into the lessor's rental  
9 motor vehicle fleets according to the following schedule:

- 10 (1) No less than ten per cent by July 1, 2025;
- 11 (2) No less than twenty-five per cent by July 1, 2030;
- 12 (3) No less than fifty per cent by July 1, 2035;
- 13 (4) No less than seventy-five per cent by July 1, 2040;
- 14 and
- 15 (5) One hundred per cent by July 1, 2050.

16 (b) To certify compliance with this section, beginning in  
17 2021, each rental motor vehicle lessor in the State shall  
18 prepare and deliver a report to the director annually by  
19 December 1 that includes the make, model, license plate number,  
20 and fuel type of each rental motor vehicle in the lessor's  
21 fleet.



1        (c) Lessors with fewer than the required number of zero-  
2 emission vehicles in the lessor's rental motor vehicle fleet as  
3 set forth in subsection (a) shall pay a fine of \$1,000 per month  
4 for each vehicle below the required amount.

5        (d) The requirements set forth in this section shall apply  
6 only to lessors owning and operating more than two hundred light  
7 duty passenger vehicles statewide that the lessor uses as rental  
8 motor vehicles.

9        (e) For the purposes of this section:

10        "Battery electric vehicle" means a vehicle having four or  
11 more wheels that draws propulsion exclusively from a battery  
12 that can be recharged from an external source of energy.

13        "Hydrogen fuel cell vehicle" means a vehicle having four or  
14 more wheels that draws propulsion from electricity generated by  
15 passing hydrogen through a fuel cell.

16        "Light duty passenger vehicle" means a vehicle below eight  
17 thousand five hundred pounds gross weight.

18        "Plug-in hybrid electric vehicle" means a vehicle having  
19 four or more wheels that draws propulsion from a battery, but  
20 which also has an internal combustion engine that may be used to

1 either propel the vehicle directly or to produce electricity to  
2 recharge the battery.

3 "Rental motor vehicle" has the same meaning as defined in  
4 section 251-1.

5 "Zero-emission vehicle" means a battery electric vehicle, a  
6 plug-in hybrid electric vehicle, or a hydrogen fuel cell  
7 vehicle.

8 **§437D-B Hawaii zero-emission vehicle infrastructure**  
9 **special fund; grant program; established.** (a) There is  
10 established the Hawaii zero-emission vehicle infrastructure  
11 special fund to be administered by the department of  
12 transportation. All moneys received from any fines imposed  
13 under section 437D-A shall be deposited into the special fund  
14 and shall be used to develop, administer, and market the Hawaii  
15 zero-emission vehicle infrastructure grant program.

16 (b) There is established in the department of  
17 transportation the Hawaii zero-emission vehicle infrastructure  
18 grant program to promote the development of fueling  
19 infrastructure for zero-emission vehicles throughout the State  
20 and to facilitate the development of, and demonstrate



1 financially sustainable business models for, the zero-emission  
2 vehicle fueling infrastructure.

3 (c) Any public agency or private organization shall be  
4 eligible to apply to the department of transportation for use of  
5 grant program funds on a competitive basis; provided that the  
6 department shall give priority to proposals that facilitate the  
7 large-scale integration of zero-emission vehicles into rental  
8 motor vehicle fleets.

9 (d) All costs related to the development of zero-emission  
10 vehicle fueling infrastructure are eligible for funding,  
11 including costs associated with planning, engineering,  
12 construction, and the purchase and installation of equipment;  
13 provided that costs associated with ongoing operations of a  
14 zero-emission vehicle fueling infrastructure shall not be  
15 eligible.

16 (e) Any recipient of funding shall be required to match at  
17 least twenty per cent of the grant program moneys received.

18 (f) For the purposes of the section, "zero-emission  
19 vehicle" has the same meaning as defined in section 437D-A."

20 SECTION 3. New statutory material is underscored.

21 SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

Zero-emission Vehicles; Hawaii Zero-Emission Vehicle  
Infrastructure Special Fund; Hawaii Zero-Emission Vehicle  
Infrastructure Grant Program; Rental Cars; Inventory; Fleet

**Description:**

Requires rental motor vehicle lessors to incorporate zero-emission vehicles into the lessors' fleets. Establishes a Hawaii zero-emissions vehicle infrastructure special fund and grant program to promote development of zero-emission vehicle infrastructure. 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.*

