HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII H.C.R. NO. 193

HOUSE CONCURRENT RESOLUTION

URGING THE GOVERNOR AND STATE DEPARTMENTS TO INVESTIGATE OPPORTUNITIES PROVIDED BY THE DIRECT PAY PROVISION IN THE INFLATION REDUCTION ACT THAT ALLOWS FOR DIRECT PAYMENT OF CLEAN ENERGY INCENTIVES TO STATE GOVERNMENT ENTITIES FOR THE COST OF INSTALLING SOLAR ENERGY SYSTEMS IN STATE FACILITIES.

1 WHEREAS, in the Regular Session of 2021, the Legislature 2 acknowledged that climate change poses an existential threat to 3 humanity, declared a climate emergency, and requested statewide 4 collaboration toward an immediate just transition and emergency 5 mobilization effort to restore a safe climate; and 6

WHEREAS, on August 16, 2022, President Biden signed into 7 law the Inflation Reduction Act, marking the most significant 8 action the United States Congress has taken on clean energy and 9 climate change in the nation's history, which includes 10 \$369,000,000,000 in direct investments to lower energy costs for 11 families and small businesses, accelerate private investment in 12 clean energy solutions in every sector of the economy and every 13 corner of the country, strengthen supply chains for everything 14 from critical minerals to efficient electric appliances, and 15 create good-paying jobs and new economic opportunities for 16 17 workers; and

- 18 19 WHEREAS, the Inflation Reduction Act includes a provision 20 allowing direct payment of clean energy incentives to tax-exempt 21 entities who cannot take advantage of federal tax credits for 22 clean energy, such as states and counties, for activities such 23 as installing solar energy systems, including batteries, on 24 state facilities, up to thirty percent of the cost of these 25 projects; and
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H.C.R. NO. 193

1 WHEREAS, in fiscal year 2022, state departments and agencies consumed over 520,000,000 kilowatt hours of 2 3 electricity, costing taxpayers \$173,000,000; and 4 WHEREAS, installing solar energy systems on state 5 facilities would lower energy use, save money for the State and 6 7 taxpayers, and reduce the State's contributions to carbon pollution; and 8 9 10 WHEREAS, investment in Hawaii's clean energy transition drives economic growth, creates good-paying green economy jobs, 11 lowers costs and the energy burden for all people in the State, 12 13 and reduces carbon pollution to mitigate the impacts of the global climate crisis; and 14 15 WHEREAS, state government entities must aggressively pursue 16 17 this opportunity and maximize the use of federal funds to reduce the costs of installing renewable energy systems on state 18 19 facilities and build institutional capacity to fully obtain, 20 accept, utilize, and administer the funds available from the 21 federal government to decarbonize the economy and ensure a just 22 and resilient transition currently and in the future; now, therefore, 23 24 25 BE IT RESOLVED by the House of Representatives of the Thirty-second Legislature of the State of Hawaii, Regular 26 Session of 2023, the Senate concurring, that the Governor and 27 state departments are urged to investigate opportunities 28 provided by the direct pay provision in the Inflation Reduction 29 30 Act that allows for direct payment of clean energy incentives to 31 state government entities for the cost of installing solar 32 energy systems in state facilities; and 33 BE IT FURTHER RESOLVED that state departments tasked with 34 35 managing facilities, including the Department of Accounting and General Services, Department of Education, and Department of 36 37 Transportation, are requested to designate a point person to prepare for the availability and deployment of the direct pay 38 39 funding for energy systems on state facilities; and 40 BE IT FURTHER RESOLVED that certified copies of this 41 42 Concurrent Resolution be transmitted to the Governor, head of

2023-2423 HCR HMSO

Page 3

H.C.R. NO. 193

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