

Honolulu, Hawaii

APR - 7 2006

RE: H.B. No. 2175
H.D. 2
S.D. 2

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2175, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure 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 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 and net energy meters at public schools on the islands of Oahu, Hawaii, and Kauai and within the county of Maui;
- (3) Updating the State's energy policy to promote the use by the State of green building practices for the construction or substantial renovation of state-funded buildings, energy and water efficiency practices, life cycle cost-benefit analysis, fuel-efficient vehicles, alternative fuels, and energy-savings contracts;



- (4) Requiring the State's Energy Resources Coordinator to establish benchmarks and evaluate the State's progress in incorporating energy efficiency and conservation measures and make recommendations on how and when to conduct periodic energy audits;
- (5) Requiring the counties to establish a procedure for priority processing of permit applications for construction projects incorporating Leadership in Energy and Environmental Design building standards;
- (6) Authorizing the issuance of general obligation bonds to fund energy efficiency projects for state facilities, vehicles, and equipment;
- (7) Appropriating funds for a full-time energy efficiency coordinator position to address energy efficiency in Department of Education facilities;
- (8) 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; and
- (9) Establishing the Hawaii renewable hydrogen program and the hydrogen investment capital special fund and providing funding therefor.

Your Committee understands that energy self-sufficiency in the State of Hawaii will have broad societal benefits, including increased energy security, resistance to increases in oil prices, environmental sustainability, economic development, and job creation. This measure will facilitate the State's ability to achieve its goal of energy self-sufficiency, by ensuring the incorporation of new and evolving technologies and providing incentives and assistance to address barriers.

Your Committee has amended this measure by:

- (1) Changing all appropriation amounts, except the amount appropriated for the energy efficiency coordinator position, to an unspecified amount to facilitate further discussion;



- (2) Changing the appropriation amount for the energy efficiency coordinator position from an unspecified amount to \$1 to facilitate further discussion;
- (3) Clarifying that funds appropriated for energy efficiency for state facilities, vehicles, and equipment under the control of the Department of Education may be used by the Department to develop Hawaii Sustainable School Design Protocol Standards, among other things; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2175, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2175, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Ways and Means
(Bills and Resolutions)

Measure:*	Committee Referral:	Date:		
HB 2175 HD2 SD1	EIA/CPH, WAM	3/31/06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to:				
<input type="checkbox"/> Pass, unamended (2312)	<input checked="" type="checkbox"/> Pass, with amendments (2311)	<input type="checkbox"/> Hold (2310)		
<input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)	/			
TSUTSUI, Shan S. (VC)	/			
ENGLISH, J. Kalani				/
ESPERO, Will	/			
FUKUNAGA, Carol				/
HOOSER, Gary L.	/			
INOUE, Lorraine R.	/			
KANNO, Brian	/			
KIM, Donna Mercado	/			
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SAKAMOTO, Norman	/			
HEMMINGS, Fred	/			
SLOM, Sam			/	
TRIMBLE, Gordon				/
TOTAL	11	0	1	3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Do not list more than one measure per Record of Votes.