Honolulu, Hawaii

FEB 14 , 2020

RE: H.B. No. 1851

H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1851, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GRID-INTERACTIVE WATER HEATER SYSTEMS,"

begs leave to report as follows:

The purpose of this measure is to prohibit the issuance of building permits for new multi-unit dwellings that do not include grid-interactive water heater systems.

Your Committee received testimony in support of this measure from Blue Planet Foundation, Shifted Energy, and Climate Protectors Coalition. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii State Energy Office, Public Utilities Commission, and Bradford White Corporation.

Your Committee finds that requiring the Public Utilities Commission to establish specified standards for grid-interactive water heater systems addresses possible interoperability issues. At the same time, the technology for these water heater systems is still developing. This measure requires the Commission to establish standards for grid-interactive water heater systems by July 1, 2021.

Your Committee has amended this measure by clarifying that a "grid-interactive water heater system" includes heat pump water heaters.

Your Committee notes that there were concerns that this measure would exacerbate the cost of housing in the State. Should your Committee on Finance consider this measure, your Committee requests that it examine the impact this measure would have on housing costs in the State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1851, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1851, H.D. 2.

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

ROY M. TAKUMI, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature

HSCR 631-20

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:		Date: 7 / 12 / 20	
413 1851, HDI	EEP. CPC, FIN		2/15/20	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)				
3. AQUINO, Henry J.C.	· J			
4. BELATTI, Della Au				
5. CABANILLA ARAKAWA, Rid	a /			
6. CACHOLA, Romy M.	√			
7. HAR, Sharon E.		V		and the second of the second o
8. KONG, Sam Satoru		,	· · · · · · · · · · · · · · · · · · ·	Marking and Walkange
9. MIZUNO, John M.	V	> \"40		erigi. Sie 1888 w. de sie 1888
10. ONISHI, Richard H.K.	NA CARRAGO DE CARRAGO	1.0,850		
11. MATSUMOTO, Lauren	V			
TOTAL (11)	9	2	n n	0
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The recommendation is: Adopted F joint referral, committee acronym(s) Adopted did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				