Honolulu, Hawaii

March 31

, 2014

RE: S.B. No. 2801

H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2801 entitled:

"A BILL FOR AN ACT RELATING TO CERTIFICATION OF GAS TANKLESS WATER HEATERS,"

begs leave to report as follows:

The purpose of this measure, as received by your Committee, is to permit the acceptance of a variance from the mandatory solar water heating requirement for single-family dwellings for a demand water heater device based on approval of the demand water heater by a North American certification organization, including the Canadian Standards Association International; Air-Conditioning, Heating, and Refrigeration Institute; Gas Appliance Manufacturers Association; or other similar active, recognized, independent, nonprofit organization dedicated to products standards.

For the purposes of a public hearing on this bill, your Committee circulated Proposed Draft S.B. No. 2801, H.D. 1, and notified the public that it would be accepting testimony on the proposal, which:

(1) Specifies that a demand water heater device includes both gas and non-gas tankless instantaneous water heaters;

- (2) Clarifies that the requirement for another gas appliance in the dwelling applies only to gas tankless water heaters; and
- (3) Applies the requirement for certification of demand water heater devices to both gas and non-gas tankless instantaneous water heaters.

The Hawaii Solar Energy Association testified in support of this measure as it was received by your Committee.

The Department of Business, Economic Development, and Tourism and Hawaii Solar Energy Association testified in opposition to the Proposed Draft.

Your Committee has considered the merits of both S.B. No. 2801, as received by your Committee, and the Proposed Draft, and upon careful consideration, has adopted the Proposed Draft.

Your Committee has amended the Proposed Draft by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the Department of Business, Economic Development, and Tourism testified in opposition to this measure. However, your Committee finds that the amendments added will help alleviate the high cost of housing and provide more construction jobs in the State. Your Committee further notes that although this measure includes standards that may apply to electrical heaters, energy efficient gas tankless heaters will still be the most popular consumer choice because of the reduced energy costs they provide to homeowners.

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 S.B. No. 2801, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2801, H.D. 1, and be placed on the calendar for Third Reading.

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

ANGUS L.K. McKELVEY, Chair

## State of Hawaii

House of Representatives
The Twenty-seventh Legislature HOCR 1359-14

## Record of Votes of the Committee on Consumer Protection and Commerce

Bill/Resolution No.:	Committee Referral:	Date:	2/1-11/1	•
SB 2801	UPC_		3/1//19_	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	1			
2. KAWAKAMI, Derek S.K. (VC)				
3. BELATTI, Della Au			-	***
4. BROWER, Tom				
5. CACHOLA, Romy M.		·		
6. CREAGAN, Richard				
7. EVANS, Cindy				
8. HAR, Sharon E.				
9. ITO, Ken				
10. LEE, Chris				
11. NAKASHIMA, Mark M.				
12. OSHIRO, Marcus R.				
13. TSUJI, Clift				
14. YAMANE, Ryan I.				
15. MCDERMOTT, Bob				
16. THIELEN, Cynthia				
TOTAL (16)	12_			4
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				