
A BILL FOR AN ACT

RELATING TO ENERGY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii leads the
2 nation in the creation of pioneering models of energy and
3 infrastructure financing to save taxpayers' money. In 2013, the
4 legislature established the green energy market securitization
5 program, which uses private investment dollars to pay for the
6 upfront costs of energy infrastructure retrofits for both public
7 and private purposes, which is paid back using the savings
8 realized from the reduction in energy costs generated by the new
9 energy-efficient infrastructure while also producing an
10 additional net savings to the end user.

11 By using energy-savings financing mechanisms such as the
12 green energy market securitization fund to pay for a large
13 portion of any renewable energy project, the university can
14 reduce its electrical consumption at a fraction of the cost to
15 taxpayers. Furthermore, the use of energy-savings financing
16 mechanisms such as the green energy market securitization fund
17 to pay for the renewable energy portion of any deferred
18 maintenance project can help the university reduce its deferred



1 maintenance backlog and lower its electrical consumption at a
2 fraction of the cost to taxpayers. The legislature declares
3 that this Act is a matter of statewide concern.

4 The purpose of this Act is to maximize taxpayer savings by
5 establishing long-term commitments to reduce energy use at the
6 University of Hawaii and by appropriating funds through the
7 green infrastructure special fund for University of Hawaii
8 capital improvement and energy efficiency projects.

9 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§304A- Energy use; net-zero goal. (a) The University
13 of Hawaii shall establish a collective goal of becoming net-zero
14 with respect to energy use, producing as much energy as the
15 system consumes across all campuses, by January 1, 2035.

16 (b) The University of Hawaii shall establish a benchmark
17 for the amount and value of energy consumed during the 2014-2015
18 fiscal year, against which it shall measure its progress toward
19 the goal set forth in subsection (a).

20 (c) The University of Hawaii shall submit an annual report
21 to the legislature no later than twenty days before the



1 convening of each regular session that includes the following
2 information:

3 (1) The total debt service in the prior fiscal year for
4 University of Hawaii capital improvement projects
5 funded through a subaccount of the green
6 infrastructure special fund;

7 (2) The current value of the energy saved in the prior
8 fiscal year through University of Hawaii capital
9 improvement projects with outstanding debt service
10 funded through a subaccount of the green
11 infrastructure special fund;

12 (3) The status of each University of Hawaii capital
13 improvement project funded through a subaccount of the
14 green infrastructure special fund, if the project is
15 not yet complete;

16 (4) Recommendations for the next phase of University of
17 Hawaii capital improvement projects to be funded
18 through a subaccount of the green infrastructure
19 special fund; and

20 (5) Overall progress toward the net-zero goal set forth in
21 this section."



1 SECTION 3. The director of finance is authorized to issue
2 general obligation bonds in the sum of \$ or so much
3 thereof as may be necessary and the same sum or so much thereof
4 as may be necessary is appropriated for fiscal year 2015-2016
5 for the purpose of University of Hawaii capital improvement
6 projects to be funded through a subaccount of the green
7 infrastructure special fund.

8 SECTION 4. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so
10 much thereof as may be necessary for fiscal year 2015-2016 and
11 the same sum or so much thereof as may be necessary for fiscal
12 year 2016-2017 for deposit into a subaccount of the green
13 infrastructure special fund.

14 SECTION 5. There is appropriated out of a subaccount of
15 the green infrastructure special fund the sum of \$ or
16 so much thereof as may be necessary for fiscal year 2015-2016
17 for the University of Hawaii at Manoa for plans, design,
18 construction, and equipment for the retrofit of Klum gym, with
19 new athletics-support functions, and for other campus small
20 energy efficiency projects with high return on investment.



1 The sum appropriated shall be expended by the University of
2 Hawaii for the purposes of this Act.

3 SECTION 6. The appropriation made for the capital
4 improvement project authorized by this Act shall not lapse at
5 the end of the fiscal biennium for which the appropriation is
6 made; provided that all moneys from the appropriation
7 unencumbered as of June 30, 2018, shall lapse as of that date.

8 SECTION 7. New statutory material is underscored.

9 SECTION 8. This Act shall take effect on July 1, 2050.



Report Title:

University of Hawaii; Energy; Appropriation

Description:

Requires UH to establish collective goal of becoming net-zero with respect to energy use by January 1, 2035. Makes appropriations and authorizes general obligation bonds to the University of Hawaii through a sub-account of the green infrastructure special fund. Effective 7/1/2050. (SD2)

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