

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1173
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1173, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY EFFICIENCY,"

begs leave to report as follows:

The purpose of this measure is to establish energy-efficiency initiatives necessary for and contributing to the transition of Hawaii's energy sector to non-petroleum sources.

More specifically, this measure:

- (1) Establishes an energy-efficiency portfolio standard and directs the Public Utilities Commission to create all necessary parameters to implement the energy-efficiency portfolio standard;
- (2) Designates the Public Benefits Fee Administrator as responsible for achieving the energy-efficiency portfolio standards;
- (3) Directs the Public Utilities Commission to evaluate the energy-efficiency portfolio standards and to revise the standards if appropriate;
- (4) Requires each state department with responsibilities for design and construction of public buildings and facilities to benchmark existing buildings so that energy-efficiency may be evaluated;



- (5) Allows state departments to enter into energy savings performance contracts with third parties and establishes the parameters and procedures for such contracts;
- (6) Requires that existing public buildings be retro-commissioned not less than every five years, pursuant to guidelines created by the Energy Resources Coordinator;
- (7) Requires that energy consumption information be disclosed by the seller or lessor in the sale or lease of real property;
- (8) Authorizes a tax credit for each taxpayer who owns a net-zero energy building;
- (9) Directs the Public Benefits Fee Administrator to conduct energy-efficiency assessments to identify energy use patterns in the State and to identify and recommend energy-efficiency programs to target;
- (10) Directs the Public Benefits Fee Administrator to establish on-bill financing programs to encourage consumer acquisition of efficient electrical appliances and energy producing systems;
- (11) Requires the Public Benefits Fee Administrator to examine building codes and to develop and implement recommendations for increasing energy-efficiency for residential and commercial buildings; and
- (12) Revises the renewable energy technologies income tax credit to encourage use of solar energy systems and to permit a portion of the excess of the credit over payments due to be refunded to the taxpayer in certain circumstances.

Your Committee received four written comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that this measure will provide a necessary first step in aligning Hawaii's energy policy laws in order to achieve the State's energy goals.



Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2090, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

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 S.B. No. 1173, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1173, S.D. 2.

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

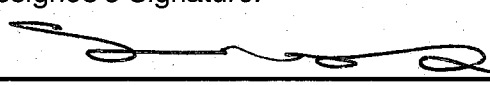


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1173 SDI	ENE/CPN, WAM	MAR 5 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<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	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.		/		
KOKUBUN, Russell S.				/
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
TOTAL	57 89	57 21	0	3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes