

STAND. COM. REP. NO.

2675

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 2677  
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. 2677 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the entity responsible for approving a variance for the installation of solar water heater systems from the Chief Energy Officer to the appropriate county planning department; and
- (2) Require the fees collected by each county planning department to be deposited into the appropriate county planning department operating fund.

Your Committees received testimony in support of this measure from the Hawaii State Energy Office and County of Hawai'i Planning Department.

Your Committees received testimony in opposition to this measure from the Maui County Office of the Mayor and Blue Planet Foundation.



Your Committees received comments on this measure from Hawai'i Gas.

Your Committees find that county planning departments possess an in-depth understanding of the unique environmental, economic, and infrastructural characteristics that define their respective regions. Your Committees further find that transferring solar water heater variance decision-making to the counties capitalizes on the localized expertise present in each jurisdiction. This measure enables the counties to stay at the forefront of developments and update policies to reflect the latest technological, economic, and environmental considerations.

Your Committees have amended this measure by:

- (1) Replacing references to "county planning department" with "county authority having jurisdiction over building permits";
- (2) Inserting language to authorize a homeowner, or homebuilder on behalf of a future homeowner, to attest for or submit a variance application;
- (3) Clarifying that a demand water heater device approved by a nationally recognized testing laboratory, rather than Underwriters Laboratories, Inc., is eligible for a variance;
- (4) Inserting language that expands qualified attestations for a variance application;
- (5) Inserting language to require solar water heater variance requests to be submitted concurrently with the building permit application; provided that if the building permit application indicates the installation of a solar water heater, and a different water heating technology is installed after the building permit is issued, any solar water heater variance request submitted before or after the completion of the new single-family dwelling's construction shall be automatically denied;

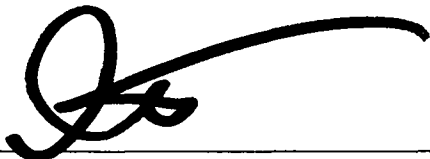


- (6) Inserting an effective date of January 1, 2060, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

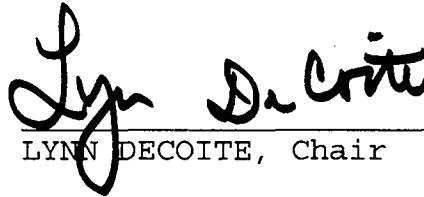
Your Committees note the County of Hawaii's testimony proposing additional amendments to include into this measure and request that these concerns be considered further by subsequent committees who may choose to deliberate on this measure.

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. 2677, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2677, S.D. 1, and be referred to your Committee on Ways and Means.

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



ANGUS L.K. MCKELVEY, Chair



LYNN DECOITE, Chair





