Honolulu, Hawaii

APR 0 5 2022

RE: S.C.R. No. 38
        S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

    Your Committee on Commerce and Consumer Protection, to which was referred S.C.R. No. 38 entitled:

    "SENATE CONCURRENT RESOLUTION REQUESTING PUBLIC UTILITIES TO PROVIDE A FIFTY PERCENT RATE DISCOUNT TO RETIRED SENIOR CITIZENS,"

begs leave to report as follows:

    The purpose and intent of this measure is to request public utilities to provide a fifty percent rate discount to retired senior citizens.

    Your Committee received testimony in support of this measure from Rainbow Family 808. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs' Division of Consumer Advocacy and Public Utilities Commission.

    Your Committee finds that many retired seniors live on fixed incomes and rising utility costs can be highly burdensome. However, your Committee notes the concerns raised in testimony that, in addition to enforcement concerns, any discount rate shifts costs to other ratepayers and would result in cross-subsidization that could have unintended consequences, such as adversely affecting low- to moderate-income customers, resulting in utility bills becoming even less affordable. Accordingly, amendments to this measure are necessary to address these concerns.
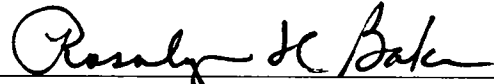
Your Committee has amended this measure by:

(1) Inserting findings acknowledging that low-income customers, in addition to retired senior citizens, may struggle to afford utility services due to widening gaps between costs and income;

(2) Inserting findings acknowledging that public utilities offering discounted rates to any one customer group may shift costs to other ratepayers, making utility bills even less affordable;

(3) Deleting language that would have requested public utilities to provide a fifty percent rate discount to retired senior citizens;

(4) Inserting language requesting that the Public Utilities Commission investigate measures to benefit vulnerable customers, including low-income and retired customers, and to identify funding sources to support social policy objectives that would prevent the shifting of costs to other ratepayers;

(5) Deleting language that would have requested the Public Utilities Commission to assess certain actions taken by public utilities and to provide certified copies of this measure to certain public utilities;

(6) Amending its title to reflect its amended purpose; and

(7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 38, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 38, S.D. 1.

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

_____
ROSALYN H. BAKER, Chair

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SCR 38	CPN	03-24-2022

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended
2312

☑ Pass, with amendments
2311

☐ Hold
2310

☐ Recommit
2313

Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
CHANG, Stanley (VC)	✓			
DECOITE, Lynn	✓			
NISHIHARA, Clarence K.	✓			
RIVIERE, Gil	✓			
SAN BUENAVENTURA, Joy A.	✓			
FEVELLA, Kurt	✓			
TOTAL	7			

Recommendation:

☑ Adopted   ☐ Not Adopted

Chair's or Designee's Signature:

*Only <u>one</u> measure per Record of Votes