SECTION 1.

1

A BILL FOR AN ACT

The legislature finds that rooftop solar

RELATING TO ROOFTOP SOLAR INSTALLATION.

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

2	photovoltaics are an important part of Hawaii's one hundred per
3	cent renewable energy target. Similar to the requirement of
4	installing a solar water heater system for all new construction
5	of single-family dwellings under section 196-6.5, Hawaii Revised
6	Statutes, adding a rooftop solar energy generation system
7	requirement for new, single-family homes will help Hawaii

- 8 achieve its renewable energy goals. This solar installation
 9 requirement will help reduce Hawaii's dependence on nonrenewable
- 10 energy sources and lead to a more sustainable future.
- The legislature also finds that adding a solar energy
 generation system during the construction phase significantly
 reduces the system installation cost for homeowners versus
 adding solar photovoltaics post-construction. Additionally,
 solar installation during construction allows home buyers to
- 16 finance systems at traditional, low mortgage rates.

1	The legislature further finds that Hawaii policymakers and
2	utilities have identified distributed energy resources, such as
3	customer-sited solar photovoltaics and battery energy storage
4	systems, as key technologies that enable Hawaii residents and
5	businesses to benefit from and contribute to the State's
6	transition to a resilient, affordable, and one hundred per cent
7	clean, electric power system. Furthermore, the federal solar
8	tax credit, also known as the investment tax credit, will expire
9	on December 31, 2021, for residential solar energy systems,
10	which may have the effect of de-incentivizing the installation
11	of rooftop solar photovoltaics.
12	The purpose of this Act is to prohibit the issuance of
13	building permits beginning on January 1, 2022, for new single-
14	family dwellings that are part of a development of twenty or
15	more dwellings and do not include a rooftop solar energy
16	generation system, unless exempt or a variance is granted.
17	SECTION 2. Chapter 196, Hawaii Revised Statutes, is
18	amended by adding a new section to part I to be appropriately
19	designated and to read as follows:
20	"§196- Rooftop solar installation required for new
21	single-family residential construction. (a) On or after

1	January 1	, 2022, no building permit shall be issued for a new			
2	single-far	mily dwelling that is part of a development of twenty			
3	or more d	wellings and does not include a rooftop solar energy			
4	generation system, except as provided in subsection (f) or				
5	unless the chief energy officer of the Hawaii state energy				
6	office app	proves a variance. A variance application shall only			
7	be accept	ed if submitted by an architect or electrical engineer			
8	licensed	under chapter 464, who attests that:			
9	(1)	Installation is impracticable due to poor solar			
10		resource;			
11	(2)	Installation is cost-prohibitive based upon a life			
12		cycle cost-benefit analysis that incorporates the			
13		average residential utility bill and the cost of the			
14		new rooftop solar energy generation system with a life			
15		cycle that does not exceed twenty years; or			
16	(3)	A rooftop photovoltaic energy generating system is			
17		substituted for use as the primary energy source for			
18		electricity.			
19	<u>(b)</u>	A request for a variance shall be submitted to the			
20	<u>Hawaii</u> st	ate energy office on an application prescribed by the			

chief energy officer and shall include a description of the

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1	location	of the property and justification for the approval of a
2	variance	using the criteria established in subsection (a). A
3	variance	shall be deemed approved if not denied within sixty
4	working d	ays after receipt of the variance application. The
5	chief ene	rgy officer of the Hawaii state energy office shall
6	publicize	<u>::</u>
7	(1)	All applications for a variance within seven calendar
8		days after receipt of the variance application; and
9	(2)	The disposition of all applications for a variance
10		within seven calendar days of the determination of the
11		variance application.
12	(c)	The director of business, economic development, and
13	tourism m	may adopt rules pursuant to chapter 91 to impose and
14	collect f	ees to cover the costs of administering variances under
15	this sect	ion. The fees, if any, shall be deposited into the
16	energy se	ecurity special fund established under section 201-12.8.
17	<u>(d)</u>	Nothing in this section shall preclude any county from
18	establish	ning procedures and standards required to implement this
19	section.	

- 5 dwelling that is part of a development of twenty or more
- 6 dwellings and is affordable to a household having an income of
- 7 one hundred per cent or less of the area median income as
- 8 determined by the United States Department of Housing and Urban
- 9 Development.
- 10 (g) For the purposes of this section, "rooftop
- 11 photovoltaic energy generating system" means any identifiable
- 12 facility, equipment, apparatus, or the like, that utilizes
- 13 electricity-generating modules mounted on a rooftop, or near the
- 14 subject property, that converts solar energy to useful
- 15 electrical energy for heating, cooling, or reducing the use of
- 16 other types of energy that are dependent upon fossil fuel for
- 17 the generation of electricity. The system shall have no less
- 18 than five kilowatts of generating capacity and shall include an
- 19 energy storage device, such as a battery."
- 20 SECTION 3. New statutory material is underscored.
- 21 SECTION 4. This Act shall take effect on July 1, 2050.

S.B. NO. 5.D. 2 H.D. 1

Report Title:

Rooftop Solar Installation; New Residential Construction Requirement

Description:

Prohibits the issuance of building permits beginning on January 1, 2022, for new single-family dwellings, except for households with one hundred per cent or less of the area median income, that are part of a development of twenty or more dwellings and do not include a rooftop solar energy generation system, unless a variance is granted. Takes effect on 7/1/2050. (HD1)

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