STAND. COM. REP. NO. 565

Honolulu, Hawaii

FEB 1 6 2007

RE:

S.B. No. 1717

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred S.B. No. 1717 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist public utilities with capital improvement projects for the benefit of public health, safety, and general welfare.

Your Committee received testimony in support of this measure from Hawaiian Electric Company, Inc. (HECO); Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc.

Your Committee finds that the proceeds of the sale of the special purpose revenue bonds authorized by this measure will be used for the construction of facilities that will benefit ninety-five per cent of Hawaii's population. According to HECO's testimony, this type of financing will benefit the taxpayer to the extent that it will be less expensive than other types of financing, which will result in lower rates than if other types of financing are used to fund the capital improvement projects.

Your Committee, based upon the testimony provided by HECO, has made a technical, nonsubstantive amendment for the purpose of clarity.

2007-1742 SSCR SMA-1.doc

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1717, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1717, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Affordable Housing,

BRIAN T. TANIGUCHI, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Commerce, Consumer Protection and Affordable Housing CPH

Bill / Resolution No.:* SB 1717	COMMittee CPH」)		Dat 2	13/20	07
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)					
IGE, David Y. (VC)		<u> </u>			
ESPERO, Will		✓			·
IHARA, Jr., Les					And Annual Control of the
SAKAMOTO, Norman					
SLOM, Sam		V			0.01 Per 1 P
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TOTAL		5			No.
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

*Only one measure per Record of Votes