

Honolulu, Hawaii

APR 26 2013

RE: S.B. No. 1280
S.D. 2
H.D. 1
C.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1280, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST A SEAWATER PROJECT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to encourage the development of efficient energy systems in Hawaii by authorizing the issuance of special purpose revenue bonds to assist Kona SWAC, LLC, in constructing a portion of a seawater air conditioning district cooling system.

Your Committee on Conference finds that Kona SWAC, LLC, seeks to develop a seawater air conditioning solution for Kona that precludes the need to cool water with electricity and instead uses seawater for cooling. Your Committee on Conference believes that finding and developing new and innovative technologies that decrease



the State's dependence on oil continue to be in the public interest. Accordingly, your Committee on Conference finds that assisting in the financing for the construction of a portion of the seawater air conditioning district cooling system to serve Kona and nearby areas on the island of Hawaii furthers the State's interest in developing new and efficient energy systems.

Your Committee on Conference has amended this measure by:

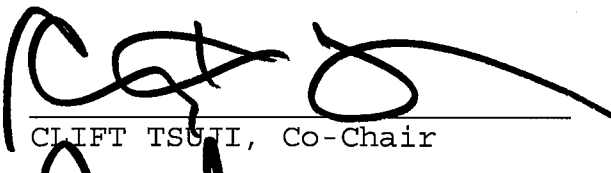
- (1) Specifying that the Department of Budget and Finance is authorized to issue special purpose revenue bonds in a total amount not to exceed \$40,000,000; and
- (2) Changing the effective date from July 1, 2050, to July 1, 2013.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1280, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1280, S.D. 2, H.D. 1, C.D. 1.

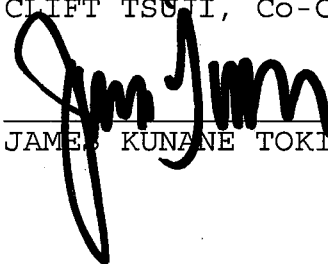
Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE


ON THE PART OF THE SENATE



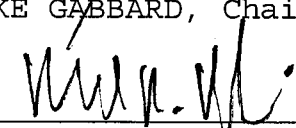
 CLIFT TSUJI, Co-Chair



 JAMES KUNANE TOKIOKA, Co-Chair



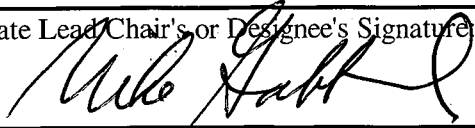
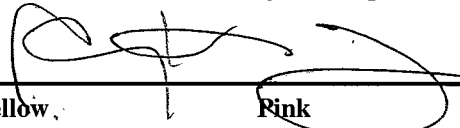
 MIKE GABBARD, Chair



 RONALD D. KOUCHI, Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 1280, SD 2, HD 1					Date/Time: 4-26-13 11:08 Am						
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).											
<input type="checkbox"/> The Committee is reconsidering its previous decision.											
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.						
Senate Managers		A	WR	N	E	House Managers		A	WR	N	E
GABBARD, Mike, Chr.		✓				TSUJI, Clift, Co-Chr.		✓			
KOUCHI, Ronald D., Co-Chr.		✓				TOKIOKA, James Kunane, Co-Chr.		✓			
IGE, David Y.		✓				OHNO, Takashi		✓			
KAHELE, Gilbert		✓				WARD, Gene					✓
SLOM, Sam					✓						
TOTAL		4	0	0	1	TOTAL		3	0	0	1
A = Aye		WR = Aye with Reservations			N = Nay			E = Excused			
Senate Recommendation is:						House Recommendation is:					
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted						<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					
Senate Lead Chair's or Designee's Signature:						House Lead Chair's or Designee's Signature:					
											
Distribution:		Original		Yellow		Pink		Goldenrod			
		File with Conference Committee Report		House Clerk's Office		Senate Clerk's Office		Drafting Agency			