

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3235
S.D. 1

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

Sir:

Your Committee on Energy, Economic Development, and Tourism,
to which was referred S.B. No. 3235 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Solar Hui Program to allow multi-family residential property owners to invest into a Solar Hui Investment Fund to provide loans to low- and moderate-income households to install solar energy systems; and
- (2) Make an appropriation for the establishment of one-full time equivalent (1.0 FTE) Solar Hui Program Fund Manager position.

Your Committee received testimony in support of this measure from the Hawaii Green Infrastructure Authority, Greenpeace Hawaii, Hawaii Bankers Association, Climate Protectors Hawaii, Blue Planet Foundation, 350 Hawaii.org, Kauai Climate Action Coalition, Hawai'i Association of REALTORS, Green Party of Hawai'i, Hawaii Credit Union League, and seven individuals.

Your Committee received comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and



Consumer Affairs, Public Utilities Commission, and Department of Budget and Finance.

Your Committee finds that condominium units represent almost one-third of the State's housing stock. Your Committee further finds that this measure will complement the Hawaii Green Infrastructure Authority's equitable energy goals by providing a venue for multi-family residential property owners to accelerate clean energy adoption by investing in a fund to lower the energy burden for low- and moderate-income households by installing solar+ storage systems through energy services agreements.

Your Committee has amended this measure by:

- (1) Inserting a definition for "energy services agreement";
- (2) Adding "energy project" to the definition of "solar energy system";
- (3) Changing the financing vehicle of loans to energy services agreements;
- (4) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (5) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

Your Committee notes that this measure contains an appropriation for an unspecified amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider an appropriate amount to be inserted into in this measure.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3235, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3235, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Energy, Economic
Development, and Tourism,



LYNN DECOITE, Chair



