

JAN 22 2021

A BILL FOR AN ACT

RELATING TO CONSUMER PROTECTION.

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

1 SECTION 1. The legislature finds that Hawaii businesses
2 and residents pay among the highest electricity rates in the
3 nation, which exacerbates the State's already high cost of
4 living and increases the monthly financial burdens on businesses
5 and residents. The legislature further finds that the high cost
6 of living in Hawaii reinforces the importance of adopting
7 policies that promote and encourage energy efficiency, which can
8 provide relief for families and businesses faced with high
9 utility bills.

10 Since 1980, the Federal Trade Commission has administered
11 the EnergyGuide labeling program aimed at assisting consumers in
12 understanding how much energy a given household appliance uses
13 and the ongoing energy costs associated with operating the
14 appliance. However, the EnergyGuide labels do not accurately
15 reflect the energy costs of appliances in Hawaii because the
16 labels are based on national average energy prices and national
17 average usage of appliances. Since electricity rates in Hawaii



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1 are nearly triple the national average, the current in-store
2 labeling system does not accurately convey the costs and
3 potential savings associated with certain appliances when
4 operated in Hawaii. The legislature finds that by displaying
5 information in retail stores about available rebates and Hawaii-
6 specific operating costs of certain appliances, consumers can
7 make informed decisions about which models most align with their
8 economic situation and preferences.

9 The purpose of this Act is to require retailers of certain
10 household appliances to display signage with available rebates
11 and Hawaii-specific operating costs.

12 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
13 amended by adding a new section to part V to be appropriately
14 designated and to read as follows:

15 "§196- Signage for household appliances; retailers;
16 rebates. (a) All retailers of household appliances specified
17 in subsection (b) doing business in the State shall
18 conspicuously display signage or text that informs consumers of
19 the following:

20 (1) Available energy efficiency rebates funded by the
21 public utilities fee; and



1 (2) Hawaii-specific energy costs for operation based on a
2 2020 statewide average residential electricity cost,
3 and subsequent updates based on a statewide average
4 residential electricity cost for the prior calendar
5 year.

6 (b) Subsection (a) shall apply only to household
7 appliances that appear on a retailer's showroom floor and the
8 categories of household appliances that are required, as of July
9 1, 2021, to be packaged with a Federal Trade Commission
10 EnergyGuide label.

11 (c) The public benefits fee administrator shall create a
12 template for the display signage or text required in this
13 section. The template shall be made available to retailers no
14 later than January 1, 2022. Retailers shall display the
15 required signage or text no later than July 1, 2022.

16 (d) The public benefits fee administrator shall update the
17 template for the display signage or text required in this
18 section every three years, at a minimum. New household
19 appliances entering the Hawaii market between update cycles
20 shall be appropriately labeled pursuant to this section upon
21 appearance on the showroom floor.



1 (e) The Hawaii state energy office, in collaboration with
2 the public benefits fee administrator, shall notify all
3 retailers subject to this section of the requirements
4 established by this section."

5 SECTION 3. Section 269-123, Hawaii Revised Statutes, is
6 amended by amending subsection (b) to read as follows:

7 "(b) The public benefits fee administrator's duties and
8 responsibilities shall be established by the public utilities
9 commission by rule or order, and may include:

10 (1) Identifying, developing, administering, promoting,
11 implementing, and evaluating programs, methods, and
12 technologies that support energy-efficiency and
13 demand-side management programs;

14 (2) Encouraging the continuance or improvement of
15 efficiencies made in the production, delivery, and use
16 of energy-efficiency and demand-side management
17 programs and services;

18 (3) Using the energy-efficiency expertise and capabilities
19 that have developed or may develop in the State and
20 consulting with state agency experts;



- 1 (4) Promoting program initiatives, incentives, and market
2 strategies that address the needs of persons facing
3 the most significant barriers to participation;
- 4 (5) Promoting coordinated program delivery, including
5 coordination with electric public utilities regarding
6 the delivery of low-income home energy assistance,
7 other demand-side management or energy-efficiency
8 programs, and any utility programs;
- 9 (6) Consideration of innovative approaches to delivering
10 demand-side management and energy-efficiency services,
11 including strategies to encourage third-party
12 financing and customer contributions to the cost of
13 demand-side management and energy-efficiency services;
- 14 (7) Submitting, to the public utilities commission for
15 review and approval, a multi-year budget and planning
16 cycle that promotes program improvement, program
17 stability, and maturation of programs and delivery
18 resources; and
- 19 (8) Educating and training appliance manufacturers,
20 distributors, and retailers of appliances [~~covered~~];



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1 (A) Covered under part VI of chapter 196 about the
2 appliance efficiency standards established under
3 that part; and
4 (B) Covered under section 196- about the energy
5 efficiency and energy cost information required
6 to be displayed under that section; provided that
7 the public benefits fee administrator shall
8 create and update a template for the display
9 signage or text as required by section 196- (b)
10 and (c),
11 to improve compliance."

12 SECTION 4. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 5. This Act shall take effect on July 1, 2021.

15 INTRODUCED BY: Rosely H. Baker

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Report Title:

Retailers; Household Appliances; Energy Efficiency Rebates;
Energy Costs; Signage

Description:

Requires retailers of household appliances to conspicuously display available energy efficiency rebates funded by the public benefits fee and state-specific energy operation costs. Requires the public benefits fee administrator to create and update the template to be used by retailers. Requires the Hawaii state energy office and administrator to give notice to retailers.

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

