

Honolulu, Hawaii

Feb 12, 2010

RE: H.B. No. 2603
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2603, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COST SHARING IN THE RELOCATION AND UNDERGROUNDING OF UTILITY FACILITIES,"

begs leave to report as follows:

The purpose of this bill is to require that certain utility owners pay their half of the costs of any betterment, relocation, or undergrounding of certain highway facilities to the state or county highway agency upfront, within 30 days after the utility owner's share of the costs is determined.

The Department of Transportation supported this bill. Hawaiian Electric Company, Hawaii Electric Light Company, Maui Electric Company, and Kauai Island Utility Cooperative opposed this measure. The Gas Company submitted comments.

Your Committee has amended this bill by replacing its contents with provisions that require utility entities to provide their share of funds in a timely manner in any contract involving state or county funds and supplemental funds from utility entities to ensure that sufficient funds are available to cover the amount required by a contract.

Your Committee finds that this bill, as amended, will set into motion the changes necessary to ensure greater coordination between state, county, and public utility agencies to implement



much needed infrastructure improvements in a fair way. While more discussion is necessary to further develop and improve upon this initiative, this is a good starting point for the stakeholders to move forward from.

Accordingly, your Committee has further amended this bill by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2603, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2603, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



