

Honolulu, Hawaii

FEB 15, 2012

RE: H.B. No. 1945
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1945, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES,"

begs leave to report as follows:

The purpose of this measure is to support agriculture in Hawaii by:

- (1) Authorizing the Public Utilities Commission (PUC) to establish preferential rates for public utility services that are used by ratepayers for agricultural activities on land within agricultural districts; and
- (2) Allowing a public utility to provide to customers preferential rates for any public utility service, including potable water, electricity, and freight transport, to be used for agricultural activities on lands within an agricultural district, subject to the PUC's approval.

The Hawaii Farm Bureau Federation, Hawaii BioEnergy, and Young Brothers supported this bill. The Department of Agriculture supported the intent of this measure. The PUC submitted comments.

After careful consideration, your Committee has amended this bill by deleting the operative provisions of this measure and

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authorizing the PUC instead to provide preferential water carrier service tariffs for ratepayers that engage in agricultural activities.

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. 1945, 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. 1945, H.D. 2.

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



ROBERT N. HERKES, Chair



