
A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

1 SECTION 1. The legislature recognizes the importance of
2 developing and utilizing renewable energy resources to reduce
3 dependence on imported fossil fuels and has taken steps to
4 encourage the development and use of renewable resources by
5 establishing the renewable energy technologies income tax
6 credit. However, fiscal responsibility must be exercised while
7 achieving the State's renewable energy goals. In 2011, the
8 renewable energy technologies income tax credit resulted in a
9 loss of \$40,000,000 in tax revenue.

10 The legislature believes that in addition to encouraging
11 the development and use of renewable energy technologies,
12 government should also develop and use renewable energy to power
13 its facilities. It would be more beneficial for government
14 agencies to purchase a renewable energy system, rather than to
15 enter into a power purchase agreement.

16 The purpose of this Act is to promote government's use of
17 renewable energy technologies by:



1 (1) Prohibiting government agencies from contracting with
 2 private energy providers who claim the renewable
 3 energy technologies tax credit; and

4 (2) Authorizing the issuance of general obligation bonds
 5 to purchase renewable energy systems for state
 6 facilities.

7 SECTION 2. Chapter 103, Hawaii Revised Statutes, is
 8 amended by adding a new section to part II to be appropriately
 9 designated and to read as follows:

10 "§103- Energy agreements; limitations. No department
 11 or agency of the State or any of its counties shall enter into
 12 an energy agreement or enter into a contract to install a
 13 renewable energy system with any individual or corporate
 14 taxpayer who has claimed the renewable energy technologies
 15 income tax credit under section 235-12.5."

16 SECTION 3. The director of finance is authorized to issue
 17 general obligation bonds in the sum of \$7,500,000 or so much
 18 thereof as may be necessary and the same sum or so much thereof
 19 as may be necessary is appropriated for fiscal year 2012-2013 to
 20 purchase renewable energy systems for state facilities that are
 21 operated by programs funded by general funds.



1 The sum appropriated shall be expended by the department of
2 accounting and general services for the purposes of this Act.

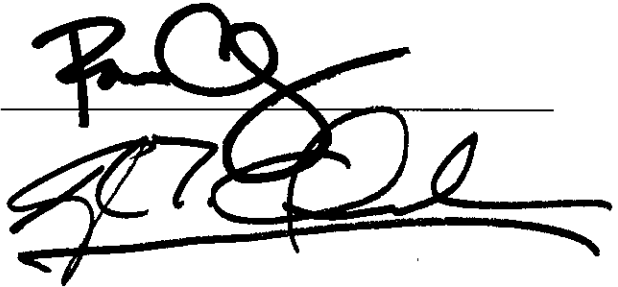
3 SECTION 4. The appropriation made for the capital
4 improvement project authorized by section 3 of this Act shall
5 not lapse at the end of the fiscal biennium for which the
6 appropriation is made; provided that all moneys from the
7 appropriation unencumbered as of June 30, 2015, shall lapse as
8 of that date.

9 SECTION 5. New statutory material is underscored.

10 SECTION 6. This Act shall take effect on July 1, 2012.

11

INTRODUCED BY: _____



JAN 19 2012



H.B. NO. 2121

Report Title:

Renewable Energy Systems; Government Contracts; GO Bonds

Description:

Prohibits state and county agencies from entering into an energy agreement or contract to install a renewable energy system with a private provider who has claimed the renewable energy technologies tax credit. Authorizes the issuance of general obligation bonds for renewable energy systems for state facilities. Effective July 1, 2012.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

