

STAND. COM. REP. NO.

1934

Honolulu, Hawaii

APR 03 , 2025

RE: S.B. No. 897  
S.D. 3  
H.D. 2

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

Madame:

Your Committee on Finance, to which was referred S.B. No. 897, S.D. 3, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allow electric cooperatives to recover wildfire mitigation, repair, and restoration costs through an automatic rate adjustment clause or other tariff recovery mechanism;
- (2) Establish an aggregate limit for liability of an electric utility for economic damages arising from a covered catastrophic wildfire;
- (3) Authorize securitization of certain costs for electric utilities, including permitting an electric utility to apply to the Public Utilities Commission for one or more financing orders to issue bonds to recover infrastructure resilience costs; and
- (4) Establish a working group within the Department of Commerce and Consumer Affairs to examine the



establishment and implementation of a wildfire recovery fund and report its findings and recommendations to the Legislature.

Your Committee received testimony in support of this measure from the International Union of Painters and Allied Trades, District Council 50; Life of the Land; Plus Power; Par Hawaii; Ulupono Initiative; Sustainable Energy Hawai'i; Ka'ala Farm; Mālama Learning Center; Chamber of Commerce Hawaii; AES Hawai'i; Hawaii Teamsters & Allied Workers Local 996; Kona-Kohala Chamber of Commerce; Hawai'i Island Economic Development Board; International Union of Elevator Constructors; Plumbers and Fitters Local 675; International Brotherhood of Electrical Workers Local Union 1260; Hawaii Building & Construction Trades Council; Clearway Energy Group; International Brotherhood of Electrical Workers Local Union 1186; International Association of Heat & Frost Insulators & Allied Workers Local 132; Iron Workers Stabilization Fund; United Union of Roofers, Waterproofers and Allied Workers, Local 221; Kapolei Chamber of Commerce; Hawai'i Island Chamber of Commerce; Japanese Chamber of Commerce & Industry of Hawaii; Laborer's International Union Local 368; Hawai'i Construction Alliance; International Union of Operating Engineers Local 3; Land Use Research Foundation of Hawaii; and numerous individuals.

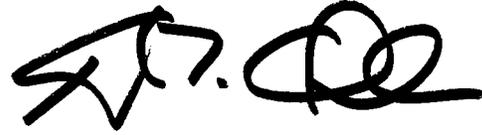
Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice; State Farm Insurance; National Association of Mutual Insurance Companies; and Hawaii Regional Council of Carpenters.

Your Committee received comments on this measure from the Office of the Governor; Department of the Attorney General; Department of Commerce and Consumer Affairs; Public Utilities Commission; Hawaiian Electric; Charter Communications; and Kaua'i Island Utility Cooperative.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 897, S.D. 3, H.D. 2, and recommends that it pass Third Reading.



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



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KYLE T. YAMASHITA, Chair



