STAND. COM. REP. NO. 617

Honolulu, Hawaii

MAR 0 6 2009

S.B. No. 555 RE: S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 555, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to direct the Department of Business, Economic Development, and Tourism to develop rules for the energy efficiency of new appliances sold or offered for sale in Hawaii.

Your Committee received testimony in support of this measure from the Sierra Club Hawai'i Chapter and Blue Planet Foundation. Testimony in opposition to this measure was received from the Department of Business and Economic Development. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that California, a leader in national energy policy, has realized substantial savings in terms of dollars and energy use since implementing strict appliance energy efficiency standards. Your Committee further finds that Hawaii would realize similar benefits from similar standards. Your Committee notes that membership in the existing national collaborative organizations, the Multi-State Compliance Standards Collaborative and The Appliance Standards Awareness Project, will assist the State in adopting energy efficiency standards by providing resources, standard-setting guidelines, and model legislation.



Your Committee finds that this measure requires the Department of Business, Economic Development, and Tourism to expend resources that are not currently available to it. Further, your Committee finds that, pursuant to Act 162, Session Laws of Hawaii 2006, the Public Utilities Commission has already established a Public Benefits Fund and appointed a fund administrator to carry out functions substantially similar to those contained in this measure, including the establishment of appliance efficiency standards. Your Committee finds that the State's interest in government efficiency is served by allowing the Public Benefits Fund Administrator to carry out its existing function. Your Committee notes that the Department of Business, Economic Development, and Tourism nevertheless has a separate administrative role in ensuring that products sold in the State comply with standards established by the Public Benefits Fund Administrator.

Your Committee has amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism to investigate the advantages and disadvantages of joining the Multi-State Appliance Standard Collaborative, the Appliance Standards Awareness Project, or both, for the purpose of gathering information and receiving assistance with implementing the provisions of this measure;
- (2) Requiring the Department of Business, Economic Development, and Tourism to report the results of its investigation and the status of its collaborative outreach efforts to the Legislature no later than twenty days prior to the convening of the 2011 Regular Session;
- (3) Delaying the date by which the Department of Business, Economic Development, and Tourism is required to enact administrative rules to implement this measure to January 1, 2013 in order to allow the Public Benefits Fund Administrator to develop a full program for consumer efficiency that includes appliance initiative and programs;
- (4) Delaying the date after which the sale or offer for sale of noncompliant appliances is prohibited to January 1, 2015;

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- (5) Delaying the effective date of this measure to encourage further discussion; and
- (6) Making technical, nonsubstantive changes for the purpose of clarity and accuracy.

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. 555, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 555, S.D. 2.

> 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.:*	Committee Referral: ENE, CPN			Date: 2/27/2009	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
BAKER, Rosalyn H. (C)		S			
IGE, David Y. (VC)					
ESPERO, Will				Ref. a trat	
GREEN, M.D., Josh					\checkmark
IHARA, Jr., Les			Sandar State and State		
SAKAMOTO, Norman					
HEMMINGS, Fred		<u> </u>			
		X8			
TOTAL	er synningen af son	4			3
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