

STAND. COM. REP. NO. 1160

Honolulu, Hawaii

MAR 27 2015

RE: H.B. No. 1509
H.D. 3
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committees on Higher Education and the Arts and Energy and Environment, to which was referred H.B. No. 1509, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the University of Hawaii to establish a collective goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Establish the University of Hawaii net-zero special fund; and
- (3) Appropriate funds for capital improvement projects and staff.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawaii System; and two individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that this measure establishes, and appropriates an initial amount of general funds for, the University of Hawaii net-zero special fund. This special fund

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supports the net-zero energy efficiency and deferred maintenance projects within the University of Hawaii System. Further, this measure provides that any debt service incurred by the University for these projects shall not exceed the University administration's projected energy savings.

However, your Committees note that there is a troubling paucity of discussion concerning the source of additional funding, which highlights the significant struggle the University of Hawaii System faces to "get with the (energy efficiency) program" in a timely manner.

Your Committees additionally find that the current design and performance standards of many buildings and facilities on all the University campuses, particularly the Manoa and Hilo campuses, are currently below the energy efficiency and general performance standards set by earlier administrations. There is a noticeable lack of evidence demonstrating that these standards set in this measure will be met upon the infusion of capital from a limited legislative budget.

Your Committees have amended this measure by:

- (1) Amending the purpose section to more clearly articulate its purpose and intent;
- (2) Deleting language stating that appropriations from the Legislature shall be deposited into the University of Hawaii net-zero special fund;
- (3) Deleting the appropriation for the plans, design, construction, and equipment for the retrofit of the learning resources center and central plant at the University of Hawaii at Hilo;
- (4) Deleting the appropriation for the plans, design, construction, and equipment for the retrofit of the university classroom building at the University of Hawaii at Hilo;
- (5) Deleting the appropriation for two positions within the University of Hawaii System to provide the necessary financial, technical, and other support for advance the collective goal of becoming net-zero with respect to energy use;



- (6) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1509, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1509, H.D. 3, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Higher Education and the Arts and Energy and Environment,

Will Eyew FOR
MIKE GABBARD, Chair

Brian T. Taniguchi
BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1509, HD3	HEALENE, WAM	3/24/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
GREEN, Josh (VC)	✓			
GALUTERIA, Brickwood		✓		
IHARA, Jr., Les	✓			
SLOM, Sam			✓	
TOTAL	3	1	1	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes