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# SENATE CONCURRENT RESOLUTION

URGING THE DEPARTMENT OF EDUCATION AND UNIVERSITY OF HAWAII AT MANOA TO ADOPT ENERGY SAVINGS PERFORMANCE CONTRACTING PURSUANT TO SECTION 36-41, HAWAII REVISED STATUTES, AS A PRIMARY STRATEGY TO ADDRESS DEFERRED MAINTENANCE AND INFRASTRUCTURE MODERNIZATION AND IMPROVE ENERGY EFFICIENCY STATEWIDE.

1           WHEREAS, the State continues to face significant challenges  
2 related to aging public infrastructure and escalating deferred  
3 maintenance costs; and

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5           WHEREAS, the Department of Education currently faces a  
6 deferred maintenance backlog exceeding \$2.4 billion, placing  
7 increasing strain on limited public resources and impacting the  
8 quality of learning environments for students and educators; and

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10           WHEREAS, despite substantial requests for major repair and  
11 maintenance funding for fiscal biennium 2025-2027, traditional  
12 capital improvement and repair approaches have proven  
13 insufficient, inefficient, and costly to taxpayers; and

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15           WHEREAS, section 36-41, Hawaii Revised Statutes, authorizes  
16 the use of energy savings performance contracting, an innovative  
17 financing model that enables government entities to implement  
18 energy efficiency and infrastructure improvements without  
19 upfront capital investment; and

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21           WHEREAS, under the energy savings performance contracting  
22 model, project costs are funded through guaranteed energy  
23 savings, thereby eliminating the need for significant  
24 legislative appropriations while ensuring fiscal accountability;  
25 and

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27           WHEREAS, energy savings performance contract projects  
28 typically include comprehensive upgrades, such as energy-



1 efficient lighting, heating, ventilation, and air conditioning  
2 systems, water conservation measures, and renewable energy  
3 integration, all of which contribute to long-term operational  
4 savings and environmental sustainability; and

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6 WHEREAS, the energy savings performance contracting model  
7 has been successfully implemented by the Department of  
8 Transportation and University of Hawaii Community Colleges, with  
9 projected savings approaching \$1 billion over the life of the  
10 implemented contracts and the effective elimination of their  
11 deferred maintenance backlogs; and

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13 WHEREAS, recommendations to adopt energy savings  
14 performance contracting methodologies were presented to the  
15 Department of Education as early as 2008, demonstrating that  
16 these approaches optimize building systems, reduce lifecycle  
17 costs, and enhance facility performance; and

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19 WHEREAS, transitioning to energy savings performance  
20 contracting in coordination with emerging oversight structures  
21 such as the School Facilities Authority presents a strategic  
22 opportunity to modernize school infrastructure and improve long-  
23 term fiscal sustainability; now, therefore,

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25 BE IT RESOLVED by the Senate of the Thirty-third  
26 Legislature of the State of Hawaii, Regular Session of 2026, the  
27 House of Representatives concurring, that the Department of  
28 Education and University of Hawaii at Manoa are urged to adopt  
29 energy savings performance contracting, as authorized pursuant  
30 to section 36-41, Hawaii Revised Statutes, as a primary strategy  
31 to address deferred maintenance and infrastructure modernization  
32 and improve energy efficiency statewide; and

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34 BE IT FURTHER RESOLVED that the Department of Education and  
35 University of Hawaii at Manoa are encouraged to collaborate with  
36 relevant state agencies and qualified energy service companies  
37 to identify, develop, and implement energy savings performance  
38 contract projects that maximize cost savings, improve facility  
39 conditions, and enhance sustainability outcomes; and

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41 BE IT FURTHER RESOLVED that the Department of Education and  
42 University of Hawaii at Manoa are requested to submit a report



1 to the Legislature no later than twenty days prior to the  
2 convening of the Regular Session of 2027 detailing planned or  
3 implemented energy savings performance contract projects,  
4 projected savings, and timelines for reducing deferred  
5 maintenance backlogs; and

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7 BE IT FURTHER RESOLVED that certified copies of this  
8 Concurrent Resolution be transmitted to the Chairperson of the  
9 Board of Education, Superintendent of Education, Comptroller,  
10 and President of the University of Hawaii System.

