

Honolulu, Hawaii

FEB 15 2019

RE: S.B. No. 998
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 998 entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS
FOR HAWAIIAN ELECTRIC COMPANY, INC.; MAUI ELECTRIC COMPANY,
LIMITED; AND HAWAII ELECTRIC LIGHT COMPANY, INC."

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 Hawaiian
Electric Company, Inc.; Maui Electric Company Limited; and Hawaii
Electric Light Company, Inc., to fund multi-project capital
improvement programs and assist utilities serving the general
public in providing electric energy.

Your Committee received testimony in support of this measure
from Ulupono Initiative, Land Use Research Foundation of Hawaii,
and Hawaiian Electric Company, Inc. Your Committee received
comments on this measure from the Department of Budget and
Finance.

Your Committee finds that Hawaii's energy issues are becoming
increasing complex and challenging. The electric utility
companies for the city and county of Honolulu and the counties of
Maui and Hawaii are slowly transforming their business operations
toward more renewable energy production, energy storage, and clean
transportation. For this transition to occur, they will require



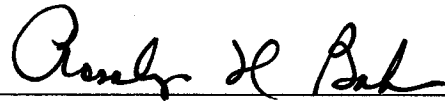
access to low-cost financing. Special purpose revenue bonds can provide lower cost capital, and the renewable and clean investments can save ratepayers money over the long run. This measure will help finance multi-project capital improvement construction programs for the local furnishing of electric energy to the city and county of Honolulu and the counties of Maui and Hawaii.

Your Committee has amended this measure by:

- (1) Clarifying that the special purpose revenue bonds authorized by this measure are for multi-project capital improvement programs; and
- (2) Clarifying that the capital improvement projects and programs of Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc. constitute a project as defined in existing law.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 998, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 998, S.D. 1, and be referred to your Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair



The Senate
 Thirtieth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 998	Committee Referral: CPH, WAM	Date: 2/11/19		
<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
BAKER, Rosalyn H. (C)	✓			
CHANG, Stanley (VC)	✓			
KEOHOKALOLE, Jarrett	✓			
NISHIHARA, Clarence K.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
FEVELLA, Kurt				✓
TOTAL	6			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes