
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 energy efficiency is
2 the most cost-effective way to reduce carbon emissions
3 associated with electricity generation and consumption. The
4 legislature further finds that maximizing efficiency and thereby
5 reducing demand for power generation is a necessary component of
6 reaching the State's clean energy and decarbonization goals.
7 Energy used to power buildings accounts for more than fifty per
8 cent of the electricity consumed in the State, yet the State has
9 not undertaken improvements for increased efficiency in many of
10 its own facilities, forgoing millions of dollars in potential
11 savings.

12 The legislature also finds that the coronavirus disease
13 2019 (COVID-19) pandemic has devastated Hawaii's economy. With
14 one of the State's primary areas of focus being economic
15 recovery and resilience in the wake of COVID-19, the legislature
16 recognizes the importance of elevating Hawaii's growing clean
17 energy industry, which can diversify the economy, create new



1 jobs, contribute to workforce development, and help the State
2 meet critical energy goals. Likewise, with the budget deficit
3 the State is currently facing, the legislature believes it is
4 imperative for all state agencies to control their energy usage
5 and lower their utility bills. Energy efficiency is the first
6 and foremost cost-effective step in smart energy management and
7 should be prioritized by every state agency. The State should
8 also seize this opportunity to create new jobs in the energy
9 sector at a time when they are sorely needed.

10 It is also important for the State to lead by example when
11 it comes to energy efficiency. One way to do this is to
12 construct energy efficient buildings, which could maximize the
13 savings of taxpayer dollars that would otherwise be spent on
14 electric, water, and other utility bills.

15 Act 122, Session Laws of Hawaii 2019 (Act 122), states that
16 "efforts taken by universities, public schools, executive
17 departments, and other government entities have already begun to
18 save taxpayers money by reducing the government's electricity
19 costs. However, those efforts lack statewide coordination,
20 preventing economies of scale to maximize savings. While some
21 departments have made substantial progress, others have yet to



1 commence meaningful activities." Additionally, Act 122 further
2 states, regarding the Hawaii state energy office, that
3 "[t]asking a single agency to plan for energy savings measures
4 across all public facilities and assist government entities
5 already working to reduce energy costs is a necessary step to
6 maximize taxpayer savings" and "[t]he legislature's intent is to
7 establish in statute an energy agency . . . that will assist
8 both the public and private sectors in achieving the State's
9 energy goals." Consistent with this, the Hawaii state energy
10 office is working with state agencies to assess opportunities to
11 reach a target goal of a twenty-five per cent reduction by 2025,
12 from a 2005 baseline year, through the energy efficiency in
13 state building projects.

14 The purpose of this Act is to:

- 15 (1) Require state facilities, with the exception of
16 smaller facilities and facilities within the stadium
17 development district, to implement cost-effective
18 energy efficiency measures;
- 19 (2) Direct the Hawaii state energy office to collect all
20 state-owned facilities' electric utility bills and



1 energy usage data and make this data publicly
2 available;

3 (3) Direct the office of planning and sustainable
4 development to collect all state-owned facilities'
5 water utility bills and water usage data and make this
6 data publicly available;

7 (4) Establish a goal for the State to achieve at least a
8 twenty-five per cent reduction in the electricity
9 consumption of state facilities;

10 (5) Provide that certain agencies that perform energy
11 efficiency retrofitting may continue to receive budget
12 appropriations for energy expenditures; and

13 (6) Beginning July 1, 2023, require, where feasible and
14 cost-effective, the design of all new state building
15 construction to maximize energy generation, water
16 efficiency, energy efficiency, and energy generation
17 potential, and to use building materials, such as
18 post-industrial carbon dioxide mineralized concrete
19 and clumping bamboo, that reduce the carbon footprint
20 of the project.



SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding three new sections to part II to be appropriately designated and to read as follows:

"§196- Energy efficiency implementation for state facilities. (a) State facilities shall implement cost-effective energy efficiency measures or enter into performance contracts for the implementation of cost-effective energy efficiency measures as follows:

(1) Beginning on January 1, 2028, for all state facilities that have not implemented section 36-41 since 2010; and

(2) Beginning on January 1, 2030, for all other state facilities;

provided that the simple payback period shall not exceed the performance period of the contract; provided further that nothing in this subsection shall prohibit facilities from implementing energy efficiency measures sooner than indicated under paragraphs (1) or (2).

(b) State facilities having an area under ten thousand square feet and facilities within the stadium development



1 district shall be exempt from the requirements of subsection

2 (a).

3 (c) The department of accounting and general services may
4 opt out of the requirements of this subsection if a facility is
5 scheduled for demolition within five years.

6 (d) For purposes of this section:

7 "Cost-effective energy efficiency measure" means any energy
8 efficiency measure where the cost of the energy efficiency
9 measure shall be equal to or less than the estimated savings
10 over a period of twenty years or the life of the installed
11 components, whichever is less.

12 "Energy efficiency measure" means any energy services,
13 projects, and equipment, including but not limited to building
14 or facility energy conservation enhancing, demand management, or
15 demand response retrofits, which may include energy saved
16 offsite by water or other utility enhancing retrofits, to
17 improve the energy efficiency or reduce energy costs of the
18 facility.

19 "Facility" shall have the same meaning as that term is
20 defined in section 36-41(d).



1 §196- Electric utility bills and energy usage data;
2 state-owned facilities. The Hawaii state energy office shall
3 collect all electric utility bills and energy usage data for
4 state-owned facilities monthly and shall make this information
5 available in a publicly accessible format.

6 §196- Reduction of electricity consumption of state
7 facilities. It shall be the goal of the State to achieve at
8 least a twenty-five per cent reduction in electricity
9 consumption of state-owned facilities, using 2005 as the
10 baseline year."

11 SECTION 3. Section 36-41, Hawaii Revised Statutes, is
12 amended by amending subsection (a) to read as follows:

13 "(a) All agencies shall evaluate and identify for
14 implementation energy efficiency retrofitting through
15 performance contracting. Agencies that perform energy
16 efficiency retrofitting may continue to receive budget
17 appropriations for energy expenditures at an amount that [~~shall~~
18 ~~not fall below the pre-retrofitting energy budget but shall rise~~
19 ~~in proportion to any increase in the agency's overall budget for~~
20 ~~the duration of the performance contract or project payment~~
21 ~~term-]~~ accounts for any costs, including maintenance, contracts,



1 or debt service, for the implementation and management of energy
2 efficiency measures."

3 SECTION 4. Section 107-27, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§107-27 Design of state buildings. (a) No later than
6 one year after the adoption of codes or standards pursuant to
7 section 107-24(c), the design of all state building construction
8 shall be in compliance with the Hawaii state building codes,
9 except state building construction shall be allowed to be
10 exempted from:

11 (1) County codes that have not adopted the Hawaii state
12 building codes;

13 (2) Any county code amendments that are inconsistent with
14 the minimum performance objectives of the Hawaii state
15 building codes or the objectives enumerated in this
16 part; or

17 (3) Any county code amendments that are contrary to code
18 amendments adopted by another county.

19 (b) Exemptions shall include county ordinances allowing
20 the exercise of indigenous Hawaiian architecture adopted in
21 accordance with section 46-1.55.



(c) The State shall consider hurricane resistant criteria when designing and constructing new public schools for the capability of providing shelter refuge.

(d) Beginning July 1, 2023, where feasible and cost-effective, the design of all new state building construction shall:

(1) Maximize energy and water efficiency measures;

(2) Maximize energy generation potential; and

(3) Use building materials, such as post-industrial carbon dioxide mineralized concrete and clumping bamboo, which reduce the carbon footprint of the project."

SECTION 5. Section 225M-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The office of planning and sustainable development shall gather, analyze, and provide information to the governor, the legislature, and state and county agencies to assist in the overall analysis and formulation of state policies and strategies to provide central direction and cohesion in the allocation of resources and effectuation of state activities and programs and effectively address current or emerging issues and



opportunities. More specifically, the office shall engage in the following activities:

(1) State comprehensive planning and program coordination.

Formulating and articulating comprehensive statewide goals, objectives, policies, and priorities, and coordinating their implementation through the statewide planning system established in part II of chapter 226;

(2) Strategic planning. Identifying and analyzing significant issues, problems, and opportunities confronting the State, and formulating strategies and alternative courses of action in response to identified problems and opportunities by:

(A) Providing in-depth policy research, analysis, and recommendations on existing or potential areas of critical state concern;

(B) Examining and evaluating the effectiveness of state programs in implementing state policies and priorities;



1 (C) Monitoring current social, economic, and physical
2 conditions and trends through surveys,
3 environmental scanning, and other techniques; and

4 (D) Developing, in collaboration with affected public
5 or private agencies and organizations,
6 implementation plans and schedules and, where
7 appropriate, assisting in the mobilization of
8 resources to meet identified needs;

9 (3) Planning coordination and cooperation. Facilitating
10 coordinated and cooperative planning and policy
11 development and implementation activities among state
12 agencies and between the state, county, and federal
13 governments, by:

14 (A) Reviewing, assessing, and coordinating, as
15 necessary, major plans, programs, projects, and
16 regulatory activities existing or proposed by
17 state and county agencies;

18 (B) Formulating mechanisms to simplify, streamline,
19 or coordinate interagency development and
20 regulatory processes; and



1 (C) Recognizing the presence of federal defense and
2 security forces and agencies in the State as
3 important state concerns;

4 (4) Statewide planning and geographic information system.
5 Collecting, integrating, analyzing, maintaining, and
6 disseminating various forms of data and information,
7 including geospatial data and information, to further
8 effective state planning, policy analysis and
9 development, and delivery of government services by:

10 (A) Collecting, assembling, organizing, evaluating,
11 and classifying existing geospatial and
12 non-geospatial data and performing necessary
13 basic research, conversions, and integration to
14 provide a common database for governmental
15 planning and geospatial analyses by state
16 agencies;

17 (B) Planning, coordinating, and maintaining a
18 comprehensive, shared statewide planning and
19 geographic information system and associated
20 geospatial database. The office shall be the
21 lead agency responsible for coordinating the



1 maintenance of the multi-agency, statewide
2 planning and geographic information system and
3 coordinating, collecting, integrating, and
4 disseminating geospatial data sets that are used
5 to support a variety of state agency applications
6 and other spatial data analyses to enhance
7 decision-making. The office shall promote and
8 encourage free and open data sharing among and
9 between all government agencies. To ensure the
10 maintenance of a comprehensive, accurate,
11 up-to-date geospatial data resource that can be
12 drawn upon for decision-making related to
13 essential public policy issues such as land use
14 planning, resource management, homeland security,
15 and the overall health, safety, and well-being of
16 Hawaii's citizens, and to avoid redundant data
17 development efforts, state agencies shall provide
18 to the shared system either their respective
19 geospatial databases or, at a minimum, especially
20 in cases of secure or confidential data sets that
21 cannot be shared or must be restricted, metadata



1 describing existing geospatial data. In cases
2 where agencies provide restricted data, the
3 office of planning and sustainable development
4 shall ensure the security of that data; ~~and~~

5 (C) Maintaining a centralized depository of state and
6 national planning references; and

7 (D) Collecting all water utility bills and water
8 usage data for state-owned facilities monthly and
9 making this information available in a publicly
10 accessible format;

11 (5) Land use planning. Developing and presenting the
12 position of the State in all boundary change petitions
13 and proceedings before the land use commission, and
14 assisting state agencies in the development and
15 submittal of petitions for land use district boundary
16 amendments, and conducting reviews of the
17 classification and districting of all lands in the
18 State, as specified in chapter 205;

19 (6) Coastal and ocean policy management, and sea level
20 rise adaptation coordination. Carrying out the lead
21 agency responsibilities for the Hawaii coastal zone



management program, as specified in chapter 205A.

Also:

(A) Developing and maintaining an ocean and coastal resources information, planning, and management system;

(B) Further developing and coordinating implementation of the ocean resources management plan;

(C) Formulating ocean policies with respect to the exclusive economic zone, coral reefs, and national marine sanctuaries; and

(D) Coordinating sea level rise adaptation with state agencies having operational responsibilities over state facilities to identify existing and planned facilities, including critical infrastructure, that are vulnerable to sea level rise, flooding impacts, and natural hazards;

(7) Regional planning and studies. Conducting plans and studies to determine:



- 1 (A) The capability of various regions within the
2 State to support projected increases in both
3 resident populations and visitors;
- 4 (B) The potential physical, social, economic, and
5 environmental impact on these regions resulting
6 from increases in both resident populations and
7 visitors;
- 8 (C) The maximum annual visitor carrying capacity for
9 the State by region, county, and island; and
- 10 (D) The appropriate guidance and management of
11 selected regions and areas of statewide critical
12 concern.

13 The studies in subparagraphs (A) to (C) shall be
14 conducted at appropriate intervals, but not less than
15 once every five years;

- 16 (8) Regional, national, and international planning.
17 Participating in and ensuring that state plans,
18 policies, and objectives are consistent, to the extent
19 practicable, with regional, national, and
20 international planning efforts;



1 (9) Climate adaptation and sustainability planning and
2 coordination. Conducting plans and studies and
3 preparing reports as follows:

4 (A) Develop, monitor, and evaluate strategic climate
5 adaptation plans and actionable policy
6 recommendations for the State and counties
7 addressing expected statewide climate change
8 impacts identified under chapter 225P and
9 sections 226-108 and 226-109; and

10 (B) Provide planning and policy guidance and
11 assistance to state and county agencies regarding
12 climate change and sustainability;

13 (10) Smart growth and transit-oriented development. Acting
14 as the lead agency to coordinate and advance smart
15 growth and transit-oriented development planning
16 within the State as follows:

17 (A) Identify transit-oriented development
18 opportunities shared between state and county
19 agencies, including relevant initiatives such as
20 the department of health's healthy Hawaii



1 initiative and the Hawaii clean energy

2 initiative;

3 (B) Refine the definition of "transit-oriented
4 development" in the context of Hawaii, while
5 recognizing the potential for smart growth
6 development patterns in all locations;

7 (C) Clarify state goals for transit-oriented
8 development and smart growth that support the
9 principles of the Hawaii State Planning Act by
10 preserving non-urbanized land, improving worker
11 access to jobs, and reducing fuel consumption;

12 (D) Target transit-oriented development areas for
13 significant increase in affordable housing and
14 rental units;

15 (E) Conduct outreach to state agencies to help
16 educate state employees about the ways they can
17 support and benefit from transit-oriented
18 development and the State's smart growth goals;

19 (F) Publicize coordinated state efforts that support
20 smart growth, walkable neighborhoods, and
21 transit-oriented development;



1 (G) Review state land use decision-making processes
2 to identify ways to make transit-oriented
3 development a higher priority and facilitate
4 better and more proactive leadership in creating
5 walkable communities and employment districts,
6 even if transit will only be provided at a later
7 date; and

8 (H) Approve all state agencies' development plans for
9 parcels along the rail transit corridor. For the
10 purposes of this subparagraph, "development
11 plans" means conceptual land use plans that
12 identify the location and planned uses within a
13 defined area; and

14 (11) Environmental review. Performing duties set forth
15 under chapter 343, serving the governor in an advisory
16 capacity on all matters relating to environmental
17 review, and having such powers delegated by the
18 governor as are necessary to coordinate and, when
19 requested by the governor, direct all state
20 governmental agencies in matters concerning
21 environmental quality control, including:



1 (A) Advising and assisting private industries,
2 government department and agencies, and other
3 persons on the requirements of chapter 343; and
4 (B) Conducting public education programs on
5 environmental quality control;
6 provided that the office shall adopt rules in
7 accordance with chapter 91 to implement this
8 paragraph."

9 SECTION 6. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so
11 much thereof as may be necessary for fiscal year 2022-2023 to
12 fund full-time equivalent (.0 FTE) positions at the
13 office of planning and sustainable development to collect and
14 make available all water utility bills and water usage data for
15 state-owned facilities monthly pursuant to section 5 of this
16 Act.

17 The sum appropriated shall be expended by the office of
18 planning and sustainable development for the purposes of section
19 5 of this Act.



1 SECTION 7. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 8. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 9. This Act shall take effect upon its approval.



Report Title:

Energy Efficiency; State Facilities; Building Design; Energy Cost and Usage Report; Hawaii State Energy Office; Office of Planning and Sustainable Development; Appropriation

Description:

Requires and establishes deadlines for state facilities, except smaller facilities and facilities within the stadium development district, to implement cost-effective energy efficiency measures. Allows the Department of Accounting and General Services to opt out of the cost-effective energy efficiency measures if a facility will be demolished within five years. Directs the Hawaii State Energy Office to collect electric utility bills and energy usage data for state-owned buildings and to make the data publicly available. Directs the Office of Planning and Sustainable Development to collect water utility bills and water usage data for state-owned buildings and to make the data publicly available. Establishes a goal for the State to achieve at least a twenty-five per cent reduction in the electricity consumption of state facilities. Provides that certain agencies that perform energy efficiency retrofitting may continue to receive appropriations for energy expenditures. Beginning 7/1/2023, requires, where feasible and cost-effective, the design of all new state building construction to maximize energy and water efficiency, maximize energy generation potential, and use building materials that reduce the carbon footprint of the project. Appropriates funds. (SD1)

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