STAND. COM. REP. NO. [73

Honolulu, Hawaii

FEB 04 ' 2025

RE: H.B. No. 1182 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 1182 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to authorize the Public Utilities Commission to establish preferential rates for the purchase of renewable energy from facilities that utilize labor paid at prevailing wages.

Your Committee received testimony in support of this measure from the Hawai'i State Energy Office and Hawaii Clean Power Alliance. Your Committee received testimony in opposition to this measure from Hawaiian Electric. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Public Utilities Commission.

Your Committee finds that providing tax incentives for large-scale renewable energy facilities can support the State in achieving its clean energy goal of having a one hundred percent renewable portfolio standard by 2045. Your Committee further finds that growing the workforce and developing career pathways in this industry can help support a clean energy economy. Your Committee believes that this measure supports the State's clean energy goals by authorizing the Public Utilities Commission to

establish preferential rates for the purchase of renewable energy from facilities that meet certain prevailing wage requirements, as an incentive to support these facilities. Your Committee does note that there are some concerns about whether this measure would increase prices for rate payers.

Your Committee amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

Your Committee respectfully requests your Committee on Consumer Protection & Commerce, should it deliberate on this measure, to consider issues raised by the Public Utilities Commission in its testimony on:

- (1) Whether renewable energy facilities that pay prevailing wages to out-of-state workers would be entitled to preferential rates under this measure; and
- (2) The ambiguity of whether the preferential rates contemplated in this measure benefit the consumer or the producer of electricity.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1182, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1182, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Labor,

CKSON D. SMAMA, Chair

State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 133

Record of Votes of the Committee on Labor

Bill/Resolution No.:	Committee		Date	1/70/	
HB 1185	LAB,C	LAB, CPC, FIN 1/30/25			25
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
LAB Members		Ayes	Ayes (WR)	Nays	Excused
1. SAYAMA, Jackson D. (C	C)	X			
2. LEE, Mike (VC)		X			CONTRACTOR OF THE STATE OF THE
3. GARRETT, Andrew Tal	kuya	X			
4. KAPELA, Jeanne	**************************************		X		
5. KONG, Sam Satoru	A CONTRACTOR OF THE	*******************			
			5. 76%. 3 16		
6. REYES ODA, Julie				X	
					
				<u> </u>	
TOTAL (6)		3	(2	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					