

JAN 24 2018

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# A BILL FOR AN ACT

RELATING TO ENERGY AT THE UNIVERSITY OF HAWAII.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1.   Section 304A-2181, Hawaii Revised Statutes, is  
2 amended to read as follows:

3       "~~§~~304A-2181   University of Hawaii green special fund.   (a)  
4 There is established the University of Hawaii green special  
5 fund, into which may be deposited:

6       (1)   Savings realized by the university from energy  
7            conservation measures;

8       (2)   Appropriations made by the legislature;

9       ~~[(2)]~~ (3)   Investment earnings, gifts, donations, or other  
10           income received by the University of Hawaii;

11       ~~[(3)]~~ (4)   Any rebates, grants, or incentives associated  
12           with energy conservation measures;

13       ~~[(4)]~~ (5)   Capital appropriations for energy conservation  
14           measures;

15       ~~[(5)]~~ (6)   Until June 30, 2020, funds from any special or  
16           revolving fund established to fund energy conservation  
17           measures projects at the University of Hawaii; and

1        [~~(6)~~] (7)    Proceeds from University of Hawaii revenue

2                bonds.

3                (b)    Moneys in the University of Hawaii green special fund  
4    shall be used to support energy efficiency, renewable energy,  
5    and sustainability projects and services including personnel,  
6    equipment costs, project costs, and other expenses, as well as  
7    planning, design, and implementation of energy efficiency,  
8    energy conservation, renewable energy, and sustainability  
9    projects for the benefit of the university[~~; provided that any~~  
10 ~~expenditure equal to or greater than \$167,000 shall require the~~  
11 ~~approval of the legislature~~].

12                (c)    The chief financial officer of the University of  
13 Hawaii shall manage the University of Hawaii green special fund  
14 and shall have the authority to garner, collect, expend, and  
15 transfer monetary savings realized from [~~campus~~] university  
16 energy efficiency, renewable energy, sustainability, and energy  
17 conservation [~~measures~~] projects. All expenditures from this  
18 fund shall be subject to legislative appropriation.

19                (d)    The [~~University of Hawaii~~] university may also  
20 transfer other funds into the University of Hawaii green special  
21 fund to offset the costs and expenses associated with university  
22 energy efficiency, renewable energy, sustainability, and energy  
23 conservation initiatives [~~at the University of Hawaii~~].

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1 (e) The [~~University of Hawaii~~] university shall submit a  
2 report to the legislature on the moneys deposited into the  
3 University of Hawaii green special fund, including:

4 (1) An explanation of how savings were calculated;

5 (2) A review of all the revenues deposited;

6 (3) A review of the rebates, grants, or incentives  
7 received; and

8 (4) A review of any other funds that may have been  
9 transferred,

10 no later than twenty days prior to the convening of each regular  
11 session."

12 SECTION 2. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect upon its approval.

15  
16 INTRODUCED BY: 

17 BY REQUEST

# S.B. NO. 2832

**Report Title:**

University of Hawaii; Special Fund

**Description:**

Allow funds appropriated by the Legislature to be deposited into the University of Hawaii Green Special Fund and clarify the authority to expend funds and the scope of projects that can be funded.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: University of Hawaii

TITLE: A BILL FOR AN ACT RELATING TO ENERGY AT THE UNIVERSITY OF HAWAII.

PURPOSE: Allow funds appropriated by the Legislature to be deposited into the University of Hawaii Green Special Fund and clarify the authority to expend funds and the scope of the projects that can be funded.

MEANS: Amend section 304A-2181, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Green Revolving Funds (GRFs) are a best practice used by many leading colleges and universities dedicated to addressing sustainable facilities, operations, and behaviors.

These funds are typically managed by the university to fund energy efficiency, renewable energy, sustainability, and energy conservation projects which reduce energy use, and repay the GRFs within a specified time period through operational cost savings realized by the energy efficiency, renewable energy, sustainability, and energy conservation projects.

Act 186, Session Laws of Hawaii 2017, added to chapter 304A, HRS, a new section later codified as section 304A-2181, that created the University of Hawaii Green Special Fund to collect and expend moneys generated by energy savings from energy efficiency, renewable energy, and sustainability projects on additional energy efficiency, renewable energy, and sustainability projects. Act 186 and the University of Hawaii Green Special Fund are anticipated to help move the University of Hawaii closer to

achieving its net-zero energy mandate (Act 99, Session Laws of Hawaii 2015).

The following modifications would enable the University to more efficiently administer and manage the University of Hawaii Green Special Fund:

- (1) Expressly permit the deposit of legislatively appropriated funds into the University of Hawaii Green Special Fund.
- (2) Expressly authorize the University's chief financial officer to collect moneys for and expend and transfer moneys from the University of Hawaii Green Special Fund.
- (3) Clarify that the scope of the projects eligible for funding from the University of Hawaii Green Special Fund includes energy efficiency, energy conservation, renewable energy, and sustainability projects.

Impact on the public: The public is expected to benefit as an additional source of funding can be deposited into the fund, thereby making more funding available to complete additional energy conservation projects, which in turn is anticipated to: (1) reduce the University's dependence on imported fossil fuel and (2) decrease the University's utility and operating costs.

Impact on the department and other agencies: The University would be able to more efficiently administer and manage the University of Hawaii Green Special Fund.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: UOH-100, UOH-210, UOH-700, UOH-800, UOH-900.

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OTHER AFFECTED  
AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.