EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE GOVERNOR

June 24, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty First State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 24, 2021, the following bill was signed into law:

HB1142 HD2 SD2 CD1

RELATING TO ENERGY ACT 075 (21)

Sincerely,

Governor, State of Hawai'i

#### **ORIGINAL**

Approved by the Governor

HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2021 STATE OF HAWAII **ACT**07 5 H.B. NO. H.D. 2 S.D. 2 C.D. 1

# A BILL FOR AN ACT

RELATING TO ENERGY.

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

1	PART I
2	SECTION 1. The legislature finds that the electric vehicle
3	charging system rebate program, established pursuant to Act 142,
4	Session Laws of Hawaii 2019, provides rebates for the
5	installation of electric vehicle charging systems in priority
6	locations, including for multi-unit dwellings, workplaces, and
7	commercial areas, and in places that serve vehicle fleets. The
8	rebate program has proven to be very successful, with more than
9	seventy new charging systems installed or in the pipeline that
10	have been facilitated by the availability of these rebates. The
11	limited amount of funding that was provided for this program at
12	its inception has been depleted, and the legislature also finds
13	that a sustainable source of funding for the electric vehicle
14	charging system rebate program is necessary. There continues to
15	be a need to incentivize the build-out of electric vehicle
16	infrastructure as the electric vehicle market becomes more
17	established in the State, and robust electric vehicle

- 1 infrastructure is needed to bring equity to the market and to
- 2 make electric vehicles a viable choice for renters, condominium-
- 3 dwellers, and low- and middle-income individuals and families.
- 4 The legislature notes that the use of funds from the
- 5 environmental response, energy, and food security tax is
- 6 appropriate for this purpose and that the current allocations of
- 7 the tax revenues can be adjusted to fund the electric vehicle
- 8 charging system rebate program without impact to the general
- 9 fund.
- 10 The legislature further finds that the existing
- 11 requirements in section 291-71, Hawaii Revised Statutes, for the
- 12 installation of one electric vehicle charging system in any
- 13 parking lot of one hundred or more stalls in places of public
- 14 accommodation has not always been followed and that some of the
- 15 electric vehicle charging systems that have been installed
- 16 pursuant to existing requirements are in disrepair. The
- 17 legislature further notes that lacking any other means of
- 18 enforcement, it is practicable to authorize the counties to
- 19 adopt ordinances and penalties for enforcement as they see fit.

1	The	purpose of this Act is to:
2	(1)	Shift 1 cent of the environmental response, energy,
3		and food security tax from the energy security special
4		fund and 2 cents from the energy systems development
5		special fund to a subaccount of the public utilities
6		commission special fund to fund the electric vehicle
7		charging system rebate program;
8	(2)	Allow the counties to adopt ordinances to enforce
9		provisions in section 291-71, Hawaii Revised Statutes
10		and
11	(3)	Require that new electric vehicle charging systems
12		installed pursuant to section 291-71, Hawaii Revised
13		Statutes, are at least level 2 and network-capable.
14		PART II
15	SECT	ION 2. Section 243-3.5, Hawaii Revised Statutes, is
16	amended b	y amending subsection (a) to read as follows:
17	" (a)	In addition to any other taxes provided by law,
18	subject t	o the exemptions set forth in section 243-7, there is
19	hereby im	posed a state environmental response, energy, and food
20	security	tax on each barrel or fractional part of a barrel of
21	petroleum	product sold by a distributor to any retail dealer or

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2	shall be	\$1.05 on each barrel or fractional part of a barrel of
3	petroleum	product that is not aviation fuel; provided that of
4	the tax c	ollected pursuant to this subsection:
5	(1)	5 cents of the tax on each barrel shall be deposited
6		into the environmental response revolving fund
7		established under section 128D-2;
8	(2)	$[\frac{5}{4}]$ cents of the tax on each barrel shall be
9		deposited into the energy security special fund
10		established under section 201-12.8;
11	(3)	$[\frac{10}{8}]$ g cents of the tax on each barrel shall be
12		deposited into the energy systems development special
13		fund established under section 304A-2169.1; [and]
14	(4)	15 cents of the tax on each barrel shall be deposited
15		into the agricultural development and food security
16		special fund established under section 141-10[-]; and
17	(5)	3 cents of the tax on each barrel shall be deposited
18		into the electric vehicle charging system subaccount
19		established pursuant to section 269-33(e).
20	The	tax imposed by this subsection shall be paid by the
21	distribut	or of the petroleum product."

end user of petroleum product, other than a refiner. The tax

- SECTION 3. Section 269-33, Hawaii Revised Statutes, is amended to read as follows:

  "\$269-33 Public utilities commission special fund. (a)
- 4 There is established in the state treasury a public utilities
- 5 commission special fund to be administered by the public
- 6 utilities commission. The proceeds of the fund shall be used by
- 7 the public utilities commission and the division of consumer
- 8 advocacy of the department of commerce and consumer affairs for
- 9 all expenses incurred in the administration of chapters 269,
- 10 271, 271G, 269E, and 486J, and for costs incurred by the
- 11 department of commerce and consumer affairs to fulfill the
- 12 department's limited oversight and administrative support
- 13 functions; provided that the expenditures of the public
- 14 utilities commission shall be in accordance with legislative
- 15 appropriations. On a quarterly basis, an amount not exceeding
- 16 thirty per cent of the proceeds remaining in the fund after the
- 17 deduction for central service expenses, pursuant to
- 18 section 36-27, shall be allocated by the public utilities
- 19 commission to the division of consumer advocacy and deposited in
- 20 the compliance resolution fund established pursuant to
- 21 section 26-9(o); provided that all moneys allocated by the

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- 1 public utilities commission from the fund to the division of
- 2 consumer advocacy shall be in accordance with legislative
- 3 appropriations.
- 4 (b) All moneys appropriated to, received, and collected by
- 5 the public utilities commission that are not otherwise pledged,
- 6 obligated, or required by law to be placed in any other special
- 7 fund or expended for any other purpose shall be deposited into
- 8 the public utilities commission special fund including, but not
- 9 limited to, all moneys received and collected by the public
- 10 utilities commission pursuant to sections 92-21, 243-3.5,
- 11 269-28, 269-30, 271-27, 271-36, 271G-19, 269E-6, 269E-14,
- 12 and 607-5.
- (c) The public utilities commission shall submit an update
- 14 as part of its annual report submitted pursuant to section 269-5
- 15 detailing all funds received and all moneys disbursed out of the
- 16 fund.
- 17 (d) All moneys in excess of \$1,000,000 remaining on
- 18 balance in the public utilities commission special fund on
- 19 June 30 of each year shall lapse to the credit of the state
- 20 general fund[-]; provided that this ceiling shall not apply to
- 21 the subaccount established in subsection (e).

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1	(e) There is established within the public utilities
2	commission special fund an electric vehicle charging system
3	subaccount. The public utilities commission shall expend moneys
4	in the subaccount for the purposes of funding the electric
5	vehicle charging system rebate program established pursuant to
6	sections 269-72 and 269-73. The funds in this subaccount shall
7	not be subject to the special fund ceiling in subsection (d)."
8	PART III
9	SECTION 4. There is appropriated out of the energy
10	security special fund established under section 201-12.8, Hawaii
11	Revised Statutes, the sum of \$100,000 or so much thereof as may
12	be necessary for fiscal year 2021-2022 to be deposited into the
13	electric vehicle charging system subaccount within the public
14	utilities commission special fund established under
15	section 269-33, Hawaii Revised Statutes.
16	SECTION 5. There is appropriated out of the electric
17	vehicle charging system subaccount within the public utilities
18	commission special fund the sum of \$100,000 or so much thereof
19	as may be necessary for fiscal year 2021-2022 for the electric
20	vehicle charging system rebate program established pursuant to

sections 269-72 and 269-73, Hawaii Revised Statutes.

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1	The sum appropriated shall be expended by the public
2	utilities commission for the purposes of this part.
3	PART IV
4	SECTION 6. Chapter 291, Hawaii Revised Statutes, is
5	amended by amending the title of part IV to read as follows:
6	"[[] PART IV. [MISCELLANEOUS]] PARKING FOR ELECTRIC VEHICLES"
7	SECTION 7. Chapter 291, Hawaii Revised Statutes, is
8	amended by adding a new section to part IV to be appropriately
9	designated and to read as follows:
10	"§291- Ordinances to enforce authorized. Each county
11	may adopt ordinances to enforce the requirements of
12	section 291-71, including the establishment of penalties for
13	failure to comply with the requirements of that section or
14	maintain electric vehicle charging systems in working order."
15	SECTION 8. Section 291-71, Hawaii Revised Statutes, is
16	amended to read as follows:
.17	"§291-71 Designation of parking spaces for electric
18	[vehicles;] vehicle charging [system.] systems. (a) Places of
19	public accommodation with at least one hundred parking spaces
20	available for use by the general public shall have at least one
21	parking space [exclusively for electric vehicles and] equipped

- 1 with an electric vehicle charging system located anywhere in the
- 2 parking structure or lot [by July 1, 2012]; provided that no
- 3 parking space designated for electric vehicles shall displace or
- 4 reduce accessible stalls required by the Americans with
- 5 Disabilities Act Accessibility Guidelines[-]; provided further
- 6 that no vehicle shall be permitted to park in a parking space
- 7 equipped with an electric vehicle charging system while not
- 8 actively charging. Spaces shall be designated, clearly marked,
- 9 and the exclusive designation enforced. Owners of multiple
- 10 parking facilities within the State may designate and electrify
- 11 fewer parking spaces than required in one or more of their owned
- 12 properties; provided that the scheduled requirement is met for
- 13 the total number of aggregate spaces on all of their owned
- 14 properties. Nothing in this section shall prohibit the owners
- 15 of parking structures or lots from charging a fee for the use of
- 16 an electric vehicle charging system.
- 17 (b) Effective January 1, 2022, each new electric vehicle
- 18 charging system installed or placed in service pursuant to this
- 19 section shall be at least a level 2 charging station that is
- 20 network-capable.

1	(c)	Electric vehicle charging systems shall be maintained
2	in workin	g order.
3	[ <del>-(b)</del> -	For the purposes of] (d) As used in this section:
4	"Ele	ctric vehicle" means:
5	(1)	A neighborhood electric vehicle as defined in
6		section 286-2;
7	(2)	A vehicle, with four or more wheels, that draws
8		propulsion energy from a battery with at least
9		four kilowatt hours of energy storage capacity that
10		can be recharged from an external source of
11		electricity; or
12	(3)	A fuel cell electric vehicle.
13	"Ele	ctric vehicle charging system" means a system that:
14	(1)	Is capable of providing electricity from a non-vehicle
15		source to charge the batteries of one or more electric
16		vehicles;
17	(2)	Meets recognized standards, including standard
18		SAE J1772 of SAE International; and
19	(3)	Is designed and installed in compliance with
20		article 625 of the National Electrical Code;

- 1 provided that the term shall not include facilities or systems
- 2 for refueling the hydrogen storage tank of a fuel cell electric
- 3 vehicle.
- 4 "Fuel cell electric vehicle" means a zero-emission electric
- 5 vehicle that uses a fuel cell to convert hydrogen gas and oxygen
- 6 into electricity that is used in a vehicle powertrain for
- 7 propulsion.
- 8 "Level 2 charging station" shall have the same meaning as
- 9 "alternating current Level 2 charging station" in
- 10 section 269-72.
- "Place of public accommodation" has the same meaning as
- 12 that provided in section 489-2."
- 13 SECTION 9. Section 291-72, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- 15 "\$291-72 Parking spaces reserved for electric vehicles[\(\frac{1}{7}\)]
- 16 and electric vehicle charging systems; penalties. [(a)
- 17 Beginning January 1, 2013, any person who parks a non-electric
- 18 vehicle in a space designated and marked as reserved for
- 19 electric-vehicles shall receive a warning.
- 20 (b) Beginning July 1, 2013, any] (a) Any person who parks
- 21 a non-electric vehicle in a space designated and marked as

1	reserved	for electric vehicles of parks any vehicle in a parking
2	space equ	ipped with an electric vehicle charging system while
3	not activ	ely charging shall be guilty of a traffic infraction
4	under cha	pter 291D and shall be fined not less than \$50 nor more
5	than \$100	, and shall pay any costs incurred by the court related
6	to assess	ing the fine.
7	[ <del>-(c)</del>	(b) Any citation issued under this section may be
8	mailed to	the violator pursuant to section 291C-165(b).
9	<u>(c)</u>	Notwithstanding any law to the contrary, and in
10	addition	to any other authority provided by law that is not
11	inconsist	ent with this section:
12	(1)	A law enforcement officer may access the property of a
13		private entity to enforce the provisions of this part;
14		and
15	(2)	A commissioned volunteer enforcement officer may
16		access the property of a private entity to enforce the
17		provisions of this section; provided that the private
18		entity's parking lot contains a parking space required
19		by section 291-71."

1 PART V

- 2 SECTION 10. This Act does not affect rights and duties
- 3 that matured, penalties that were incurred, and proceedings that
- 4 were begun before its effective date.
- 5 SECTION 11. Statutory material to be repealed is bracketed
- 6 and stricken. New statutory material is underscored.
- 7 SECTION 12. This Act shall take effect on July 1, 2021.

APPROVED this 2 4 day of Jun , 2021

**GOVERNOR OF THE STATE OF HAWAII** 

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HB No. 1142, HD 2, SD 2, CD 1

#### THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 27, 2021 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.

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Scott K. Saiki Speaker House of Representatives

Mi Li Telle

Brian L. Takeshita

Chief Clerk

House of Representatives

### THE SENATE OF THE STATE OF HAWAI'I

Date: April 27, 2021 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2021.

President of the Senate

Clerk of the Senate