

ACT 40

H.B. NO. 2685

A Bill for an Act Relating to Energy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 196, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

“PART . SOLAR HUI PROGRAM

§196-A Definitions. As used in this part, unless the context otherwise requires:

“Authority” means the Hawaii green infrastructure authority as established under section 196-63.

“Energy services agreement” means the Green Energy Money Saver Energy Services Participant Agreement, which is similar to a solar lease or solar power purchase agreement.

“Low- and moderate-income household” means a household with income equal to or less than one hundred forty per cent of the area median income as determined by the United States Department of Housing and Urban Development.

“Solar energy system” or “energy project” means any identifiable facility, equipment, apparatus, or the like, which may include an energy storage system, that converts solar energy to useful thermal or electrical energy for heating, cooling, or reducing the use of other types of energy that are dependent on fossil fuel for their generation.

§196-B Solar hui program; fund manager. (a) There is established the solar hui program to be administered by the authority. The solar hui program shall provide a multi-family residential property owner the opportunity to invest in the solar hui investment fund established pursuant to section 196-C. Multi-family residential property owners who invest in the solar hui investment fund under the solar hui program may be eligible to receive:

- (1) Any tax credit associated with the installation of a solar energy system, subject to the requirements of the tax credit; and
- (2) Any income derived from:
 - (A) Repayment of an energy services agreement with the low- and moderate-income household ratepayer provided by the solar hui investment fund; or
 - (B) Generation of energy from an energy project entered into by the fund manager.

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(b) There is established within the authority the position of the solar hui program fund manager, which shall be a full-time equivalent position exempt from chapter 76. The solar hui program fund manager shall:

- (1) Manage the solar hui investment fund established pursuant to section 196-C;
- (2) Market the solar hui program to multi-family residential property owners; and
- (3) Select solar contractors for energy projects.

(c) The authority shall adopt rules pursuant to chapter 91 to carry out the purposes of this part.

§196-C Solar hui investment fund. (a) There is established the solar hui investment fund into which shall be deposited the following:

- (1) Appropriations by the legislature;
- (2) Investments received from multi-family residential property owners;
- (3) All other money received for the fund from any other source; and
- (4) All income and interest earned or accrued on moneys deposited into the fund.

(b) The solar hui investment fund may be used to:

- (1) Enter into energy services agreements with low- and moderate-income households to install a solar energy system;
- (2) Invest in energy projects;
- (3) Pay administrative costs of the solar hui program; or
- (4) Pay any other costs related to the solar hui program.”

SECTION 2. There is appropriated out of the Hawaii green infrastructure special fund the sum of \$203,750 or so much thereof as may be necessary for fiscal year 2024-2025 for the implementation of the solar hui program, including one full-time equivalent (1.0 FTE) solar hui program fund manager position.

The sum appropriated shall be expended by the Hawaii green infrastructure authority for the purposes of this Act.

SECTION 3. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 4. This Act shall take effect on July 1, 2024.

(Approved May 30, 2024.)