

STAND. COM. REP. NO.

1206

Honolulu, Hawaii

MAR 13

, 2025

RE: S.B. No. 1500
S.D. 2
H.D. 1

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

Madame:

Your Committees on Energy & Environmental Protection and
Labor, to which was referred S.B. No. 1500, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC UTILITIES,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the Public Utilities Commission to appoint a receiver to take temporary action necessary to assure continued adequate electric services from a failing regulated investor-owned electric utility;
- (2) Require an appointed receiver to recognize and maintain any existing collective bargaining agreement and prohibit the receiver from inducing or causing a reduction in force or terminating a covered employee, other than for a cause consistent with any collective bargaining agreement; and
- (3) Appropriate funds out of the Public Utilities Commission Special Fund for any costs incurred by the Public Utilities Commission in determining whether to appoint a receiver.



Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs and International Brotherhood of Electrical Workers Local Union 1260. Your Committees received comments on this measure from the Public Utilities Commission and Hawaiian Electric.

Your Committees find that the Public Utilities Commission has the authority to appoint a receiver to operate a regulated water or sewer utility if it is failing, or if there is an imminent threat of the utility failing, to provide adequate and reasonable service to its customers. Your Committees further find that the Public Utilities Commission lacks this same authority for regulated investor-owned electric utilities. This measure expands this authority to regulated investor-owned electric utilities, requires the appointed receiver to maintain any existing collective bargaining agreement, and prohibits the appointed receiver from causing a reduction in force or terminating a covered employee other than for a cause consistent with any existing collective bargaining agreement.

Your Committees have amended this measure by:

- (1) Removing the appropriation;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1500, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1500, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Labor,



JACKSON D. SAYAMA, Chair



NICOLE E. LOWEN, Chair



