

Honolulu, Hawaii

MAR 15 , 2024

RE: S.B. No. 2770  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred S.B. No. 2770 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to authorize the counties to establish an opt-in program that allows an annual payment in lieu of real property taxes for land or improvements that produce or store renewable energy sold to an electric utility.

Your Committee received testimony in support of this measure from the Hawaii State Energy Office; Department of Budget and Fiscal Services, City and County of Honolulu; Ulupono Initiative; Clearway Energy Group; Longroad Energy; Hawaiian Electric; and one individual. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that electric utilities in the State are required to achieve a one hundred percent renewable portfolio standard by December 31, 2045. Your Committee further finds that counties could assist in the transition to renewable energy through in-lieu-of-property-tax programs; however, counties lack the statutory authority to do so. Your Committee believes that this measure addresses this need and greatly reduces development risks and costs for renewable energy projects by allowing counties



to enact ordinances establishing these programs in lieu of property tax assessments that may default to considerations of highest and best use.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2770, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2770, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



NICOLE E. LOWEN, Chair



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: <b>SB 2770</b>	Committee Referral: <b>EEP, CPC, FIN</b>	Date: <b>3-14-2024</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	✓			
2. COCHRAN, Elle (VC)	✓			
3. GATES, Cedric Asuega				✓
4. KAHALOA, Kirstin	✓			
5. PERRUSO, Amy A.	✓			
6. WOODSON, Justin H.	✓			
7. WARD, Gene				✓
TOTAL (7)	5			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <u>Elle Cochran</u>				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				