

Honolulu, Hawaii

Feb 17, 2006

RE: H.B. No. 2175  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 2175, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this bill is to provide a framework for energy  
self-sufficiency for Hawaii by:

- (1) Increasing the renewable energy technologies income tax credit for certain solar-thermal, wind-powered, and photovoltaic energy systems and removing the tax credit's January 1, 2008, sunset date;
- (2) Authorizing the issuance of general obligation bonds for a pilot project to install photovoltaic systems at public schools on the islands of Oahu, Hawaii, Maui, and Kauai;
- (3) Promoting the use of green building practices by requiring each county agency that issues building, construction, or development-related permits to establish a procedure for priority processing of permit applications for construction projects incorporating Leadership in Energy and Environmental Design building standards;

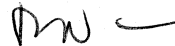


- (4) Authorizing the issuance of general obligation bonds to fund energy efficiency for state facilities, vehicles, and equipment; and
- (5) Establishing the pay as you save pilot project to provide a financing mechanism to make purchases of residential solar hot water heater systems more affordable.

The Association of Insurance and Financial Advisors, Hawaii Electric Company, Hawaii Electric Light Company, Maui Electric Company, Rocky Mountain Institute, Honeywell Utility Solutions, and Sierra Club, Hawaii Chapter, supported this bill. The Hawaii Energy Policy Forum supported this measure in part. The Department of Education, Hawaii Renewable Energy Alliance, Honolulu Seawater Air Conditioning, LLC, and Zero Emissions Leasing, LLC, supported this bill and offered amendments. The Consumer Advocate, Department of Taxation, Department of Accounting and General Services, and the Gas Company supported the intent of this measure. The Public Utilities Commission, Department of Business, Economic Development, and Tourism, Inter-Island Solar Supply, Hawaii Solar Energy Association, American Chemistry Council, American Forest and Paper Association, R&R Solar Supply, and the Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2175, H.D. 1, and recommends that it be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



