

STAND. COM. REP. NO. 813

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1042
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1042 entitled:

"A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR SUNSTRONG LLC, A RENEWABLE ENERGY DEVELOPER SERVING THE GENERAL PUBLIC IN PROVIDING ELECTRIC ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist SunStrong LLC, a renewable energy developer, in the provision of electrical energy and installation of renewable energy projects in the State.

Your Committee received written comments in support of this measure from one individual. Your Committee received written comments on this measure from the Department of the Attorney General and Department of Budget and Finance.

Your Committee finds that harnessing the power of sunshine to provide renewable energy furthers the State's clean energy goals. There is an increasing focus on developing new sources of renewable energy to protect the environment from emissions associated with the burning of fossil fuels, and to increase the State's energy security in the face of unstable global fossil fuel prices.

Your Committee further finds that SunStrong LLC has considerable experience in installing renewable energy projects,

SB1042 SD1 SSCR LRB 15-1834-1.doc



and that the implementation of this measure is in the public interest. However, the Department of the Attorney General and the Legislative Reference Bureau each questioned whether it would be appropriate to provide financial assistance to SunStrong LLC under part VI, chapter 39A, Hawaii Revised Statutes, which provides for assistance to utilities serving the general public, since it is unclear whether SunStrong LLC meets that part's definition of a "project party" as "an electric or gas utility serving the general public and that is regulated by the public utilities commission. . . ." Although SunStrong LLC did not submit written comments, your Committee has reviewed available information and finds that it is more appropriate to provide financial assistance to SunStrong LLC under part V, chapter 39A, Hawaii Revised Statutes, which provides for assistance to industrial enterprises.

Your Committee has amended this measure by changing the statutory authority under which the financing assistance will be provided from part VI, chapter 39A, Hawaii Revised Statutes (utilities serving the general public), to part V, chapter 39A, Hawaii Revised Statutes (industrial enterprises).

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1042, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1042, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB1042	Committee Referral: ENE, WAM	Date: 2/27/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne				✓
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			✓
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.				✓
SLOM, Sam	✓			
TOTAL	8	0	0	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">M.M.D. III</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes