

STAND. COM. REP. NO.

2164

Honolulu, Hawaii

FEB 07 2024

RE: S.B. No. 2539

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Government Operations, to which was referred S.B. No. 2539 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require government entities in the State that issue building permits to implement SolarAPP+ or a functionally equivalent online automated permitting platform that verifies code compliance and issues permits to licensed contractors for solar distributed energy resource systems in real-time by January 1, 2025; and
- (2) Require government entities in the State that issue building permits in areas served by an investor-owned electric utility to adopt a self-certification process for solar distributed energy resource systems that are not SolarAPP+ compatible.

Your Committees received testimony in support of this measure from the Hawaii State Energy Office, Hawaii Green Infrastructure Authority, Ulupono Initiative, Hawaii Solar Energy Association, Hawaii Food Industry Association, Sunnova Energy International,



Greenpeace Hawaii, Tesla, 350Hawaii, Sierra Club of Hawai'i, Discover Energy Systems, Sunrun, Meyer Burgers America, SunPower Corporation, Blue Planet Foundation, Kauai Climate Action Coalition, Photonworks Engineering LLP, Sol-Ark, Inception Financial LLC, Canadian Solar, Sun King Inc., Pacific Resource Partnership, The Solaray Corporation dba Inter-Island Solar Supply, PV Tech, and twenty individuals.

Your Committees received comments on this measure from the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects; and Associated Builders and Contractors, Hawaii Chapter.

Your Committees find that to progress towards the State's goal of a one hundred percent renewable portfolio standard by 2045, and to also encourage the timely build-out of a diverse, resilient, and reliable portfolio of low-cost renewable energy generation and storage assets, the State must lower administrative barriers that constrain deployment of residential and commercial-scale distributed energy resources. This measure addresses delays in the permitting process for solar distributed energy resource systems, saving ratepayers and contractors time and money while enabling faster reduction of carbon emissions.

Your Committees have heard the concerns raised in testimony regarding this measure's provisions that allow tying the issuance of building permits to labor standards, and whether these additional burdens help the State meet its renewable energy goals. Your Committees find that this issue merits further consideration and requests that subsequent Committees to which this measure is referred further examine this issue as this measure advances through the legislative process.

Your Committees have amended this measure by:

- (1) Inserting an effective date of January 1, 2060, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and



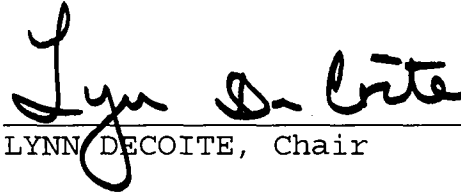
Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2539, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2539, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy, Economic Development, and Tourism and Government Operations,



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ANGUS L.K. MCKELVEY, Chair



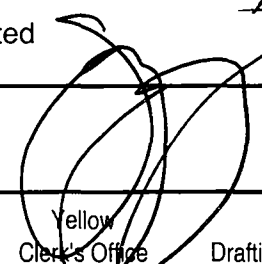
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LYNN DECOITE, Chair



The Senate  
Thirty-Second Legislature  
State of Hawai'i

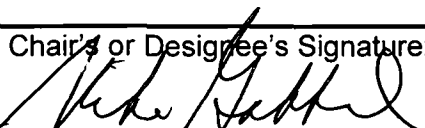
**Record of Votes**  
**Committee on Energy, Economic Development, and Tourism**  
**EET**

Bill / Resolution No.:*	Committee Referral:	Date:		
<b>S'B 2539</b>	<b>EET/GVO, CPN/WAM</b>	<b>2-1-24</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>
Recommendation:				
<input checked="" type="checkbox"/> Adopted				
<input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes

The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Government Operations**  
**GVO**

Bill / Resolution No.:* <b>SB 2539</b>	Committee Referral: <b>EET/GVO, CAP/WAM</b>	Date: <b>2/1/24</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
SAN BUENAVENTURA, Joy A.	✓			
WAKAI, Glenn	✓			
AWA, Brenton	✓			
<b>TOTAL</b>	<b>5</b>	<b>—</b>	<b>—</b>	<b>—</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:                     Original                     Yellow                     Pink                     Goldenrod File with Committee Report                     Clerk's Office                     Drafting Agency                     Committee File Copy				

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