JAN 1 7 2020

### A BILL FOR AN ACT

RELATING TO HEAT ABATEMENT.

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

- 1 SECTION 1. The legislature finds that \$100,000,000 was
- 2 appropriated for the department of education's heat abatement
- 3 program in 2016. To advance Hawaii's clean energy goals, the
- 4 legislature also required the department of education to
- 5 establish a goal of becoming net-zero with respect to energy use
- 6 by January 1, 2045. The legislature further required the
- 7 department, and any contractor hired by the department to
- 8 implement classroom cooling measures, to maximize energy
- 9 efficiency, installation, and operating cost savings over the
- 10 entire life of heat abatement projects.
- 11 The legislature additionally finds that while \$100,000,000
- 12 appropriated in 2016 successfully funded heat abatement upgrades
- 13 for over one thousand three hundred public school classrooms,
- 14 over five thousand additional classrooms still require heat
- 15 abatement improvements. With classroom temperatures continuing
- 16 to escalate because of the impact of climate change on the

islands, advancing heat abatement upgrades throughout public 1 2 schools remains a high priority. The purpose of this Act is to expedite the cooling of all 3 4 public school classrooms to a temperature conducive to student 5 learning by authorizing the Hawaii green infrastructure special fund to be used to subsidize installation costs for energy-6 efficient air conditioning at public schools. 7 8 SECTION 2. Section 196-65, Hawaii Revised Statutes, is 9 amended by amending subsection (b) to read as follows: 10 "(b) Moneys in the Hawaii green infrastructure special 11 fund may be used, subject to the approval of the public 12 utilities commission, for the purposes of: 13 Making green infrastructure loans, including for (1) 14 installation costs for energy-efficient air 15 conditioning, energy-efficient lighting, and other 16 energy-efficiency measures; 17 (2) Creating a \$50,000,000 sub-fund, as a revolving line 18 of credit within the Hawaii green infrastructure 19 special fund, for any state agency to obtain financing 20 to implement cost-effective energy-efficiency 21 measures;

| 1  | (3)  | Paying administrative costs of the Hawaii green        |
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| 2  |  | infrastructure loan program;                           |
| 3  | (4)  | Paying any other costs related to the Hawaii green     |
| 4  |  | infrastructure loan program; or                        |
| 5  | (5)  | Paying financing costs, as defined in section 269-161, |
| 6  |  | to the extent permitted by the public utilities        |
| 7  |  | commission in a financing order issued pursuant to     |
| 8  |  | section 269-163."                                      |
| 9  | SECTION 3. There is appropriated out of the Hawaii green         |  |
| 10 | infrastructure special fund the sum of \$ or so much             |  |
| 11 | thereof as may be necessary for fiscal year 2020-2021 for the    |  |
| 12 | purpose of financing the installation costs for energy-efficient |  |
| 13 | air conditioning at public schools.                              |  |
| 14 | The  | sum appropriated shall be expended by the Hawaii green |
| 15 | infrastructure authority for the purposes of this Act.           |  |
| 16 | SECTION 4. The department of education, with approval of         |  |
| 17 | the governor, is authorized to borrow the sum of \$ or so        |  |
| 18 | much thereof as may be necessary for fiscal year 2020-2021 from  |  |
| 19 | the green infrastructure loan program for the purposes of this   |  |
| 20 | Act upon such terms and conditions as are agreed to between the  |  |
| 21 | department of education and the Hawaii green infrastructure      |  |

- 1 authority; provided that the loan shall be issued free of
- 2 interest charges.
- 3 SECTION 5. The department of education shall submit an
- 4 expenditure plan to the Hawaii green infrastructure authority
- 5 executive director, who shall serve as the fiscal administrator
- 6 for the loan issued pursuant to section 4 and may make payment
- 7 on behalf of the department of education, as appropriate, upon
- 8 submission of requests for payment from the department of
- 9 education.
- 10 SECTION 6. Beginning with fiscal year 2020-2021, the
- 11 department of education shall begin to repay the loan issued
- 12 pursuant to section 4 using general revenue savings resulting
- 13 from reduced utility costs as a result of the installation of
- 14 energy-efficient air conditioning and other energy-efficient
- 15 measures.
- 16 SECTION 7. New statutory material is underscored.
- 17 SECTION 8. This Act shall take effect on July 1, 2020.

INTRODUCED BY:

SB HMS 2019-4494

### Report Title:

Heat Abatement; Green Infrastructure; Appropriation

#### Description:

Expands authorized expenditures from the Hawaii green infrastructure special fund to include energy-efficient air conditioning. Appropriates funds and authorizes the department of education to borrow funds from the green infrastructure loan program for heat abatement.

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