

STAND. COM. REP. NO.

904

Honolulu, Hawaii

March 1, 2013

RE: H.B. No. 856

H.D. 2

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 H.B. No. 856, 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 establish a regulatory financing structure that authorizes the Public Utilities Commission (PUC) and the Department of Business, Economic Development, and Tourism (DBEDT) to provide low-interest loans for green infrastructure equipment and technology by:

- (1) Establishing the Hawaii Green Infrastructure Authority within DBEDT to administer the Hawaii Green Infrastructure Loan Program;
- (2) Establishing funding mechanisms to ensure the sustainability of the loan program, including the creation of a green infrastructure bond special fund and a green infrastructure special fund;
- (3) Establishing procedures for the Public Utilities Commission, through the electric utilities, to implement fees and on-bill financing to effectuate the purposes of the loan program;
- (4) Allowing DBEDT to issue revenue bonds to effectuate the purposes of the loan program; and

HB856 HD2 HSCR FIN HMS 2013-2482

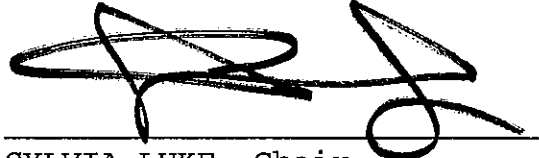


- (5) Requiring an annual report from the Hawaii Green Infrastructure Authority and the inclusion of information in the annual report of the Public Utilities Commission regarding the financing and progress of the Hawaii Green Infrastructure Loan Program.

The Office of the Governor; Public Utilities Commission; Department of Budget and Finance; Sierra Club, Hawaii Chapter; Ulupono Initiative; Blue Planet Foundation; and Hawaii Regional Council of Carpenters testified in support of this measure. The State Procurement Office testified in opposition of this measure. The Department of Business, Economic Development, and Tourism; Hawaiian Electric Company; Hawaii Electric Light Company; and Maui Electric Company provided comments on this measure.

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 H.B. No. 856, H.D. 2, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair



