H.B. NO. **1252** 

#### A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. The legislature finds that climate change 2 caused by carbon emissions from burning fossil fuels poses a 3 serious threat to the economic well-being, public health, 4 natural resources, and environment of Hawaii. The legislature 5 also finds that meeting the State's decarbonization goals and 6 other emissions-reduction commitments necessitates the rapid 7 transition to zero-emission vehicles that utilize local, 8 renewable energy sources. 9 The legislature further finds that while there is growing 10 adoption of electric vehicles among Hawaii residents, the lack 11 of adequate vehicle charging infrastructure presents a barrier 12 to widespread adoption, particularly for residents who are 13 renters or who live in apartment buildings. This barrier 14 creates an equity issue for low-income families who are unable 15 to access the savings and other benefits associated with 16 electric vehicle ownership because they lack access to charging 17 infrastructure.

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1 The legislature also finds that the cost of constructing 2 parking stalls that will accommodate electric vehicle charging systems up front, also referred to here as electric vehicle 3 4 ready parking stalls, is approximately one-tenth the cost of 5 retrofitting already-built parking stalls to accommodate 6 electric vehicle charging systems. For market-priced housing, 7 parking stalls are already being constructed to be electric 8 vehicle ready because of demand and, in some cases, county 9 requirements. However, parking stalls for affordable housing 10 units are not constructed to be electric vehicle ready because 11 of the added cost and because affordable housing is exempted 12 from electric vehicle ready county requirements. 13 The purpose of this Act is to provide incentives for 14 electric vehicle ready new construction for affordable housing 15 by: 16 (1)Beginning with calendar year 2024 requiring that 17 electric vehicle ready parking for new construction be

19 tax credit qualified allocation plan; and

integrated as a criterion in the low-income housing

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Providing rebates for eligible electric vehicle ready 1 (2)2 parking stalls for new construction of affordable 3 housing. 4 SECTION 2. Section 235-110.8, Hawaii Revised Statutes, is 5 amended by amending subsection (a) to read as follows: 6 "(a) As modified herein, section 42 (with respect to low-7 income housing credit) of the Internal Revenue Code shall be 8 operative for the purposes of this chapter as provided in this 9 section. A taxpayer owning a qualified low-income building who 10 has been awarded a subaward under section 1602 of the American 11 Recovery and Reinvestment Act of 2009, Public Law 111-5, shall 12 also be eligible for the credit provided in this section. 13 In developing the qualified allocation plan effective for 14 reservations and awards of the low-income housing tax credit for 15 calendar year 2024 and later, the Hawaii housing finance and 16 development corporation shall include among its criteria to 17 evaluate and allocate tax credits the project's inclusion of 18 electric vehicle ready parking stalls if the project is for new 19 construction. For purposes of this subsection, "electric 20 vehicle ready" has the same meaning as in section 269-72."

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1	SECTION 3. Section 269-72, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"§269-72 Electric vehicle charging [ <del>system;</del> ]
4	infrastructure; rebate program. (a) The public utilities
5	commission, in consultation with electric vehicle stakeholders
6	and the Hawaii state energy office, shall administer a rebate
7	program that incentivizes the installation or upgrade of $[an]$
8	electric vehicle charging [ <del>system,</del> ] <u>infrastructure</u> , as provided
9	in this section, and may contract with a third-party
10	administrator pursuant to section 269-73 to operate and manage
11	the rebate program.
12	(b) An applicant may be eligible for a rebate under the
13	rebate program if the applicant:
14	(1) Installs a new electric vehicle charging system where
15	none previously existed to either:
16	(A) An alternating current Level 2 station with one
17	or more ports that provide electricity to one or
18	more electric vehicles; or
19	(B) A direct current fast charging system; [ <del>or</del> ]
20	(2) Upgrades an existing electric vehicle charging system
21	to either:

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1		(A)	An alternating current Level 2 station with one
2			or more ports that provide electricity to one or
3			more electric vehicles; or
4		(B)	A direct current fast charging system[+]; or
5	(3)	Inst	alls an electric vehicle ready parking stall in
6		new	construction of affordable housing.
7	(c)	Subj	ect to subsection (f), rebates shall be
8	distribut	ed as	follows:
9	(1)	Each	eligible installation of an electric vehicle
10		char	ging system shall receive:
11		(A)	Up to \$2,000 for the installation of an
12			alternating current Level 2 station with one
13			port;
14		(B)	Up to \$4,500 for the installation of an
15			alternating current Level 2 station with two or
16			more ports; and
17		(C)	Up to \$35,000 for the installation of a direct
18			current fast charging system; [and]
19	(2)	Each	eligible upgrade of an electric vehicle charging
20		syst	em shall receive:

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1		(A)	Up to \$1,300 for the upgrade to an alternating
2			current Level 2 station with one port;
3		(B)	Up to \$3,000 for the upgrade to an alternating
4			current Level 2 station with two or more ports;
5			and
6		(C)	Up to \$28,000 for the upgrade to a direct current
7			<pre>fast charging system[-]; and</pre>
8	(3)	Each	eligible installation of an electric vehicle
9		read	y parking stall for new construction of affordable
10		hous	ing shall receive up to \$1,750 for the
11		inst	allation of an alternating current Level 2
12		<u>circ</u>	uit.
13	(e)	This	section shall apply to electric vehicle charging
14	systems t	hat a	re installed or upgraded after December 31,
15	2019[-] <u>,</u>	and e	lectric vehicle ready parking stalls that are
16	installed	afte	r July 1, 2023.
17	(f)	Appl	icants shall submit applications to the public
18	utilities	comm	ission within twelve months of the date that the
19	newly ins	talle	d or upgraded charging system is placed into
20	service <u>o</u>	r the	electric vehicle ready parking stall is installed
21	to claim	a reb	ate from the [ <del>electric vehicle charging system</del> ]

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1 rebate program. Failure to apply to the commission within 2 twelve months of the date that the newly installed or upgraded 3 charging system is placed into service or the electric vehicle 4 ready parking stall is installed shall constitute a waiver of 5 the right to claim the rebate. Rebates shall be subject to 6 available funds, and the program administrator shall not approve 7 additional rebates for the remainder of the fiscal year after 8 program funds have been fully exhausted.

9 Nothing in this section shall alter taxes due on the (q) 10 original purchase or upgrade price of an electric vehicle 11 charging system or the infrastructure for an electric vehicle 12 ready parking stall before the application of the rebate. Any 13 rebate received pursuant to the electric vehicle charging 14 [system] infrastructure rebate program shall not be considered 15 income for the purposes of state or county taxes.

16 (h) In administering the electric vehicle charging
17 [system] infrastructure rebate program, the public utilities
18 commission shall give consideration to the following guidelines:
19 (1) Priority should be given to electric vehicle charging
20 systems that are publicly available; serve multiple
21 tenants, employees, or customers; serve electric

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1		vehicle fleets; support the visitor industry in
2		transitioning to clean transportation; or serve low-
3		income, moderate-income, or environmental justice
4		communities; and to electric vehicle ready parking
5		stalls serving new construction of multiple affordable
6		housing units;
7	(2)	Electric vehicle charging [system] infrastructure
8		rebates should enhance broader public clean energy and
9		grid resiliency goals by supporting deployment of
10		electric vehicle charging systems that can regulate
11		their time of use, be networked and co-optimized with
12		other electric vehicle charging systems, and otherwise
13		provide grid services or other benefits to the utility
14		and electric grid;
15	(3)	Electric vehicle charging systems and electric vehicle
16		ready parking stalls that serve a single person, such
17		as a reserved parking stall or a single-family
18		residence, shall not be eligible for rebates;
19	(4)	Electric vehicle charging [system] infrastructure
20		rebates should support accessibility of charging to as
21		many electric vehicle drivers as feasible; and

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1	(5)	The program administrator may propose new or modified
2		guidelines to be considered in addition to those
3		specified in this subsection and should have the
4		flexibility to make programmatic adjustments due to
5		market changes, technological advancements, and levels
6		of participation to ensure the prudent use of taxpayer
7		funds and to effectively manage the program budget.
8	<u>(</u> i)	Nothing in this section shall prevent an entity from
9	simultane	ously claiming a rebate under the electric vehicle
10	charging	infrastructure rebate program for an electric vehicle
11	charging	system and an electric vehicle ready parking stall for
12	new const	ruction of affordable housing.
13	[ <del>(i)</del>	] (j) As used in this section:
14	"Aff	ordable housing" means housing that is affordable to a
15	household	with an income at or below one hundred forty per cent
16	of the ar	ea median income as determined by the United States
17	Departmen	t of Housing and Urban Development.
18	"Alt	ernating current Level 2 charging station", commonly
19	referred	to as "Level 2 charging station", means an electric
20	vehicle c	harging system that utilizes alternating current

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1 electricity providing at least three kilowatts and means a 2 system that: 3 Is capable of providing electricity from a non-vehicle (1)4 source to charge the batteries of one or more electric 5 vehicles; 6 (2) Meets recognized standards and protocols including, 7 but not limited to, Society of Automotive Engineers 8 (SAE) J1772<sup>™</sup> of SAE International and Tesla protocol; 9 and 10 Is designed and installed in compliance with article (3) 11 625 of the National Electrical Code to appropriate 12 Nationally Recognized Testing Laboratories' standards. 13 "Applicant" means an individual; non-profit or for-profit 14 corporation; local, state, or federal government agency; 15 homeowner association; or any other eligible entity as defined 16 under rules adopted for the electric vehicle charging system 17 rebate program. 18 "Direct current fast charging system", commonly referred to 19 as "DC fast charging system", means an electric vehicle charging 20 system that utilizes direct current electricity providing forty 21 kilowatts or greater and:

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1	(1)	Is capable of providing electricity from a non-vehicle
2		source to charge the batteries of one or more electric
3		vehicles;
4	(2)	Meets recognized standards and protocols, including,
5		but not limited to, Society of Automotive Engineers
6		(SAE) J1772 <sup><math>m</math></sup> of SAE International, Tesla protocol, and
7		CHAdeMO protocol; and
8	(3)	Is designed and installed in compliance with article
9		625 of the National Electrical Code to appropriate
10		Nationally Recognized Testing Laboratories' standards.
11	"Ele	ctric vehicle charging system" has the same meaning as
12	Electric	Vehicle Supply Equipment as defined in article 625.2 of
13	the Natio	nal Electrical Code, as amended.
14	"Ele	ctric vehicle ready" means the full-circuit
15	installat	ion includes two hundred eight volt three phase or two
16	hundred f	orty volt single phase power, forty-ampere panel
17	capacity,	raceway, wiring, receptacle, and overprotection
18	devices s	imilar to a dryer circuit."
19	SECT	ION 4. Sections 269-33(e) and 269-73, Hawaii Revised
20	Statutes,	are amended by substituting the phrase "electric
21	vehicle c	harging infrastructure", or similar term, wherever the

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phrase "electric vehicle charging system" appears, as the 1 2 context requires. 3 SECTION 5. Statutory material to be repealed is bracketed 4 and stricken. New statutory material is underscored. 5 SECTION 6. This Act shall take effect on July 1, 2023, and 6 shall apply to taxable years beginning after December 31, 2022; 7 provided that the amendments made to section 235-110.8(a), 8 Hawaii Revised Statutes, by section 2 of this Act shall not be 9 repealed when that section is reenacted on December 31, 2027, 10 pursuant to section 4 of Act 129, Session Laws of Hawaii 2016, 11 and section 2 of Act 226, Session Laws of Hawaii 2021. 12 INTRODUCED BY: JAN 2 4 2023

## H.B. NO. 1252

#### Report Title:

Energy; Electric Vehicle Charging Infrastructure; Electric Vehicle Ready Parking Stalls; Affordable Housing; Incentives; Rebates; Low-income Housing Tax Credits; HHFDC

#### Description:

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Provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing. Beginning with calendar year 2024, requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

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