



GOV. MSG. NO. 1176

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:

HB552 HD1 SD2 CD1

RELATING TO THE ENVIRONMENT  
**ACT 074 (21)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

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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  
emissions. These emissions cause climate change, which poses a  
serious threat to the State's economic well-being, public  
health, infrastructure, and environment. The State's dependence  
on fossil fuels also drains the economy of billions of dollars  
each year, makes residents vulnerable to the volatility of oil  
prices, and puts residents at increased risk in the event of a  
natural disaster. Thus, Act 15, Session Laws of Hawaii 2018,  
was enacted to establish a goal for the State to become carbon  
neutral by 2045.

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The legislature further finds that the transportation  
sector accounts for the use of over two-thirds of the oil  
imported into the State. The legislature notes that, for ground  
transportation, electric vehicles provide a viable,  
cost-effective alternative to vehicles that run on fossil fuels.

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1 For state-owned transportation fleets, the transition to  
2 electric vehicles will bring with it considerable cost savings  
3 because of lower costs to operate and maintain these vehicles.  
4 With the impacts of the COVID-19 pandemic on the state budget,  
5 it is imperative that the State take advantage of all  
6 opportunities for savings, and the electrification of state  
7 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 "§225P- Climate change mitigation. (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.



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        "§264-        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 section 196-9(c)(10)."

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 [~~light-duty~~] light-, medium-, and heavy-duty motor  
19 vehicles [~~shall be to reduce dependence on petroleum for~~  
20 ~~transportation energy.~~



1       ~~(b) 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 fuels 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       "Agency" means a state agency, office, or department.

20       "Alternative fuel" ~~[means alcohol fuels, mixtures~~  
21 ~~containing eighty five per cent or more by volume of alcohols~~



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 title 10 Code of Federal Regulations [Part]  
15 part 490 [Subpart] subpart C.

16 "Excluded vehicles" [~~has~~] shall have the same meaning as  
17 [~~provided~~] contained in title 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~~



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 title 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



1 in the determination of whether a particular vehicle meets the  
2 needs of the agency. Estimates of future fuel costs shall be  
3 based on projections from the United States Energy Information  
4 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  
13 Regulations [~~Part~~] part 490 [~~Subpart~~] subpart C."

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[ ~~]~~ Code of Federal  
19 Regulations[ ~~, Part~~] part 490, [~~Subpart~~] subpart C,  
20 "Mandatory State Fleet Program", if applicable;





- 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;



- 1 (8) Beginning with fiscal year 2005-2006 as the baseline,  
2 collect and maintain, for the life of each vehicle  
3 acquired, the following data:  
4 (A) Vehicle acquisition cost;  
5 (B) United States Environmental Protection Agency  
6 rated fuel economy;  
7 (C) Vehicle fuel configuration, such as gasoline,  
8 diesel, flex-fuel gasoline/E85, and dedicated  
9 propane;  
10 (D) Actual in-use vehicle mileage;  
11 (E) Actual in-use vehicle fuel consumption; [~~and~~]  
12 (F) Actual in-use annual average vehicle fuel  
13 economy; and  
14 (G) Hourly charging data by electric vehicle and  
15 electric vehicle charging system;  
16 (9) Beginning with fiscal year 2005-2006 as the baseline  
17 with respect to each agency that operates a fleet of  
18 thirty or more vehicles, collect and maintain, in  
19 addition to the data in paragraph (8), the following:  
20 (A) Information on the vehicles in the fleet,  
21 including vehicle year, make, model, gross



- 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 (E) Hourly charging data by electric vehicle and  
9 electric vehicle charging system; and
- 10 (10) Plan and coordinate vehicle acquisition to meet the  
11 following clean ground transportation goals:
- 12 (A) 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 (B) 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 purposes of this subsection:
- 20 "Light-duty motor vehicle" shall have the same meaning as  
21 contained in title 10 Code Federal Regulations part 490.



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 title 10 Code  
19 of Federal Regulations [~~Part~~] part 490; provided that it shall  
20 also include liquid or gaseous fuels produced from renewable



1 feedstocks such as organic wastes, or from water using  
2 electricity from renewable energy sources.

3 (b) The State shall support the attainment of the clean  
4 ground transportation target established pursuant to  
5 section 196-9(c)(10)."

6 PART II

7 SECTION 7. Section 26-6, Hawaii Revised Statutes, is  
8 amended by 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;



- 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;



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           (C) 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 purposes of this subsection:

13          "Light-duty motor vehicle" shall have the same meaning as  
14          contained in title 10 Code Federal Regulations part 490.

15          "Multipurpose passenger vehicle" shall have the same  
16          meaning as contained in title 49 Code of Federal Regulations  
17          section 571.3.

18          "Passenger car" shall have the same meaning as contained in  
19          title 49 Code of Federal Regulations section 571.3.

20          "Truck" shall have the same meaning as contained in  
21          title 49 Code of Federal Regulations section 571.3.



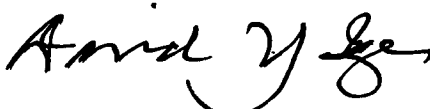
1        "Zero-emission vehicle" shall have the same meaning as  
2 contained in title 40 Code of Federal Regulations  
3 section 88.102-94."

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.

APPROVED this 24 day of JUN , 2021



GOVERNOR OF THE STATE OF HAWAII





HB No. 552, HD 1, 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.



Scott K. Saiki  
Speaker  
House of Representatives





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