

STAND. COM. REP. NO.

3027

Honolulu, Hawaii

APR - 1 2010

RE: H.B. No. 2643  
H.D. 2  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2643, H.D. 2, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish a clean energy bond loan program to finance renewable energy systems and energy efficiency improvements on residential and commercial properties.

Specifically, this measure authorizes the State to issue general obligation bonds, the proceeds of which are to be deposited into a revolving fund. Furthermore, this measure authorizes the Department of Business, Economic Development, and Tourism to make loans to commercial and residential property owners for the installation of renewable energy and energy-efficient systems on their property in participating counties. This measure further requires the participating counties to levy special assessments on the improved property and to remit the moneys to the revolving fund for the repayment of the loans and consequently the bonds as well.

The written comments may be reviewed on the Legislature's website.

Your Committee finds that the clean energy bond program provides an innovative form of financing to encourage residential and commercial property owners to install renewable energy systems

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and energy efficiency improvements on their property, which will in turn help the State reach its energy efficiency and clean energy goals. Your Committee further finds that for residential and commercial property owners, the financial savings resulting from the clean energy improvements on their property are expected to offset the additional costs of the special assessments levied on that property.

Your Committee has amended this measure by:

- (1) Changing the type of bond authorized for issuance from general obligation bonds to revenue bonds, which, like general obligation bonds, are exempt from state taxes;
- (2) Changing the bond appropriation amount to an unspecified sum; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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. 2643, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2643, H.D. 2, S.D. 2.

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



DONNA MERCADO KIM, Chair



