

#### A BILL FOR AN ACT

RELATING TO ENERGY EFFICIENCY.

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

- 1 SECTION 1. The legislature finds that the high cost of
- 2 living in Hawaii adds to the importance of adopting policies
- 3 that promote and encourage energy efficiency, which can provide
- 4 relief for families and businesses faced with high utility
- 5 bills. Without state appliance efficiency standards to protect
- 6 consumers, Hawaii residents risk losing as much as
- 7 \$1,000,000,000 in unnecessary energy waste as manufacturers
- 8 unload less efficient appliances that they cannot sell in other
- 9 states with heightened standards. Multiple states, including
- 10 California, Colorado, Connecticut, Oregon, Rhode Island,
- 11 Vermont, and Washington, have adopted state appliance efficiency
- 12 standards.
- 13 The legislature further finds that new appliance efficiency
- 14 standards have the potential to save Hawaii families and
- 15 businesses billions of dollars while conserving energy and water
- 16 resources. According to a 2017 national study from the American
- 17 Council for an Energy-Efficient Economy, Hawaii has the best



- 1 opportunity in the nation to save money through the
- 2 implementation of appliance efficiency standards. The study
- 3 found that by adopting appliance efficiency standards, Hawaii
- 4 could save up to \$1,000,000,000 in electricity costs over twenty
- 5 years, which is the equivalent of about \$215 annually for each
- 6 Hawaii household. Although many appliances, such as
- 7 refrigerators, dishwashers, and commercial air conditioners, are
- 8 regulated by national appliance efficiency standards, the study
- 9 found that states can save billions of dollars by adopting
- 10 state-level appliance efficiency standards for appliances that
- 11 are not regulated by national standards.
- 12 The legislature further finds that by adopting state
- 13 appliance efficiency standards, the State, among other positive
- 14 results, can:
- 15 (1) Provide a boost to the local economy, which occurs
- 16 when consumers and businesses spend their economic
- savings on other goods and services;
- 18 (2) Protect consumers against manufacturers who would
- otherwise unload less efficient appliances that they
- 20 cannot sell in other states with heightened standards;

1	(3)	Ensure that Hawaii residents do not miss out on	
2		potential savings while progress on standards at the	
3		national level is uncertain;	
4	(4)	Improve electric system reliability and potentially	
5		reduce the need for new energy and water	
6		infrastructures based on the resulting energy and	
7		water savings;	
8	(5)	Lower electricity bills for residents and businesses;	
9		and	
10	(6)	Reduce air pollutants and greenhouse gas emissions,	
11		which can result in public health benefits and help	
12		the State meet its clean energy and climate mitigation	
13		targets.	
14	Furt	hermore, the legislature finds that the cost of most	
15	appliances specifically listed in this Act are equal to the cost		
16	of non-compliant appliances, or available at a minimal cost		
17	premium.	•	
18	The	legislature recognizes the state of California as a	
19	leader in	establishing state-level appliance efficiency	
20	standards	that protect consumers and finds that the California	
21	appliance	efficiency standards should be used as a model for	

- 1 Hawaii's standards. For non-federally regulated appliances
- 2 without state-level appliance efficiency standards in
- 3 California, Hawaii should look to other existing standards of
- 4 efficiency specifications, such as the ENERGY STAR or the U.S.
- 5 Environmental Protection Agency's WaterSense program standards.
- 6 The purpose of this Act is to require the department of
- 7 business, economic development, and tourism to adopt state
- 8 appliance efficiency standards to protect consumers.
- 9 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
- 10 amended by adding a new part to be appropriately designated and
- 11 to read as follows:
- 12 "PART . APPLIANCE EFFICIENCY STANDARDS
- 13 §196-A Definitions. As used in this chapter:
- "Compensation" means money or any other valuable thing,
- 15 regardless of form, received or to be received by a person for
- 16 services rendered.
- 17 "Computer" means a device that performs logical operations
- 18 and processes data. A computer includes both stationary and
- 19 portable units and includes a desktop computer, a portable all-
- 20 in-one, a notebook computer, a mobile gaming system, a high
- 21 expandability computer, a small-scale server, a thin client, and

1	а	workstation.	Although	a	computer	is	capable	of	using	input

- 2 devices and displays, such devices are not required to be
- 3 included with the computer when the computer is shipped. A
- 4 computer is composed of, at a minimum:
- 5 (1) A central processing unit (CPU) to perform operations
- or, if no CPU is present, then the device must
- function as a client gateway to a server and the
- 8 server acts as a computational CPU;
- 9 (2) Ability to support user input devices such as a
- 10 keyboard, mouse, or touchpad; and
- 11 (3) An integrated display screen or the ability to support
- an external display screen to output information.
- 13 The term "computer" does not include a tablet, a game
- 14 console, a television, a small computer device, a server other
- 15 than a small-scale server, or an industrial computer.
- 16 "Computer monitor" means an analog or digital device of
- 17 diagonal screen size greater than or equal to seventeen inches
- 18 and less than or equal to sixty-one inches, that has a pixel
- 19 density of greater than five thousand pixels per square inch,
- 20 and that is designed primarily for the display of computer
- 21 generated signals for viewing by one person in a desk-based

1	environme	nt. A computer monitor is composed of a display screen
2	and assoc	iated electronics. A computer monitor does not
3	include:	
4	(1)	Displays with integrated or replaceable batteries
5		designed to support primary operation without AC mains
6		or external DC power, such as electronic readers,
7		mobile phones, tablets, or battery-powered digital
8		picture frames; or
9	(2)	A television or a signage display.
10	"Dir	ector" means the director of business, economic
11	developme	nt, and tourism.
12	"Fau	cet" means a lavatory faucet, kitchen faucet, metering
13	faucet, o	r replacement aerator for a lavatory or kitchen faucet.
14	"Hig	h color rendering index (CRI) fluorescent lamp" means a
15	fluoresce	nt lamp with a color rendering index of eighty-seven or

"Showerhead" means a device through which water is
discharged for a shower bath. Showerhead includes any
showerhead, including a handheld showerhead, except a safety
showerhead.

greater that is not a compact fluorescent lamp.

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- 1 "Spray sprinkler body" means the exterior case or shell of
- 2 a sprinkler incorporating a means of connection to the piping
- 3 system designed to convey water to a nozzle or orifice.
- 4 §196-B Purpose. The purpose of this part is to direct the
- 5 department to adopt minimum appliance efficiency standards for
- 6 certain products sold or installed in the State.
- 7 §196-C Rules. The director shall adopt rules pursuant to
- 8 chapter 91 establishing minimum efficiency standards for the
- 9 types of new products set forth in section 196-D.
- 10 §196-D Scope. (a) The director shall adopt appliance
- 11 efficiency standards for the following appliances, if standards
- 12 for these appliances are not preempted by federal law:
- (1) Computers and monitors;
- **14** (2) Faucets;
- 15 (3) High CRI fluorescent lamps;
- 16 (4) Showerheads; and
- 17 (5) Spray sprinkler bodies.
- (b) This section shall apply to the sale and offering for
- 19 sale, lease, or rent of appliances under subsection (a) in the
- 20 State.
- (c) This section shall not apply to:

1	(1)	New products manufactured in the State and sold
2		outside the State;
3	(2)	New products manufactured outside the State and sold
4		at wholesale inside the State for final retail sale
5		and installation outside the State;
6	(3)	Products installed in mobile manufactured homes at the
7		time of construction; or
8	(4)	Products designed expressly for installation and use
9		in recreational vehicles.
10	(c)	If any standard adopted by the director pursuant to
11	this chap	ter is subsequently preempted by federal law, all other
12	state app	liance efficiency standards not preempted shall remain
13	in effect	
14	§196	-E Appliance efficiency standards. (a) The rules
15	adopted b	y the director pursuant to this section shall provide
16	for the f	ollowing minimum efficiency standards:
17	(1)	Computers and computer monitors shall meet the
18		requirements set forth in California Code of
19		Regulations, Title 20, Section 1605.3, as in effect on
20		Tuly 1 2019:

1	(2)	Faucets shall meet the minimum efficiency standards
2		set forth in California Code of Regulations, Title 20,
3		Section 1605.1, as in effect on July 1, 2019;
4	(3)	High CRI fluorescent lamps shall meet the minimum
5		efficacy requirements contained in Section
6		430.32(n)(4) of Title 10 of the Code of Federal
7		Regulations as in effect on January 3, 2017, as
8		measured in accordance with Appendix R to Subpart B of
9		Part 430 of Title 10 of the Code of Federal
10		Regulations-"Uniform Test Method for Measuring Average
11		Lamp Efficacy (LE), Color Rendering Index (CRI), and
12		Correlated Color Temperature (CCT) of Electric Lamps"-
13		as in effect on January 3, 2017;
14	(4)	Showerheads shall meet the minimum efficiency
15		standards set forth in California Code of Regulations,
16		Title 20, Section 1605.1, as in effect on July 1,
17		2019; and
18	(5)	Spray sprinkler bodies that are not specifically
19		excluded from the scope of the WaterSense
20		Specification for Spray Sprinkler Bodies, Version 1.0,
21		shall include an integral pressure regulator and shall

1	meet the water efficiency and performance criteria and
2	other requirements of that specification, as in effect
3	on July 1, 2019.
4	(b) When adopting standards for appliances pursuant to
5	section 196-D(a) of this chapter, the director shall set
6	appliance efficiency standards upon a determination that
7	increased efficiency standards would serve to promote energy or
8	water conservation in the State and would be cost effective for
9	consumers who purchase and use such new products.
10	§196-F Implementation. (a) On or after January 1, 2021,
11	no new computer or computer monitor, faucet, high CRI
12	fluorescent lamp, showerhead, or spray sprinkler body may be
13	sold or offered for sale, lease, or rent in the State unless the
14	efficiency of the new product meets or exceeds the efficiency
15	standards provided in section 196-E.
16	(b) One year after the date upon which the sale or
17	offering for sale of certain products becomes subject to the
18	requirements of subsection (a), no such products may be
19	installed for compensation in the state unless the efficiency of
20	the new product meets or exceeds the efficiency standards
21	provided in section 196-E.

1 §196-G New and revised standards. The director may adopt 2 rules pursuant to chapter 91 to establish increased efficiency 3 standards for the products listed or incorporated in section 4 196-D. The department may also establish standards for products 5 not specifically listed in section 196-D. In considering such 6 new or amended standards, the director shall set efficiency 7 standards upon a determination that increased efficiency 8 standards would serve to promote energy or water conservation in 9 the State and would be cost effective for consumers who purchase 10 and use such new products; provided that no new or increased 11 efficiency standards shall become effective within one year 12 following the adoption of any amended regulations establishing 13 such increased efficiency standards. 14 §196-H Protection against repeal of federal standards. 15 If any of the energy or water conservation standards issued 16 or approved for publication by the Office of the United States **17** Secretary of Energy as of January 19, 2017, pursuant to the 18 Energy Policy and Conservation Act (Parts 430-431 of Title 10 of 19 the Code of Federal Regulations), are withdrawn, repealed, or 20 otherwise voided, the minimum energy or water efficiency level 21 permitted for products previously subject to federal energy or

- 1 water conservation standards shall be the previously applicable
- 2 federal standards, and no such new product may be sold or
- 3 offered for sale, lease, or rent in the State unless it meets or
- 4 exceeds such standards.
- 5 (b) This section shall not apply to any federal energy or
- 6 water conservation standard set aside by a court upon the
- 7 petition of a person who will be adversely affected, as provided
- 8 in Section 6306(b) of Title 42 of the United States Code.
- 9 §196-I Testing, certification, labeling, and enforcement.
- 10 (a) The manufacturers of products covered by this part shall
- 11 test samples of their products in accordance with the test
- 12 procedures adopted pursuant to this part. The director may
- 13 adopt updated test methods when new versions of test procedures
- 14 become available.
- 15 (b) Manufacturers of new products covered by section 196-D
- 16 of this part shall certify to the director that such products
- 17 are in compliance with the provisions of this part. Such
- 18 certifications shall be based on test results. The director
- 19 shall promulgate rules, pursuant to chapter 91, governing the
- 20 certification of such products and shall coordinate with the

- 1 certification programs of other states and federal agencies with
- 2 similar standards.
- 3 (c) Manufacturers of new products covered by section 196-D
- 4 of this part shall identify each product offered for sale or
- 5 installation in the State as in compliance with the provisions
- 6 of this part by means of a mark, label, or tag on the product
- 7 and packaging at the time of sale or installation. The director
- 8 shall promulgate rules, pursuant to chapter 91, governing the
- 9 identification of such products and packaging, which shall be
- 10 coordinated to the greatest practical extent with the labeling
- 11 programs of other states and federal agencies with equivalent
- 12 efficiency standards. The director shall allow the use of
- 13 existing marks, labels, or tags, which connote compliance with
- 14 the efficiency requirements of this part.
- 15 (d) The director may test products covered by section 196-
- 16 D. If products so tested are found not to be in compliance with
- 17 the minimum efficiency standards established under section 196-
- 18 E, the director shall:
- 19 (1) Charge the manufacturer of such product for the cost
- of product purchase and testing, and

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1	(2)	Make information available to the attorney general and
2		the public on products found not to be in compliance
3		with the standards.

- 4 (e) With prior notice and at reasonable and convenient
  5 hours, the director may cause periodic inspections to be made of
  6 distributors or retailers of new products covered by section
  7 196-D in order to determine compliance with the provisions of
  8 this part.
  - concerning violations of this part and shall report the results of such investigations to the attorney general. The attorney general may institute proceedings to enforce the provisions of this part. Any manufacturer, distributor, or retailer, or any person who installs a product covered by this part for compensation and who violates any provision of this part shall be issued a warning by the director for any first violation and subject to a civil penalty of up to \$100 for each offense.

    Repeat violations shall be subject to a civil penalty of not more than \$500 for each offense. Each violation shall constitute a separate offense, and each day that such violation

continues shall constitute a separate offense. Penalties

- 1 assessed under this paragraph are in addition to costs assessed
- under section 196-I(d). 2
- 3 The director may adopt such further rules, pursuant to
- chapter 91, as necessary to ensure the proper implementation and 4
- enforcement of the provisions of this part." 5
- SECTION 3. This Act does not affect rights and duties that 6
- 7 matured, penalties that were incurred, and proceedings that were
- 8 begun before its effective date.
- SECTION 4. If any provision of this Act, or the 9
- 10 application thereof to any person or circumstance, is held
- 11 invalid, the invalidity does not affect other provisions or
- applications of the Act that can be given effect without the 12
- invalid provision or application, and to this end the provisions **13**
- 14 of this Act are severable.
- 15 In codifying the new sections added by section SECTION 5.
- 2 of this Act, the revisor of statutes shall substitute 16
- appropriate section numbers for the letters used in designating **17**
- the new sections in this Act. 18
- 19 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY: Nulle E. Low Gothin Hiclan

HB HMS 2019-1062

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#### Report Title:

Department of Business, Economic Development, and Tourism; Appliance Efficiency Standards

#### Description:

Requires the Department of Business, Economic Development, and Tourism to adopt state appliance efficiency standards.

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