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# A BILL FOR AN ACT

RELATING TO ROOFTOP SOLAR INSTALLATION.

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

1           SECTION 1. The legislature finds that rooftop solar  
2 photovoltaics are an important part of Hawaii's one hundred per  
3 cent renewable energy target. Similar to the requirement of  
4 installing a solar water heater system for all new construction  
5 of single-family dwellings under section 196-6.5, Hawaii Revised  
6 Statutes, adding a rooftop solar energy generation system  
7 requirement for new, single-family homes will help Hawaii  
8 achieve its renewable energy goals. This solar installation  
9 requirement will help reduce Hawaii's dependence on nonrenewable  
10 energy sources and lead to a more sustainable future.

11           The legislature also finds that adding a solar energy  
12 generation system during the construction phase significantly  
13 reduces the system installation cost for homeowners versus  
14 adding solar photovoltaics post-construction. Additionally,  
15 solar installation during construction allows home buyers to  
16 finance systems at traditional, low mortgage rates.



1           The legislature further finds that Hawaii policymakers and  
 2 utilities have identified distributed energy resources, such as  
 3 customer-sited solar photovoltaics and battery energy storage  
 4 systems, as key technologies that enable Hawaii residents and  
 5 businesses to benefit from and contribute to the State's  
 6 transition to a resilient, affordable, and one hundred per cent  
 7 clean, electric power system. Furthermore, the federal solar  
 8 tax credit, also known as the investment tax credit, will expire  
 9 on December 31, 2021, for residential solar energy systems,  
 10 which may have the effect of de-incentivizing the installation  
 11 of rooftop solar photovoltaics.

12           The purpose of this Act is to prohibit the issuance of  
 13 building permits beginning on January 1, 2022, for new single-  
 14 family dwellings that do not include a rooftop solar energy  
 15 generation system, unless a variance is granted.

16           SECTION 2. Chapter 196, Hawaii Revised Statutes, is  
 17 amended by adding a new section to part I to be appropriately  
 18 designated and to read as follows:

19           "§196-     Rooftop solar installation required for new  
 20 single-family residential construction. (a) On or after  
 21 January 1, 2022, no building permit shall be issued for a new



1 single-family dwelling that is part of a development of twenty  
2 or more dwellings and does not include a rooftop solar energy  
3 generation system, unless the coordinator approves a variance.

4 A variance application shall only be accepted if submitted by an  
5 architect or electrical engineer licensed under chapter 464, who  
6 attests that:

7 (1) Installation is impracticable due to poor solar  
8 resource;

9 (2) Installation is cost-prohibitive based upon a life  
10 cycle cost-benefit analysis that incorporates the  
11 average residential utility bill and the cost of the  
12 new rooftop solar energy generation system with a life  
13 cycle that does not exceed twenty years; or

14 (3) A renewable energy technology system, as defined in  
15 section 235-12.5, is substituted for use as the  
16 primary energy source for electricity.

17 (b) A request for a variance shall be submitted to the  
18 coordinator on an application prescribed by the coordinator and  
19 shall include a description of the location of the property and  
20 justification for the approval of a variance using the criteria  
21 established in subsection (a). A variance shall be deemed



1 approved if not denied within sixty working days after receipt  
2 of the variance application. The coordinator shall publicize:

3 (1) All applications for a variance within seven calendar  
4 days after receipt of the variance application; and

5 (2) The disposition of all applications for a variance  
6 within seven calendar days of the determination of the  
7 variance application.

8 (c) The director of business, economic development, and  
9 tourism may adopt rules pursuant to chapter 91 to impose and  
10 collect fees to cover the costs of administering variances under  
11 this section. The fees, if any, shall be deposited into the  
12 energy security special fund established under section 201-12.8.

13 (d) Nothing in this section shall preclude any county from  
14 establishing procedures and standards required to implement this  
15 section.

16 (e) Nothing in this section shall preclude participation  
17 in any utility demand-side management program or public benefits  
18 fee program under part VII of chapter 269."

19 SECTION 3. New statutory material is underscored.

20 SECTION 4. This Act shall take effect upon its approval.



**Report Title:**

Rooftop Solar Installation; New Residential Construction Requirement

**Description:**

Prohibits the issuance of building permits beginning on January 1, 2022, for new single-family dwellings that are part of a development of twenty or more dwellings and do not include a rooftop solar energy generation system, unless a variance is granted. (SD1)

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