

STAND. COM. REP. NO. 1701

Honolulu, Hawaii

APR 09 2021

RE: H.B. No. 558
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 558, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CLEAN ENERGY FINANCING,"

begs leave to report as follows:

The purpose and intent of this measure is to strengthen the Hawaii Green Infrastructure Authority's ability to support investment in clean energy technology by providing low-cost loan financing to eligible public, private, and nonprofit borrowers for clean energy investments or other authorized uses.

More specifically, the measure:

- (1) Creates within the Hawaii green infrastructure special fund the clean energy and energy efficiency revolving loan fund to be administered by the Hawaii Green Infrastructure Authority;
- (2) Expands the purpose of the \$50,000,000 revolving sub-fund extant within the Hawaii green infrastructure special fund to allow state agencies to finance the purchase of clean energy equipment under existing power purchase agreements and obtain electric vehicles and electric vehicle charging systems;



- (3) Repeals the building energy efficiency revolving loan fund; and
- (4) Appropriates unspecified amounts from the clean energy and energy efficiency revolving loan fund to make loans for clean energy investments or other authorized uses.

Your Committee received written comments in support of this measure from the Hawaii Green Infrastructure Authority; Hawaii State Energy Office; Office of Climate Change, Sustainability, and Resiliency of the City and County of Honolulu; Office of Economic Development of the County of Kauai; Environmental Caucus of the Democratic Party of Hawaii; Blue Planet Foundation; Climate Protectors Hawaii; 350Hawaii; Sustainable Energy Hawaii; Hawaii EV Association; Big Island EV Association; and three individuals.

Your Committee received written comments on this measure from the Hawaii Public Utilities Commission; Department of Budget and Finance; and Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs.

Your Committee finds that the creation of a clean energy and energy efficiency revolving loan fund program provides a means for state agencies, among other public and private entities, to obtain affordable financing for the implementation of clean energy technologies. Your Committee further finds that implementation and expansion of clean energy technology use will allow these agencies to realize cost savings on utility expenses, thereby advancing the State's clean energy and sustainability goals while coping with budgetary constraints stemming from the coronavirus disease 2019 pandemic and resulting economic harm.

Your Committee has amended this measure by:

- (1) Clarifying that the Hawaii Green Infrastructure Authority shall administer the clean energy and energy efficiency revolving loan fund as a revolving line of credit;
- (2) Requiring, rather than authorizing, the Hawaii Green Infrastructure Authority to conduct certain enumerated activities in the performance of its duty to administer the clean energy and energy efficiency revolving loan

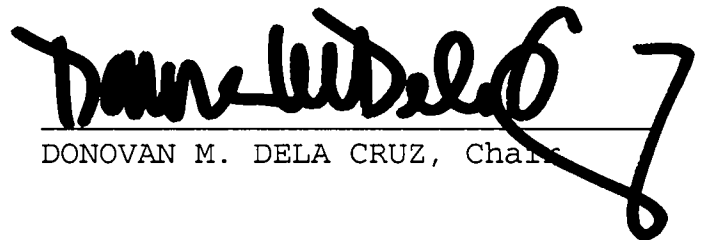


fund, and specifying that in doing so, the Authority shall effectuate the purposes of Part IV of Chapter 196, Hawaii Revised Statutes, which pertains to green infrastructure loans;

- (3) Clarifying that green infrastructure loans may be used to finance any of, as opposed to all of, the following: options to purchase solar photovoltaic systems and other clean energy equipment; the purchase or lease of electric vehicles; and the installation of electric vehicle charging systems;
- (4) Moving the substance of the definitions of "limited liability company", "option to purchase", and "special purpose entity" from the measure's definitional section to other substantive provisions of the measure; and
- (5) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 558, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 558, H.D. 2, S.D. 1.

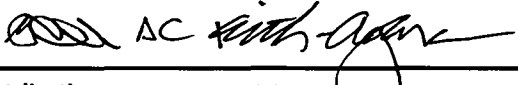
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 558, HD 2</i>	<i>EET, WAM</i>	<i>4/9/21</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.				X
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	<i>10</i>			<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes