

Honolulu, Hawaii
FEB 05, 2024

RE: H.B. No. 2685
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2685 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to establish and appropriate funds for:

- (1) The Solar Hui Program to allow multi-family residential property owners to invest into a Solar Hui Investment Fund, which will provide loans to low- and moderate-income households to install solar energy systems; and
- (2) The Solar Hui Program Fund Manager to manage the Solar Hui Investment Fund and market the Solar Hui Program.

Your Committee received testimony in support of this measure from the Hawaii Green Infrastructure Authority; Blue Planet Foundation; Climate Protectors Hawai'i; 350Hawaii.org; and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Department of Budget and Finance; and Public Utilities Commission.

Your Committee finds that the State has committed to aggressive carbon reduction goals, including a goal to be carbon-



negative by 2045. Your Committee further finds that many multi-family residential households are unable to access solar energy systems due in part to the high costs of installing such systems. Your Committee believes that the Solar Hui Program proposed by this measure provides an opportunity for accelerated and more equitable clean energy adoption by allowing multi-family residential property owners to co-invest in the installation of solar systems for low- and moderate-income households.

Your Committee has amended this measure by:

- (1) Adding a definition for "energy services agreement";
- (2) Clarifying the definition of "solar energy system" to also mean "energy project" and to include energy storage systems;
- (3) Changing the financing vehicle and type of financial assistance that may be provided through the Solar Hui Investment Fund from low-interest loans and repayment of those loans to energy services agreements and income derived from those agreements, respectively;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2685, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2685, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



NICOLE E. LOWEN, Chair



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 2685	Committee Referral: EEP, CPC, FIN	Date: 01/30/2024		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	✓			
2. COCHRAN, Elle (VC)	✓			
3. GATES, Cedric Asuega				✓
4. KAHALOA, Kirstin	✓			
5. PERRUSO, Amy A.	✓			
6. WOODSON, Justin H.	✓			
7. WARD, Gene				✓
TOTAL (7)	5			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation.				
Vice Chair's or designee's signature: <u>Elle Cochran</u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				