
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 deceptive or
2 misleading solar energy device sales practices undermine
3 consumer confidence, impose hardship on homeowners, and impede
4 the State's clean energy goals. This Act enhances enforcement
5 of existing law without imposing new licensing requirements on
6 legitimate sales activities.

7 Accordingly, the purpose of this Act is to:

- 8 (1) Require a person or entity marketing or contracting
9 for a residential solar energy device to provide the
10 consumer a one-page standardized disclosure form;
- 11 (2) Require any person or entity marketing, selling, or
12 soliciting a residential solar energy device or
13 financing product to comply with consumer protection
14 laws; and
- 15 (3) Prohibit any person or entity from selling a
16 residential solar energy device without holding a



1 contractor's license or having a contractual
2 affiliation with a licensed contractor.

3 SECTION 2. Section 481B-6, Hawaii Revised Statutes, is
4 amended to read as follows:

5 **"§481B-6 Sale of solar energy devices; disclosure
6 requirements ~~[]~~; sales practices.** (a) No person shall

7 advertise, offer to sell, or sell a solar energy device unless
8 the person clearly discloses separately the following
9 information concerning the sale price of the solar energy device
10 to the consumer:

11 (1) The cost of the solar energy device and accessories
12 related to the operation of the solar energy device
13 and for their installation; and

14 (2) The cost of items unrelated to the operation of the
15 solar energy device, including but not limited to,
16 "free gifts", offers to pay electric bills, rebates,
17 and other incentives designed to promote the sale of
18 the solar device.

19 (b) In addition to the requirements under subsection (a),
20 a person or entity marketing or contracting for a residential
21 solar energy device shall provide the consumer, before contract



1 execution, a one-page standardized disclosure form in plain
2 language, which shall appear as the first page of any proposal
3 or contract and shall include:

- 4 (1) The total system price;
- 5 (2) The estimated annual energy production and methodology
6 used to determine the estimate;
- 7 (3) The estimated annual utility bill savings and
8 assumptions used;
- 9 (4) The following tax incentive eligibility statement:
10 "Eligibility for state and federal tax incentives
11 depends on individual circumstances and is not
12 guaranteed by the solar company.";
- 13 (5) Payment terms;
- 14 (6) The escalation rate, if applicable;
- 15 (7) The ownership structure, whether purchase, lease,
16 loan, or power purchase agreement;
- 17 (8) The name and license number of the installing
18 contractor;
- 19 (9) Warranty terms; and
- 20 (10) Consumer cancellation rights.



1 The department of commerce and consumer affairs shall design,
2 publish, and periodically update as needed, a template of the
3 standardized disclosure form described in this subsection in
4 consultation with representatives from the solar industry.

5 (c) Any person or entity that markets, sells, or solicits
6 a residential solar energy device, or that markets, sells, or
7 solicits financing products, whether loans, leases, or power
8 purchase agreements, associated with a residential solar energy
9 device in the State shall comply with the consumer protection
10 requirements of this chapter and chapter 444, and any rules
11 adopted thereunder, relating to truthful advertising,
12 disclosures, contract terms, or cancellation rights.

13 (d) A person or entity that does not hold an active
14 contractor's license under chapter 444 shall not:

15 (1) Represent that the person or entity is authorized to
16 install or supervise the installation of a residential
17 solar energy device;

18 (2) Enter into or offer to enter into a contract for the
19 installation of a residential solar energy device; or

20 (3) Market, offer financing, or engage in customer
21 acquisition or lead generation activities for a



1 residential solar energy device, without being
 2 contractually affiliated with one or more contractors
 3 holding licenses allowing them to install a
 4 residential solar energy device. The contractors'
 5 names and license numbers shall be disclosed on all
 6 marketing materials, proposal documents, and contract
 7 documents.

8 (e) Violation of this section constitutes an unfair or
 9 deceptive act or practice under chapter 480.

10 (f) Nothing in this section shall be construed to prohibit
 11 solar energy device marketing, sales, or financing activities;
 12 provided that the person or entity complies with the
 13 requirements of this section.

14 (g) The department of commerce and consumer affairs may
 15 adopt rules pursuant to chapter 91 necessary for the purposes of
 16 this section.

17 ~~[(b)]~~ (h) As used in this section, "solar energy device"
 18 means any new identifiable facility, equipment, apparatus, or
 19 the like ~~[which]~~ that makes use of solar energy for energy
 20 storage or heating, cooling, or reducing the use of other types
 21 of energy dependent upon fossil fuel for its generation."



1 SECTION 3. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 4. If any provision of this Act, or the
5 application thereof to any person or circumstance, is held
6 invalid, the invalidity does not affect other provisions or
7 applications of the Act that can be given effect without the
8 invalid provision or application, and to this end the provisions
9 of this Act are severable.

10 SECTION 5. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 3000.



Report Title:

DCCA; Rooftop Solar; Residential Solar Energy Devices; Energy Storage; Consumer Protection; Contractors; Deceptive Practices

Description:

Requires a person or entity marketing or contracting for a residential solar energy device to provide the consumer a one-page standardized disclosure form. Requires any person or entity marketing, selling, or soliciting a residential solar energy device or financing product to comply with consumer protection laws. Prohibits any person or entity from selling a residential solar energy device without holding a contractor's license or having a contractual affiliation with a licensed contractor. Effective 7/1/3000. (HD1)

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