RELATING TO ROOFTOP SOLAR INSTALLATION.

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

SECTION 1. The legislature finds that rooftop solar photovoltaics are an important part of Hawaii's one hundred percent renewable energy target. Similar to the requirement of installing a solar water heater system for all new construction of single-family dwellings under section 196-6.5, Hawaii Revised Statutes, adding a rooftop solar energy generation system requirement for new, single-family homes will help Hawaii achieve its renewable energy goals. This solar installation requirement will help reduce Hawaii's dependence on nonrenewable energy sources and lead to a more sustainable future.

The legislature also finds that adding a solar energy generation system during the construction phase significantly reduces the system installation cost for homeowners versus adding solar photovoltaics post-construction. Additionally, solar installation during construction allows home buyers to finance systems at traditional, low mortgage rates.
The legislature further finds that Hawaii policymakers and utilities have identified distributed energy resources, such as customer-sited solar photovoltaics and battery energy storage systems, as key technologies that enable Hawaii residents and businesses to benefit from and contribute to the State's transition to a resilient, affordable, and one hundred per cent clean, electric power system. Furthermore, the federal solar tax credit, also known as the investment tax credit, will expire on December 31, 2021, for residential solar energy systems, which may have the effect of de-incentivizing the installation of rooftop solar photovoltaics.

The purpose of this Act is to prohibit the issuance of building permits beginning on January 1, 2022, for new single-family dwellings that are part of a development of twenty or more dwellings and do not include a rooftop solar energy generation system, unless exempt or a variance is granted.

SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§196- Rooftop solar installation required for new single-family residential construction. (a) On or after
January 1, 2022, no building permit shall be issued for a new single-family dwelling that is part of a development of twenty or more dwellings and does not include a rooftop solar energy generation system, except as provided in subsection (f) or unless the chief energy officer of the Hawaii state energy office approves a variance. A variance application shall only be accepted if submitted by an architect or electrical engineer licensed under chapter 464, who attests that:

1. Installation is impracticable due to poor solar resource;
2. Installation is cost-prohibitive based upon a life cycle cost-benefit analysis that incorporates the average residential utility bill and the cost of the new rooftop solar energy generation system with a life cycle that does not exceed twenty years; or
3. A rooftop photovoltaic energy generating system is substituted for use as the primary energy source for electricity.

(b) A request for a variance shall be submitted to the Hawaii state energy office on an application prescribed by the chief energy officer and shall include a description of the
location of the property and justification for the approval of a variance using the criteria established in subsection (a). A variance shall be deemed approved if not denied within sixty working days after receipt of the variance application. The chief energy officer of the Hawaii state energy office shall publicize:

(1) All applications for a variance within seven calendar days after receipt of the variance application; and

(2) The disposition of all applications for a variance within seven calendar days of the determination of the variance application.

(c) The director of business, economic development, and tourism may adopt rules pursuant to chapter 91 to impose and collect fees to cover the costs of administering variances under this section. The fees, if any, shall be deposited into the energy security special fund established under section 201-12.8.

(d) Nothing in this section shall preclude any county from establishing procedures and standards required to implement this section.
(e) Nothing in this section shall preclude participation in any utility demand-side management program or public benefits fee program under part VII of chapter 269.

(f) This section shall not apply to a new single-family dwelling that is part of a development of twenty or more dwellings and is affordable to a household having an income of one hundred per cent or less of the area median income as determined by the United States Department of Housing and Urban Development.

(g) For the purposes of this section, "rooftop photovoltaic energy generating system" means any identifiable facility, equipment, apparatus, or the like, that utilizes electricity-generating modules mounted on a rooftop, or near the subject property, that converts solar energy to useful electrical energy for heating, cooling, or reducing the use of other types of energy that are dependent upon fossil fuel for the generation of electricity. The system shall have no less than five kilowatts of generating capacity and shall include an energy storage device, such as a battery."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2050.
Report Title:
Rooftop Solar Installation; New Residential Construction Requirement

Description:
Prohibits the issuance of building permits beginning on January 1, 2022, for new single-family dwellings, except for households with one hundred per cent or less of the area median income, that are part of a development of twenty or more dwellings and do not include a rooftop solar energy generation system, unless a variance is granted. Takes effect on 7/1/2050. (HD1)

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