STAND. COM. REP. NO. 2517

Honolulu, Hawaii FFB 2 6 2010

RE: S.B. No. 2817 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2817, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SOLAR ENERGY DEVICES,"

begs leave to report as follows:

The purpose of this measure is to clarify that the rules adopted by a private association of homeowners regarding the placement of solar energy devices may not impose conditions or restrictions that render the device more than twenty-five per cent less efficient, increase the cost of installation, maintenance, or removal of the device by more than fifteen per cent, or require an encumbrance on title.

This measure also extends to December 31, 2010, the deadline for private entities, such as homeowners associations, to adopt rules providing for the placement of such solar energy devices.

Your Committee received testimony in support of this measure from the Hawaii Solar Energy Association and the Hawai'i Chapter of the Sierra Club. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that section 196-7, Hawaii Revised Statutes, requires every private entity to adopt rules to facilitate the placement of solar energy devices on single-family residences and townhouse units. Section 196-7 specifies that these rules shall not unduly or unreasonably restrict that placement so as to render the device more than 25 per cent less



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efficient or to increase the cost of the device by more than 15 per cent. However, your Committee understands that since passage of that law, there have been an increasing number of complaints by Hawaii families that are being prevented from installing solar energy systems due to rules promulgated by entities such as homeowners associations.

Your Committee finds that this measure provides needed clarification of the limits of homeowners associations' powers to promulgate rules that restrict a homeowner's ability to site solar energy devices. Your Committee further finds that by removing obstacles to the installation of solar energy devices, this measure promotes use of Hawaii's renewable energy resources and the State's energy security.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2817, S.D. 1, and recommends that it pass Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN H. BAKER, Chai



## The Senate Twenty-Fifth Legislature State of Hawaii

## Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* SB 2817 SDI	Committee Referral: ENE, CPN			Date: 2/24/2010	
The committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
BAKER, Rosalyn H. (C)					
IGE, David Y. (VC)					
ESPERO, Will					
GREEN, M.D., Josh		$\checkmark$			
IHARA, Jr., Les					
SAKAMOTO, Norman		$\checkmark$			
HEMMINGS, Fred					$\checkmark$
TOTAL		5	0	0	2
Recommendation:					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy					
*Only <u>one</u> measure per Record of Votes					