
A BILL FOR AN ACT

RELATING TO ENERGY EFFICIENCY.

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

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PART I.

ENERGY EFFICIENCY PLANNING

SECTION 1. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§269-A Energy efficiency portfolio standards. (a) The public utilities commission shall establish energy efficiency portfolio standards that will offset the forecasted electrical load growth statewide between the years 2009 and 2030.

(b) The energy efficiency portfolio standards shall be designed to achieve four thousand three hundred gigawatts of electricity savings statewide by 2030; provided that the public utilities commission shall establish interim goals for energy use reductions.

(c) The public utilities commission shall:

(1) Identify parties and stakeholders who are responsible for each element of the energy efficiency portfolio standards;



1 (2) Monitor progress towards achieving the energy
2 efficiency portfolio standards; and

3 (3) Establish incentives and penalties based on
4 performance.

5 (d) In establishing the energy efficiency portfolio
6 standards, the public utilities commission shall consider the
7 impact of renewable energy substitutions, including solar water
8 heating and seawater air-conditioning, on meeting energy
9 efficiency standards.

10 (e) The public benefits fee administrator shall develop
11 energy efficiency programs designed to facilitate the
12 achievement of energy efficiency portfolio standards. Beginning
13 March 1, 2010, the public benefits fee administrator shall
14 submit annual progress reports to the public utilities
15 commission on the energy savings achieved during the previous
16 year."

17 SECTION 2. (a) No later than December 31, 2010, the
18 public benefits fee administrator shall conduct an energy
19 efficiency assessment of energy use patterns in the State. This
20 assessment shall include:

21 (1) Research of end-use with respect to homes, businesses,
22 and other electric utility customers;



- 1 (2) Identification of potential energy savings; and
- 2 (3) Recommendations of energy efficiency programs.

3 (b) Based upon its review, the public benefits fee
4 administrator shall develop aggressive energy efficiency plans;
5 provided that efficiency shall be the first loaded resource in
6 all cases where it is cost effective. Cost effectiveness shall
7 be determined as a measure of all resources that cover the
8 incremental cost of investment within fifteen years as measured
9 against average electricity rates for residential, small
10 commercial, large commercial, industrial, and agricultural
11 customers.

12 To the extent that county building codes or the state
13 building code may change between versions of efficiency plans,
14 the net impact of the building code requirements should be
15 netted out of the plans.

16 (c) Prior to the availability of an efficiency plan as
17 required by subsection (b), the public benefits fee
18 administrator, public utilities commission, and department of
19 business, economic development, and tourism shall collaborate
20 with stakeholders to identify a limited set of cost-effective
21 energy efficiency measures that may be implemented immediately,



1 in significant volumes and with high penetration goals, that
2 will result in high energy savings.

3 SECTION 3. The public benefits fee administrator shall
4 submit a report of its findings of the energy efficiency
5 assessment to the public utilities commission, the energy
6 resources coordinator, electric utilities, and the legislature
7 no later than December 31, 2010.

8 SECTION 4. There is appropriated out of the public
9 utilities commission special fund the sum of \$500,000 or so much
10 thereof as may be necessary for fiscal year 2009-2010 for the
11 public benefits fee administrator to conduct an energy
12 efficiency assessment pursuant to this Act.

13 The sum appropriated shall be expended by the public
14 utilities commission for the purposes of this Act.

15 PART II.

16 ENERGY EFFICIENT BUILDINGS

17 SECTION 5. Chapter 196, Hawaii Revised Statutes, is
18 amended by adding a new part to be appropriately designated and
19 to read as follows:

20 "PART . ENERGY EFFICIENT BUILDINGS

21 §196-A Energy efficiency review. (a) The energy
22 resources coordinator shall initiate an ongoing review of energy



1 efficiency in building construction throughout the State. As
2 part of the review, the energy resources coordinator shall:

- 3 (1) Evaluate buildings and homes constructed in the State
4 pursuant to county building codes or the state
5 building code to determine overall energy efficiency
6 in design and construction;
- 7 (2) Evaluate buildings and homes constructed in the State
8 pursuant to county building codes or the state
9 building code to determine compliance with energy
10 efficiency provisions of either code;
- 11 (3) Consult with the counties to survey builders to
12 determine the actual costs of complying with energy
13 efficiency requirements of building codes;
- 14 (4) Assess the feasibility of establishing a net-zero
15 energy building code for residential and commercial
16 construction;
- 17 (5) Recommend energy efficiency standards for construction
18 of new and renovation of older single family homes,
19 duplexes, and low-rise multi-unit residential
20 buildings, less than three stories in height, to be
21 included in county building codes and the state
22 building code;



- 1 (6) Recommend amendments to county building codes and the
2 state building code that are consistent with the
3 International Energy Conservation Code and which also
4 maximize the advantages of Hawaii's climate;
- 5 (7) Evaluate the costs and benefits of requiring advanced
6 meters and energy "dashboard" technologies that allow
7 building occupants to understand and manage energy use
8 and to monitor and improve energy efficiency;
- 9 (8) Evaluate the feasibility of requiring all new homes
10 constructed in the State to incorporate "cool-roof"
11 technology;
- 12 (9) Evaluate the feasibility of requiring all new homes
13 constructed in the State to have roofs that are
14 equipped for installation of photovoltaic energy
15 devices; and
- 16 (10) Evaluate the feasibility of requiring all new homes
17 constructed in the State, or all older homes renovated
18 in the State, to have an energy efficiency
19 certification.
- 20 (b) The energy resources coordinator shall submit a report
21 of its findings and recommendations, including recommended
22 amendments to county building codes or the state building code



1 and proposed legislation, to the legislature no later than
2 twenty days prior to the convening of the regular session of
3 2010 and shall submit updated reports to the legislature before
4 the convening of each regular legislative session thereafter.

5 **§196-B Commissioning guidelines; commercial buildings.** No
6 later than January 1, 2010, the energy resources coordinator
7 shall develop commissioning guidelines for construction of
8 commercial buildings in the State. The guidelines shall:

- 9 (1) Require building permit applicants to designate a
10 commissioning agent who has experience in energy
11 efficiency and building design;
- 12 (2) Require a building owner, prior to receiving a
13 certificate of occupancy, to submit a building
14 commissioning report prepared by the designated
15 commissioning agent; and
- 16 (3) Require a building owner to remedy any deficiencies
17 indicated in the commissioning report within sixty
18 days of receiving the report, and authorize the
19 counties to assess fines and penalties against a
20 building owner that does not comply.

21 As used in this section, "commissioning" shall have the
22 same meaning as in section 196-11."



1 SECTION 6. Section 107-25, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]§107-25[+] **State building code; requirements.** There
4 is established a state building code applicable to all
5 construction in the State of Hawaii. The state building code
6 shall include:

7 (1) The latest edition of the state fire code as adopted
8 by the state fire council;

9 (2) The latest edition of the Uniform Plumbing Code, as
10 copyrighted and published by the International
11 Association of Plumbing and Mechanical Officials,
12 including its appendices;

13 (3) The latest edition of the International Building Code,
14 as published by the International Code Council;

15 (4) Hawaii design standards implementing the criteria
16 pursuant to Act 5, Special Session Laws of Hawaii,
17 2005, as applicable to:

18 (A) Emergency shelters built to comply with hurricane
19 resistant criteria, including enhanced hurricane
20 protection areas capable of withstanding a five
21 hundred year hurricane event as well as other
22 storms and natural hazards; and



- 1 (B) Essential government facilities requiring
- 2 continuity of operations; [~~and~~]
- 3 (5) Code provisions based on nationally published codes or
- 4 standards that include, but are not limited to,
- 5 residential and hurricane resistive standards for
- 6 residential construction, fire, elevator, electrical,
- 7 plumbing, mechanical, flood and tsunami, existing
- 8 buildings, and energy conservation standards for
- 9 building design and construction, and onsite sewage
- 10 disposal[-]; and
- 11 (6) The latest edition of the International Energy
- 12 Conservation Code within six months of its adoption by
- 13 the International Code Council."

14 SECTION 7. Section 107-28, Hawaii Revised Statutes, is
 15 amended to read as follows:

16 "[~~§~~]**§107-28**[~~]~~ **County building code authority to amend the**
 17 **state model building code without state approval.** (a) The
 18 governing body of each county shall amend the state building
 19 code as it applies within its respective jurisdiction, in
 20 accordance with section 46-1.5(13), without approval of the
 21 council. Each county shall use the model codes and standards
 22 listed in section 107-25, as the referenced model building codes



1 and standards for its respective county building code ordinance,
2 no later than two years after the adoption of the state building
3 code[-]; provided that each county shall use the International
4 Energy Conservation Code, as updated, no later than six months
5 after the adoption of the state building code.

6 (b) If a county does not amend the statewide model code
7 within the two-year timeframe, the state building code shall
8 become applicable as an interim county building code until the
9 county adopts the amendments[-]; provided that if a county does
10 not amend the statewide model code with regard to energy
11 efficiency within six months, the sections of the state building
12 code that include provisions of the International Energy
13 Conservation Code shall become applicable as part of the county
14 building code until the county adopts the amendments."

15 SECTION 8. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$600,000 or so much
17 thereof as may be necessary for fiscal year 2009-2010 for the
18 purposes of initiating an energy efficiency review pursuant to
19 section 196-A, Hawaii Revised Statutes.

20 The sum appropriated shall be expended by the department of
21 business, economic development, and tourism for the purposes of
22 part II of this Act.



1 PART III.

2 STATE BUILDING EFFICIENCY

3 SECTION 9. Chapter 196, Hawaii Revised Statutes, is
4 amended by adding two new sections to part II to be
5 appropriately designated and to read as follows:

6 "§196-C Existing buildings; retro-commissioning. (a) No

7 later than December 31, 2010, the department of accounting and
8 general services and the energy resources coordinator shall
9 benchmark each existing state building that has more than five
10 thousand square feet of interior floor space or that uses more
11 than eight thousand kilowatt-hours of electricity per year and
12 shall use the results to determine measures that may be
13 implemented to improve building energy efficiency. Benchmarking
14 shall be conducted using the ENERGY STAR portfolio management
15 tool or an equivalent tool, as determined by the energy
16 resources coordinator. The energy resources coordinator shall
17 provide training, as necessary, to affected agencies on the
18 ENERGY STAR portfolio management tool or an equivalent tool.

19 (b) The energy resources coordinator shall establish
20 performance targets for energy efficiency in existing state
21 buildings that are thirty per cent higher than the most recent



1 guideline established by the International Energy Conservation
2 Code for that type of building.

3 (c) No later than January 1, 2010, the energy resources
4 coordinator shall develop guidelines for the retro-commissioning
5 of state government buildings. After that date, all state
6 government buildings shall be retro-commissioned no less than
7 every five years.

8 (d) Existing state buildings that undergo a major retrofit
9 or renovation, including other existing buildings that are
10 retrofitted using public moneys to finance more than fifty per
11 cent of the total cost of the retrofit or renovation, shall
12 achieve energy efficiencies that meet or exceed the performance
13 targets established in subsection (b), provided that the cost of
14 retrofit or renovation can be recovered by the State within
15 twenty years.

16 **§196-D Reporting.** (a) No later than December 31 of each
17 year, the energy resources coordinator shall publish a report on
18 the energy efficiency of state buildings. The report may
19 include input from the counties as necessary and shall include:

- 20 (1) Energy used in state buildings by each agency;
21 (2) Steps taken to reduce energy usage; and
22 (3) Savings achieved from energy efficiency measures.



1 (b) The annual report shall establish benchmarks for
2 reducing energy use in state and county buildings."

3 SECTION 10. Section 196-21, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§196-21 Financing mechanisms.** (a) Agencies shall
6 maximize their use of available alternative financing
7 contracting mechanisms, including energy-savings contracts, when
8 life-cycle cost-effective, to reduce energy use and cost in
9 their facilities and operations. Energy-savings contracts shall
10 include:

11 (1) Energy performance contracts; provided that the terms
12 of an energy performance contract for retro-
13 commissioning or a major retrofit or renovation of a
14 state building shall require that the state building
15 meets or exceeds the performance targets established
16 pursuant to section 196-C(b);

17 (2) Municipal lease and purchase financing; and

18 (3) Utility energy-efficiency service contracts.

19 Energy-savings contracts shall provide significant opportunities
20 for making state facilities more energy efficient at no net cost
21 to taxpayers. The comptroller shall establish guidelines for
22 energy-savings contracts and shall prepare model energy-savings



1 contracts that any agency may use for purchasing and
2 contracting. The comptroller may review and exempt specific
3 projects as necessary to take into account cost effectiveness.

4 (b) Agencies that perform energy efficiency and renewable
5 energy system retrofitting may continue to receive budget
6 appropriations for energy expenditures at an amount that will
7 not fall below the pre-retrofitting energy budget but will rise
8 in proportion to any increase in the agency's overall budget for
9 the duration of the performance contract or project payment
10 term. [~~A portion~~] Fifty per cent of the moneys saved through
11 efficiency and renewable energy system retrofitting shall be set
12 aside to pay for any costs directly associated with
13 administering energy efficiency and renewable energy system
14 retrofitting programs incurred by the agency.

15 (c) Notwithstanding any law to the contrary relating to
16 the award of public contracts, any agency desiring to enter into
17 an energy performance contract shall do so in accordance with
18 guidelines established by the comptroller and the following
19 provisions:

20 (1) The agency shall issue a public request for proposals,
21 advertised in the same manner as provided in chapter
22 103D, concerning the provision of energy-efficiency



1 services or the design, installation, operation, and
2 maintenance of energy equipment. The request for
3 proposals shall contain terms and conditions relating
4 to submission of proposals, evaluation, and selection
5 of proposals, financial terms, legal responsibilities,
6 and other matters as may be required by law and as the
7 agency determines appropriate;

8 (2) Upon receiving responses to the request for proposals,
9 the agency shall select the most qualified proposal or
10 proposals and may base its determination on the basis
11 of the experience and qualifications of the proposers,
12 the technical approach, the financial arrangements,
13 the overall benefits to the agency, or other factors
14 determined by the agency to be relevant and
15 appropriate;

16 (3) The agency thereafter may negotiate and enter into an
17 energy performance contract with the person or company
18 whose proposal is selected as the most qualified based
19 on the criteria established by the agency;

20 (4) The term of any energy performance contract entered
21 into pursuant to this section shall not exceed twenty
22 years;



1 (5) Any energy performance contract may provide that the
2 agency ultimately shall receive title to the energy
3 system being financed under the contract; and

4 (6) Any energy performance contract shall provide that
5 total payments shall not exceed total savings.

6 PART IV.

7 ON-BILL FINANCING FOR ENERGY EFFICIENCY

8 SECTION 11. Act 240, Session Laws of Hawaii 2006, is
9 amended by amending section 13 to read as follows:

10 "SECTION 13. [~~Solar water heating pay~~] Pay as you save
11 program; purpose; establishment; tariff filing. (a) Solar
12 water heating systems and photovoltaic energy systems are a
13 renewable energy technology that uses solar collectors placed on
14 roofs to heat water[~~-~~] or provide electricity. These systems
15 decrease reliance on imported oil used to generate electricity
16 to heat water or provide electricity because they use less
17 energy than the electric [~~hot water heating~~] systems replaced.
18 In addition, the replacement of older, less efficient household
19 appliances with energy efficient appliances will also decrease
20 energy usage.

21 The legislature finds that the up-front cost of
22 installation is a barrier preventing many Hawaii residents from



1 installing solar water heating systems[-] or photovoltaic energy
2 systems. The legislature further finds that the cost of
3 replacing inefficient household appliances also presents a
4 significant barrier to installing more efficient appliances.
5 The legislature further finds that the renewable energy
6 technologies income tax credit and electric utility rebates have
7 not been enough of an incentive to overcome these up-front
8 costs, especially for rental housing and homes in need of
9 retrofit for these important energy-saving devices.

10 The purpose of this section is to authorize the public
11 utilities commission to implement a pilot project to be called
12 the [~~"solar water heating pay~~] "pay as you save program".

13 (b) The public utilities commission shall implement a
14 pilot project to be called the [~~"solar water heating pay~~] "pay
15 as you save program", which shall:

16 (1) Allow [a] residential and small commercial electric
17 utility [~~customer~~] customers to purchase a solar water
18 heating system[+] or a photovoltaic energy system:

19 (A) With no upfront payments; and

20 (B) By paying the cost of the system over time on the
21 customer's electricity bill[+] at an interest



1 rate to be determined by the public utilities
2 commission;

3 provided that the estimated life cycle electricity
4 savings from the solar water heating system or
5 photovoltaic energy system exceeds the cost of the
6 system;

7 (2) Provide for billing and payment of the solar water
8 heating system or photovoltaic energy system on the
9 utility bill;

10 (3) Provide for disconnection of utility service for
11 non-payment of [~~solar water heating system~~] pay as you
12 save payments; [~~and~~]

13 (4) Allow for assignment of system repayment costs
14 attached to the meter location[+];

15 (5) Allow customers to exchange a qualifying refrigerator,
16 manufactured prior to a date determined by the public
17 utilities commission, for a new ENERGY STAR
18 refrigerator; subject to qualifications established by
19 the public utilities commission; provided that
20 customers shall make no up front payment but shall be
21 allowed to pay any costs associated with the exchange
22 over time on the customer's electricity bill; and



1 (6) Allow customers who enroll in the program to receive
2 an energy audit with the cost partially paid by the
3 public benefits fee administrator, contracted pursuant
4 to section 269-122, Hawaii Revised Statutes, at a rate
5 to be determined by the public utilities commission.

6 (c) The public utilities commission shall determine the
7 time frame of the pilot program and shall gather and analyze
8 information to evaluate the pilot program~~[=]~~ and shall report
9 this information to the energy resources coordinator.

10 (d) The public benefits fee administrator shall administer
11 the pilot program and shall provide progress reports to the
12 public utilities commission eight months and fourteen months
13 after the start of the program and annually thereafter.

14 (e) The public benefits fee administrator may contract
15 with appropriately licensed or qualified persons to install
16 solar water heating systems or photovoltaic energy systems in
17 the pilot program and shall provide for the decommissioning and
18 disposal of refrigerators that are recovered from customers
19 pursuant to subsection (b) (5) in a manner that complies with all
20 applicable requirements for waste disposal.



1 (f) The public utilities commission may conduct follow up
2 evaluations of the program, including energy audits, efficiency
3 measurements, and verification.

4 [~~d~~] (g) No later than June 30, [~~2007,~~] _____, each
5 electric utility shall implement by tariff a pay as you save
6 model system program for [~~residential~~] consumers that is
7 consistent with this section. Each utility shall provide at
8 least six months prior notice of its proposed tariff to the
9 public utilities commission as prescribed in section 269-12(b),
10 Hawaii Revised Statutes. Within the prescribed notice period,
11 the public utilities commission shall review the proposed tariff
12 and after a hearing may require modifications to the proposed
13 tariff as necessary to comply with or effectuate the purposes of
14 this section.

15 [~~e~~] (h) The commission shall ensure that all reasonable
16 costs incurred by electric utilities to start up and implement
17 the pay as you save model system are recovered as part of the
18 utility's revenue requirement, including necessary billing
19 system adjustments and any costs for pay as you save model
20 system efficiency measures that are not recovered via
21 participating [~~residential~~] consumers' pay as you save model
22 system bill payments or otherwise.



1 public benefits fund administrator, that the air conditioner was
2 disposed of in an environmentally sound manner approved by the
3 administrator.

4 (c) The public benefits fee administrator may develop and
5 implement a cash financial incentive program for the replacement
6 of other qualifying household appliances, including
7 refrigerators, if analysis indicates that such a program would
8 be effective to encourage residential retail electricity
9 customers to replace older inefficient household appliances with
10 more efficient appliances.

11 (d) As used in this section, "ENERGY STAR" shall have the
12 same meaning as in section 196-11.

13 (e) The public benefits fee administrator may expend
14 moneys collected through the public benefits fee for the
15 purposes of this section, subject to the requirements of section
16 269-121.

17 (f) The public utilities commission shall adopt rules,
18 pursuant to chapter 91, for the purposes of this section."

19 PART VI.

20 NET-ZERO ENERGY BUILDINGS



1 SECTION 13. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Net zero energy building tax credit. (a) There
5 shall be allowed to each individual or corporate taxpayer who is
6 not claimed, or is not otherwise eligible to be claimed, as a
7 dependent by another taxpayer for federal or state income tax
8 purposes, a net zero energy building tax credit that shall be
9 deductible from the taxpayer's net income tax liability imposed
10 by this chapter for the taxable year in which the tax credit is
11 properly claimed.

12 For the purpose of this section:

13 "Builder" means a single- or multi-family dwelling owner or
14 commercial building owner of a new or existing building that is
15 built or renovated to provide net zero energy use.

16 "Net zero energy building" means a building that produces
17 enough energy, including electricity and gas, that is equal to
18 or greater than the energy consumed by the occupants in the
19 building.

20 (b) To qualify for the tax credit, the taxpayer builder
21 shall be:



1 (1) A builder or owner of a net zero energy building that
2 qualifies under this section for the taxable year in
3 which the tax credit is properly claimed; and

4 (2) In compliance with all applicable federal, state, and
5 county statutes, rules, and regulations.

6 (c) The tax credit for residential buildings shall be
7 equal to:

<u>Area of building (square feet)</u>	<u>Tax credit per square foot</u>
9 <u>(1) 1,000 or less</u>	<u>\$9</u>
10 <u>(2) 1,001 to 2,500</u>	<u>\$8</u>
11 <u>(3) 2,501 to 3,999</u>	<u>\$7</u>
12 <u>(4) 4,000 or larger</u>	<u>\$6</u>

13 The tax credit shall not exceed \$5,000 per residential
14 building per builder or \$2,000 per unit in a multi-residential
15 building; provided that each unit is separately metered for
16 energy purposes.

17 (d) The tax credit for a commercial building shall be \$3
18 per square foot, not to exceed \$50,000.

19 (e) If the tax credit under this section exceeds the
20 taxpayer's net income tax liability, the amount of the excess
21 tax credit may be claimed in subsequent years until exhausted;



1 provided that no refund or payment on account of the tax credit
2 allowed by this section shall be made for amounts less than \$1.

3 (f) Every claim, including amended claims, for the tax
4 credit under this section shall be filed on or before the end of
5 the twelfth month following the close of the taxable year for
6 which the tax credit may be claimed. Failure to meet the filing
7 requirements of this subsection shall constitute a waiver of the
8 right to claim the tax credit.

9 (g) The director of taxation:

10 (1) Shall prepare forms as may be necessary to claim a tax
11 credit under this section;

12 (2) May require proof of the claim for the tax credit; and

13 (3) May adopt rules pursuant to chapter 91 to effectuate
14 the purposes of this section."

15 SECTION 14. The state energy resources coordinator shall
16 submit a review of the net zero energy tax credit to the
17 legislature twenty days prior to the convening of the regular
18 session of 2015 and recommend whether to change the magnitude
19 and specifications of the tax credit.

20 SECTION 15. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so much
22 thereof as may be necessary for fiscal year 2009-2010 and the



1 same sum or so much thereof as may be necessary for fiscal year
2 2010-2011 for the purposes of this Act.

3 The sums appropriated shall be expended by the department
4 of business, economic development, and tourism for the purposes
5 of this Act.

6 PART VII.

7 CONSUMER INFORMATION

8 SECTION 16. Chapter 196, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 **"§196-E Consumer information; energy efficient properties.**

12 (a) The public utilities commission shall establish a consumer
13 information program, to be administered by the public benefits
14 fee administrator, which shall:

15 (1) Provide for the reporting of energy efficiency
16 information on a subject property to consumers at the
17 time of sale or lease of that property after a certain
18 date;

19 (2) Develop and provide information to banks, financial
20 institutions, mortgage lenders, and mortgage brokers
21 on the economics of energy efficient properties,



1 including savings over the life cycle of a property;

2 and

3 (3) Establish a database of information on energy

4 efficiency that is available to realtors online.

5 (b) A report provided to a consumer pursuant to subsection

6 (a)(1) shall also be provided to the new occupant of the

7 property and the lender on the property prior to the lease or

8 sale of the property.

9 (c) The public utilities commission shall adopt rules,

10 pursuant to chapter 91, necessary for the purposes of this

11 section."

12 PART VIII.

13 LOW INCOME HOUSEHOLD RENTER TAX CREDIT

14 SECTION 17. Section 235-55.7, Hawaii Revised Statutes, is
15 amended by amending subsection (c) to read as follows:

16 "(c) Each taxpayer with an adjusted gross income of less
17 than \$30,000 who has paid more than \$1,000 in rent during the
18 taxable year for which the credit is claimed may claim a tax
19 credit of \$50 multiplied by the number of qualified exemptions
20 to which the taxpayer is entitled; provided [~~each~~] that:

21 (1) Each taxpayer sixty-five years of age or over may
22 claim double the tax credit;



1 (2) A taxpayer with an adjusted gross income of less than
2 \$20,000 or joint taxpayers with adjusted gross incomes
3 of less than \$40,000 who secure the approval of their
4 landlord, may transfer their tax credit to their
5 landlord; provided that the transfer shall not affect
6 the ability of the landlord to claim any other tax
7 credit as a corporate taxpayer; and [~~provided that a~~]

8 (3) A resident individual who has no income or no income
9 taxable under this chapter may also claim the tax
10 credit as set forth in this section."

11 SECTION 18. The department of taxation may adopt rules
12 pursuant to chapter 91 to effectuate section 17 of this Act.

13 PART IX.

14 MISCELLANEOUS

15 SECTION 19. Sections 6 and 7 shall not apply to any
16 construction for which any applicable permits were issued prior
17 to the effective date of this Act.

18 SECTION 20. In codifying the new sections added by this
19 Act, the revisor of statutes shall substitute appropriate
20 section numbers for the letters used in designating the new
21 sections in this Act.



1 SECTION 21. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 22. This Act shall take effect on July 1, 2009;
4 provided that:

5 (1) Part VI shall apply to taxable years beginning after
6 December 31, 2009, and ending before January 1, 2016,
7 and shall be repealed on January 1, 2016; and

8 (2) Part VIII shall apply to taxable years beginning after
9 December 31, 2008.
10

INTRODUCED BY: Nunzio DeMatta

Dennis Lehman John O'Leary
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JAN 28 2009



Report Title:

Energy Efficiency

Description:

Directs the public utilities commission to establish energy efficiency portfolio standards. Directs the public benefits fee administrator to review energy use patterns and develop an energy efficiency plan. Directs the energy resources coordinator to review energy efficiency in building construction and recommend amendments to county building codes and the state building code. Requires the state building code to contain provisions of the International Energy Conservation Code and directs counties to adopt those provisions. Allows for the review of energy efficiency in existing state buildings and directs the energy resources coordinator to establish energy efficiency guidelines for retro-commissioning and retrofits. Requires existing state buildings to be retro-commissioned no less than every five years. Requires the energy resources coordinator to publish an annual energy efficiency report. Requires energy performance contracts for retro-commissioning to meet energy efficiency standards. Expands the pay as you save pilot program to include photovoltaic energy systems and refrigerator exchanges. Directs the public benefits fee administrator to develop and implement a program to encourage residential retail electricity customers to replace inefficient household appliances with ENERGY STAR appliances. Provides a net zero energy building tax credit to builders of residential or commercial buildings that produce enough energy that is equal to or greater than the energy consumed by the occupants of the building. Directs the public utilities commission to establish a consumer information program on energy efficient properties. Allows a taxpayer who claims the low-income household renter's tax credit to transfer the credit to the taxpayer's landlord.

