

A Bill for an Act Relating to Dealers of Solar Energy Devices.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

## “CHAPTER BONDING OF SOLAR ENERGY DEVICE DEALERS

**Sec. -1 Definitions.** For the purposes of this chapter:

“Customer” means a person who has purchased a solar energy device from a dealer of a solar energy device.

“Dealer of a solar energy device” or “dealer” means any corporation or proprietorship singly or jointly selling at retail any solar energy device.

“Director” means the director of regulatory agencies.

“Solar energy device” means any new identifiable facility, equipment, apparatus, or the like which makes use of solar energy for heating, cooling, or reducing the use of other types of energy dependent upon fossil fuel for its generation; provided that if the equipment sold can not be used as a solar device without its incorporation with other equipment, it must be installed in place and ready to be made operational in order to qualify as a “solar energy device.”

**Sec. -2 Bond.** The director shall require each dealer of a solar energy device to put up and maintain a bond in the sum of \$5,000, executed by the dealer as principal and by a surety company authorized to do business in the State to the benefit of customers.

**Sec. -3 Prohibition.** No dealer shall sell a solar energy device at retail in this State if the dealer has not placed and maintained a bond with the director under section -2.

**Sec. -4 Primary claim.** Primary claim to the bond shall be with a customer to whom the dealer of a solar energy device has sold a solar energy device.

A customer may bring an action on the bond if the solar energy device does not perform as the dealer stated it would or if a valid warranty, guarantee, or other condition on the solar energy device is invalidated prior to its expiration. Prior to bringing an action on the bond, the customer shall attempt to settle the dispute with the dealer.

**Sec. -5 Distribution.** Where the amounts of the bond of a dealer are insufficient for the claims of customers, the director shall distribute such amounts in an equitable manner to customers who are successful in their claims.

**Sec. -6 Rules.** The director shall adopt rules pursuant to chapter 91 for the purposes of this chapter.

**Sec. -7 Penalty.** Any dealer who violates this chapter shall be fined not less than \$100 nor more than \$500.”

SECTION 2. This Act shall take effect upon its approval.

(Approved May 24, 1980.)