# A BILL FOR AN ACT

RELATING TO THE ENVIRONMENT.

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

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#### PART I

2 SECTION 1. The legislature finds that the use of fossil fuels is the State's primary contributor to greenhouse gas 3 4 emissions. These emissions cause climate change, which poses a 5 serious threat to the State's economic well-being, public health, infrastructure, and environment. The State's dependence 6 on fossil fuels also drains the economy of billions of dollars 7 8 each year, makes residents vulnerable to the volatility of oil prices, and puts residents at increased risk in the event of a 9 10 natural disaster. Thus, Act 15, Session Laws of Hawaii 2018, 11 was enacted to establish a goal for the State to become carbon 12 neutral by 2045.

13 The legislature further finds that the transportation 14 sector accounts for the use of over two-thirds of the oil 15 imported into the State. The legislature notes that, for ground 16 transportation, electric vehicles provide a viable,

cost-effective alternative to vehicles that run on fossil fuels.

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For 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.
 With the impacts of the COVID-19 pandemic on the state budget,
 it is imperative that the State take advantage of all
 opportunities for savings, and the electrification of state
 fleets to the extent possible is one of these opportunities.

8 The purpose of this part is to facilitate the transition to 9 one hundred per cent clean ground transportation in the State by 10 establishing a goal to transition all state-owned, light duty 11 motor vehicles to be zero-emission vehicles by the end of 2035 12 and tasking the department of transportation and the Hawaii 13 state energy office with developing strategies to further this 14 goal.

15 SECTION 2. Chapter 225P, Hawaii Revised Statutes, is
16 amended by adding a new section to be appropriately designated
17 and to read as follows:

18 "<u>\$225P-</u> <u>Climate change mitigation.</u> (a) It shall be
19 the goal of the State to reduce emissions that cause climate
20 change and build energy efficiencies across all sectors,
21 including decarbonizing the transportation sector.



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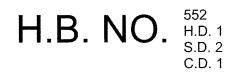
1	(b) State agencies shall manage their fleets to achieve
2	the clean ground transportation goals defined in
3	section 196-9(c)(10) and decarbonization goals established
4	pursuant to chapter 225P."
5	SECTION 3. Chapter 264, Hawaii Revised Statutes, is
6	amended by adding a new section to be appropriately designated
7	and to read as follows:
8	" <u>§264-</u> Clean ground transportation goal. The
9	department of transportation, in collaboration with the Hawaii
10	state energy office, shall develop strategies to transition all
11	light-duty motor vehicles in the State's fleets to meet the
12	clean ground transportation goal established pursuant to
13	<u>section 196-9(c)(10).</u> "
14	SECTION 4. Section 103D-412, Hawaii Revised Statutes, is
15	amended to read as follows:
16	"§103D-412 [Light-duty motor] Motor vehicle requirements.
17	(a) The procurement policy for all agencies purchasing or
18	leasing [ <del>light-duty</del> ] <u>light-, medium-, and heavy-duty</u> motor
19	vehicles [ <del>shall be to reduce dependence on petroleum for</del>
20	transportation energy.

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1	-( <del>d)</del> -	Beginning January 1, 2010, all state and county
2	entities,	when purchasing new vehicles, ] shall be to seek
3	vehicles	[with reduced] that reduce dependence on petroleum-
4	based fue	ls that meet the needs of the agency. Priority for
5	selecting	vehicles shall be as follows:
6	(1)	[Electric or plug-in hybrid electric vehicles and fuel
7		cell electric vehicles; ] Zero-emission vehicles;
8	(2)	[Other alternative fuel] Plug-in hybrid electric
9		vehicles;
10	(3)	[Hybrid electric] Alternative fuel vehicles; and
11	(4)	[Vehicles that are identified by the United States
12		Environmental Protection Agency in its annual "Fuel
13		Economy Leaders" report as being among the top
14		performers for fuel economy in their class.] Hybrid
15		electric vehicles.
16	(b)	Vehicles shall not be larger than necessary for their
17	intended	functions.
18	(c)	For the purposes of this section:
19	"Age	ncy" means a state agency, office, or department.
20	"Alte	ernative fuel" [means alcohol fuels, mixtures
21	containin	g eighty-five per cent or more by volume of alcohols

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1	with gasoline or other fuels, natural gas, liquefied petroleum
2	gas, hydrogen, biodiesel, mixtures containing twenty per cent or
3	more by volume of biodiesel with diesel or other fuels, other
4	fuels derived from biological materials, and electricity
5	provided by off-board energy sources.] shall have the same
6	meaning as contained in title 10 Code of Federal Regulations
7	part 490; provided that "alternative fuel" includes liquid or
8	gaseous fuels produced from renewable feedstocks, such as
9	organic wastes, or from water using electricity from renewable
10	energy sources.
11	"Alternative fuel vehicle" shall have the same meaning as
12	contained in title 10 Code of Federal Regulations part 490.
13	"Covered fleet" [has] shall have the same meaning as
14	contained in <u>title</u> 10 Code of Federal Regulations [ <del>Part</del> ]
15	part 490 [ <del>Subpart</del> ] <u>subpart</u> C.
16	"Excluded vehicles" [ <del>has</del> ] <u>shall have</u> the same meaning as
17	[ <del>provided</del> ] <u>contained</u> in <u>title</u> 10 Code of Federal Regulations
18	section 490.3.
19	"Fuel cell electric vehicle" [means a zero-emission
20	electric vehicle that uses a fuel cell to convert hydrogen gas
21	and oxygen into electricity that is used in a vehicle powertrain

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1	for propulsion.] shall have the same meaning as contained in
2	title 10 Code of Federal Regulations section 490.501.
3	"Hybrid electric vehicle" shall have the same meaning as
4	contained in title 40 Code of Federal Regulations
5	section 86.1803-01.
6	"Light-duty motor vehicle" [has] shall have the same
7	meaning as contained in <u>title</u> 10 Code of Federal Regulations
8	[Part] part 490[, not including any vehicle incapable of
9	traveling on highways or any vehicle with a gross vehicle weight
10	rating greater than eight thousand five hundred pounds].
11	"Plug-in hybrid electric vehicle" shall have the same
12	meaning as contained in title 40 Code of Federal Regulations
13	part 86.1803-01.
14	"Zero-emission vehicle" shall have the same meaning as
15	contained in title 40 Code of Federal Regulations
16	section 88.102-94.
17	(d) Agencies may apply to the chief procurement officer
18	for exemptions from the requirements of this section to the
19	extent that the vehicles required by this section are not
20	available or do not meet the specific needs of the agency;
21	provided that life cycle vehicle and fuel costs may be included

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in the determination of whether a particular vehicle meets the
 needs of the agency. Estimates of future fuel costs shall be
 based on projections from the United States Energy Information
 Administration.

5 (e) Vehicles acquired from another state agency and
6 excluded vehicles are exempt from the requirements of this
7 section[-] but shall be included in the calculation of the clean
8 ground transportation goals established under

9 section 196-9(c)(10).

10 (f) Nothing in this section is intended to interfere with 11 the ability of a covered fleet to comply with the vehicle 12 purchase mandates required by title 10 Code of Federal Regulations [Part] part 490 [Subpart] subpart C." 13 14 SECTION 5. Section 196-9, Hawaii Revised Statutes, is 15 amended by amending subsection (c) to read as follows: 16 "(c) With regard to motor vehicles and transportation 17 fuel, each agency shall: 18 (1) Comply with [Title] title  $10[\tau]$  Code of Federal

20 "Mandatory State Fleet Program", if applicable;

Regulations[, Part] part 490, [Subpart] subpart C,

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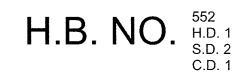
1	(2)	Comply with all applicable state laws regarding
2		vehicle purchases;
3	(3)	Once federal and state vehicle purchase mandates have
4		been satisfied, purchase the most fuel-efficient
5		vehicles that meet the needs of their programs;
6		provided that life cycle cost-benefit analysis of
7		vehicle purchases shall include projected fuel costs;
8	(4)	Purchase alternative fuels and ethanol blended
9		gasoline when available;
10	(5)	Evaluate a purchase preference for biodiesel blends,
11		as applicable to agencies with diesel fuel purchases;
12	(6)	Promote efficient operation of vehicles[+], including
13		efficient planning of charging system locations and
14		efficient utilization of renewable energy for charging
15		electric vehicles;
16	(7)	Use the most appropriate minimum octane fuel; provided
17		that vehicles shall use 87-octane fuel unless the
18		owner's manual for the vehicle states otherwise or the
19		engine experiences knocking or pinging;

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8)	Begir	nning with fiscal year 2005-2006 as the baseline,
	colle	ect and maintain, for the life of each vehicle
	acqui	red, the following data:
	(A)	Vehicle acquisition cost;
	(B)	United States Environmental Protection Agency
		rated fuel economy;
	(C)	Vehicle fuel configuration, such as gasoline,
		diesel, flex-fuel gasoline/E85, and dedicated
		propane;
	(D)	Actual in-use vehicle mileage;
	(E)	Actual in-use vehicle fuel consumption; [and]
	(F)	Actual in-use annual average vehicle fuel
		economy; and
	(G)	Hourly charging data by electric vehicle and
		electric vehicle charging system;
9)	Begir	nning with fiscal year 2005-2006 as the baseline
	with	respect to each agency that operates a fleet of
	thirt	y or more vehicles, collect and maintain, in
	addit	tion to the data in paragraph (8), the following:
	(A)	Information on the vehicles in the fleet,
		including vehicle year, make, model, gross
	9)	<ul> <li>colleant acquiant (A)</li> <li>(B)</li> <li>(C)</li> <li>(D)</li> <li>(E)</li> <li>(F)</li> <li>(G)</li> <li>9) Begin with thirt addit</li> </ul>

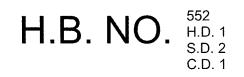
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1			vehicle weight rating, and vehicle fuel
2			configuration;
3		(B)	Fleet fuel usage, by fuel;
4		(C)	Fleet mileage; [and]
5		(D)	Overall annual average fleet fuel economy and
6			average miles per gallon of gasoline and
7			diesel[-]; and
8		<u>(E)</u>	Hourly charging data by electric vehicle and
9			electric vehicle charging system; and
10	(10)	Plan	and coordinate vehicle acquisition to meet the
11		foll	owing clean ground transportation goals:
12		<u>(A)</u>	One hundred per cent of light-duty motor vehicles
13			that are passenger cars in the State's fleet
14			shall be zero-emission vehicles by December 31,
15			2030; and
16		<u>(B)</u>	One hundred per cent of light-duty motor vehicles
17			in the State's fleet shall be zero-emission
18			vehicles by December 31, 2035.
19	For	the p	purposes of this subsection:
20	"Lig	ht-du	ty motor vehicle" shall have the same meaning as
21	<u>contained</u>	in t	itle 10 Code Federal Regulations part 490.

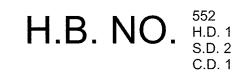
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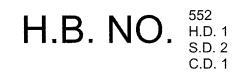
1	"Passenger car" shall have the same meaning as contained in
2	title 49 Code of Federal Regulations section 571.3.
3	"Zero-emission vehicle" shall have the same meaning as
4	contained in title 40 Code of Federal Regulations
5	section 88.102-94."
6	SECTION 6. Section 196-42, Hawaii Revised Statutes, is
7	amended to read as follows:
8	"§196-42 State support for achieving alternate fuels
9	standards[-] and clean ground transportation goals. (a) The
10	State shall facilitate the development of alternate fuels and
11	support the attainment of a statewide alternate fuels standard
12	of ten per cent of highway fuel demand to be provided by
13	alternate fuels by 2010, fifteen per cent by 2015,
14	twenty per cent by 2020, and thirty per cent by 2030. For
15	purposes of the alternate fuels standard, ethanol produced from
16	cellulosic materials shall be considered the equivalent of two
17	and one-half gallons of noncellulosic ethanol. "Alternate
18	fuels" shall have the same meaning as contained in <u>title</u> 10 Code
19	of Federal Regulations [ <del>Part</del> ] <u>part</u> 490; provided that it shall
20	also include liquid or gaseous fuels produced from renewable

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1	feedstock	s such as organic wastes, or from water using
2	electrici	ty from renewable energy sources.
3	(b)	The State shall support the attainment of the clean
4	ground tr	ansportation target established pursuant to
5	section 1	96-9(c)(10)."
6		PART II
7	SECT	ION 7. Section 26-6, Hawaii Revised Statutes, is
8	amended b	y amending subsection (b) to read as follows:
9	"(b)	The department shall:
10	(1)	Preaudit and conduct after-the-fact audits of the
11		financial accounts of all state departments to
12		determine the legality of expenditures and the
13		accuracy of accounts;
14	(2)	Report to the governor and to each regular session of
15		the legislature as to the finances of each department
16		of the State;
17	(3)	Administer the state risk management program;
18	(4)	Establish and manage motor pools;
19	(5)	Manage the preservation and disposal of all records of
20		the State;

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1	(6)	Undertake the program of centralized engineering and
2		office leasing services, including operation and
3		maintenance and lease buyback processing pursuant to
4		subsection (d) of public buildings, for departments of
5		the State;
6	(7)	Undertake the functions of the state surveyor;
7	(8)	Establish accounting and internal control systems;
8	(9)	Under the direction of the chief information officer,
9		provide centralized computer information management
10		and processing services;
11	(10)	Establish a program to provide a means for public
12		access to public information and develop an
13		information network for state government; [and]
14	(11)	Assume administrative responsibility for the office of
15		information practices [-;] and
16	(12)	Approve state fleet acquisitions; provided that:
17		(A) Beginning January 1, 2022, all new light-duty
18		motor vehicles that are passenger cars purchased
19		for the State's fleet shall be zero-emission
20		vehicles;

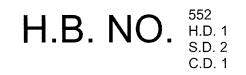
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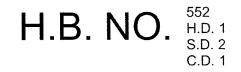
1	(B)	Beginning as soon as practicable but no later
2		than January 1, 2030, all new light-duty motor
3		vehicles that are multipurpose passenger vehicles
4		and trucks for the State's fleet shall be zero-
5		emission vehicles; and
6	<u>(C)</u>	The comptroller may authorize an exemption for
7		new fleet vehicle purchases if zero-emission
8		vehicles are demonstrated to be cost-prohibitive
9		on a lifecycle basis or unsuitable for the
10		vehicles' planned purpose, or if funds are
11		unavailable.
12	For the p	urposes of this subsection:
13	"Light-du	ty motor vehicle" shall have the same meaning as
14	contained in t	itle 10 Code Federal Regulations part 490.
15	"Multipur	pose passenger vehicle" shall have the same
16	meaning as con	tained in title 49 Code of Federal Regulations
17	section 571.3.	
18	"Passenge	r car" shall have the same meaning as contained in
19	title 49 Code	of Federal Regulations section 571.3.
20	"Truck" s	hall have the same meaning as contained in
21	title 49 Code	of Federal Regulations section 571.3.





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1	"Zero-emission vehicle" shall have the same meaning as
2	contained in title 40 Code of Federal Regulations
3	<u>section 88.102-94.</u> "
4	PART III
5	SECTION 8. Statutory material to be repealed is bracketed
6	and stricken. New statutory material is underscored.
7	SECTION 9. This Act shall take effect on July 1, 2021.



#### Report Title:

Clean Ground Transportation Goals; Fleet Procurement

#### Description:

Part I: Establishes clean ground transportation goals for state agencies to achieve a one hundred per cent light-duty motor vehicles zero-emission fleet by December 31, 2035. Part II: Authorizes the department of accounting and general services to approve state fleet acquisitions, including zero emission vehicle requirements for light-duty motor vehicles that are passenger cars and light-duty motor vehicles that are multipurpose passenger vehicles and trucks, with allowance for exemptions. (CD1)

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