



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
THEODORE E. LIU
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE
ON
FINANCE
Thursday, March 25, 2010
9:45 am
State Capitol, Conference Room 229

in consideration of
SB2563 HD1
RELATING TO ENERGY EFFICIENCY.

Chair Oshiro, Vice Chair Lee, and Members of the Committee. The Department of Business, Economic Development, and Tourism (DBEDT) offers these comments to this bill. SB2563 HD1, requires that the Energy Resources Coordinator (ERC) "shall" adopt rules pursuant to Chapter 91 to impose and collect fees to cover the costs of administering the requests for variance from the mandatory residential solar water heating program. DBEDT strongly recommends that the "shall" be revised to "may" to provide an option for the ERC. To date the ERC has processed about 70 applications for variances from the mandatory solar water heating requirement. Projecting this number through the entire year, we estimate about 280 applications. If we were to impose a fee to pay for a position to process applications, answer inquiries from applicants, review applications for accuracy and completeness, notify applicants of their need to complete the application, and assist with receiving and accounting for payment of fees, we probably would need to charge \$125 per application. We also would need authorization to establish a position. In this economic climate, we are not inclined to charge this amount, nor do

we believe that we will receive authorization to establish a position. Therefore, we recommend that the "shall" be amended to "may" to alleviate our need to establish a fee and manage the fee during these times of not having staff to support existing programs.

Thank you for the opportunity to offer this testimony.