

STAND. COM. REP. NO.

859

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1096
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. 1096, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ON-BILL PROGRAMS,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify the application of the on-bill financing law.

Specifically, the measure exempts electric utilities that are serving as a pass-through for repayments of on-bill obligations from:

- (1) The imposition of various state and county taxes and fees; and
- (2) Laws regulating financial institutions, escrow depositories, or collection agencies.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Public Utilities Commission; Hawaiian Electric Company; and Blue Planet Foundation. The Department of Taxation and Tax Foundation of Hawaii submitted written comments on this measure.

Your Committee finds that the Public Utilities Commission has begun the development of a billing mechanism for on-bill charges and expects that it will be used to collect payments of the green

SB1096 SD1 SSCR LRB 15-1844.doc



infrastructure charge authorized by section 269-172, Hawaii Revised Statutes, and repayments of on-bill obligations addressed by this measure. This measure will help to remove any potential differences in the application of taxes and fees between the two similar programs and facilitate an electric utility's role as a pass-through for repayments of on-bill obligations.

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. 1096, S.D. 1, and recommends that it pass Third Reading.

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

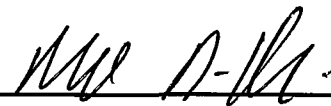


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB1096 SDI	Committee Referral: CPN, 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 checked="" type="checkbox"/> Pass, unamended 2312 <input 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	9	0	0	2
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;">  </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