

STAND. COM. REP. NO.

279

Honolulu, Hawaii

FEB 15 2023

RE: S.B. No. 781
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Government Operations, to which was referred S.B. No. 781 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

beg leave to report as follows:

The purpose and intent of this measure is to reduce administrative barriers to the deployment of energy generation and storage technology systems by requiring government entities in the State that issue building permits to implement SolarAPP+ or a functionally equivalent online automated permitting platform that verifies code compliance and issues permits to licensed contractors for solar distributed energy resource systems in real time by January 1, 2024.

Your Committees received testimony in support of this measure from the Hawaii Food Industry Association; Hawaii Solar Energy Association; Malama Solar; 350Hawaii; Tesla, Inc.; Ulupono Initiative; Sierra Club of Hawai'i; OceanHead Solar and Electric, LLC; Our Revolution Hawaii; Environmental Caucus of the Democratic Party of Hawai'i; Alternate Energy Hawaii; Fortress Power; Revolusun; Hawaii Environmental Change Agents; and thirty-eight individuals. Your Committees received testimony in opposition to this measure from the American Council of Engineering Companies of Hawaii and American Institute of Architects Hawaii. Your Committees received comments on this measure from the Hawaii State



Energy Office; Board of Professional Engineers, Architects, Surveyors, and Landscape Architects; and Kaua'i Island Utility Cooperative.

Your Committees find that the current permitting process adds substantial time and cost to the adoption of residential solar and energy storage projects and that online permitting tools, such as the United States Department of Energy's SolarAPP+, have been successfully implemented by hundreds of government entities that issue building permits throughout the nation. Your Committees believe that to encourage the timely build-out of a diverse, resilient, and reliable portfolio of low-cost renewable energy generation and storage assets, Hawaii must lower the administrative barriers that constrain deployment of residential and commercial-scale distributed energy resources. This measure will reduce unnecessary delays for the installation of residential distributed energy resources by requiring government entities in the State that issue building permits to implement SolarAPP+ or a functionally equivalent online automated permitting platform that verifies code compliance and issues permits to licensed contractors for solar distributed energy resource systems in real time by January 1, 2024.

Your Committees have heard the concerns raised in testimony that section 4 of this measure may allow homeowners to avoid existing licensed professional requirements and build non-engineered or non-code compliant structures that may cause injury or loss of life. Your Committees also note concerns about potential safety risks resulting from a self-certification process for solar distributed energy resource systems. Your Committees find that these issues merit further consideration and request that your Committees on Commerce and Consumer Protection and Ways and Means further examine those issues and concerns, should they choose to deliberate on this measure.

Your Committees have amended this measure by:

- (1) Requiring a duly licensed electrician or duly licensed plumber who intends to install a solar distributed energy resource system to notify the applicable government entity that the system complies with all applicable codes and laws, including an executed

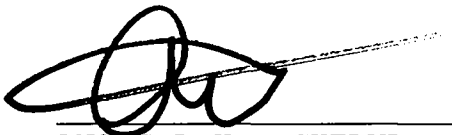


interconnection agreement with the applicable electric utility;

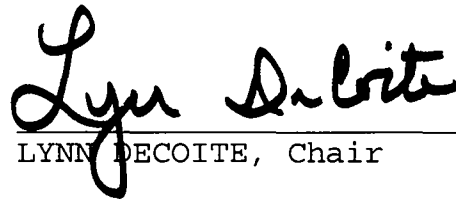
- (2) Inserting an effective date of January 6, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 781, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 781, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Energy, Economic
Development, and Tourism and
Government Operations,



ANGUS L.K. MCKELVEY, Chair



LYNN DECOITE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.:* SB 781	Committee Referral: EET/GVO, CPN/WAM	Date: 2/9/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol		✓		
KIM, Donna Mercado	✓			
FEVELLA, Kurt	✓			
TOTAL	4	1	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
 Committee on Government Operations
 GVO

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 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
SAN BUENAVENTURA, Joy A.		✓		
WAKAI, Glenn	✓			
AWA, Brenton			✓	
TOTAL	3	1	1	—

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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