STAND. COM. REP. NO. 1581

Honolulu, Hawaii

April 5 , 201

RE: S.B. No. 1087

S.D. 2 H.D. 3

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

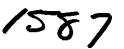
Your Committee on Finance, to which was referred S.B. No. 1087, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO GREEN INFRASTRUCTURE,"

begs leave to report as follows:

The purpose of this measure is to promote the purchase and installation of green infrastructure equipment among electric utility customers through a loan program financed by the issuance of revenue bonds. Specifically, this measure:

- (1) Establishes the Hawaii Green Infrastructure Loan Program;
- (2) Establishes the Hawaii Green Infrastructure Authority within the Department of Business, Economic Development, and Tourism;
- (3) Authorizes the creation of green infrastructure property consisting of all property, rights, and interests of the Hawaii Green Infrastructure Loan Program, which shall vest in the Department of Business, Economic Development, and Tourism for the purpose of securing bond amounts payable under the Loan Program, and other financing costs;



- (4) Establishes the Hawaii Green Infrastructure Bond Fund to be administered by the Department of Business, Economic Development, and Tourism and to receive proceeds of the Green Infrastructure Fee and Green Infrastructure property;
- (5) Establishes the Hawaii Green Infrastructure Special Fund to receive proceeds of the Loan Program and other moneys and to be expended on the operations of the Loan Program, including through credits to electric utility customers for reimbursement of excess Green Infrastructure charge collected;
- (6) Authorizes the Department of Business, Economic Development, and Tourism to issue up to \$200,000,000 in revenue bonds to establish and administer the Hawaii Green Infrastructure Loan Program;
- (7) Appropriates \$100,000,000 for fiscal year 2013-2014 and \$100,000,000 for fiscal year 2014-2015 to the Department of Business, Economic Development, and Tourism out of the Hawaii Green Infrastructure Special Fund; and
- (8) Appropriates \$10,000,000 for fiscal year 2013-2014 and \$20,000,000 for fiscal year 2014-2015 to the Department of Business, Economic Development, and Tourism out of the Hawaii Green Infrastructure Bond fund.

The Office of the Governor; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Public Utilities Commission; Hawaiian Electric Company; Hawaii Electric Light Company; Maui Electric Company; Blue Planet Foundation; Sierra Club, Hawaii Chapter; Hawaii Energy Policy Forum; Ulupono Initiative; and Pacific Resource Partnership testified in support of this measure. The State Procurement Office provided comments on this measure.

Your Committee has amended this measure by:

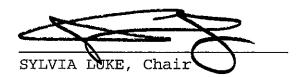
- (1) Changing the listed appropriations from the Hawaii Green Infrastructure Special Fund and Hawaii Green Infrastructure Bond Fund to unspecified amounts;
- (2) Changing its effective date to July 1, 2030; to encourage further discussion; and



(3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 1087, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1087, S.D. 2, H.D. 3.

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



State of Hawaii House of Representatives The Twenty-seventh Legislature



Record of Votes of the Committee on Finance

SB1087 SD2 HD2	EEP, CPC, FIN	Date:	04/01/13	
☐ 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)		and the state of t		-
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				
7. JORDAN, Jo				
8. KOBAYASHI, Bertrand				
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.				_
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
-				
TOTAL (17)	17			
The recommendation is: Adopted				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				