

HB 4077 STAFF MEASURE SUMMARY
Senate Committee On Energy and Environment

Carrier: Sen. Robinson

Action Date: 02/25/26
Action: Do pass.
Vote: 4-0-1-0
Yeas: 4 - Golden, Pham, Robinson, Sollman
Exc: 1 - Smith DB
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
Prepared By: Beth Reiley, LPRO Analyst
Meeting Dates: 2/25

WHAT THE MEASURE DOES:

The measure authorizes a public utility, upon approval by the Public Utility Commission (PUC), to issue bonds and securitize debt for costs and expenses it incurs in connection with a self-insurance or captive insurance program. The measure takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Insurance reserves required to self-insure a utility
- PUC evaluation to determine the most cost-effective path for ratepayers

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The PUC regulates investor-owned electric and natural gas utilities, ensuring they provide safe and reliable energy at reasonable rates. All regulated electric and natural gas utilities must seek PUC approval for all rate and service schedules, or tariffs. House Bill 3143 (2023) authorized a public utility, upon approval by the PUC, to issue bonds and securitize debt for costs and expenses incurred or to be incurred by the public utility associated with events subject to a federal or state declaration of emergency. In 2025, the legislature enacted House Bill 3179, which expanded the allowable costs that could be securitized to include certain capital investments, the retirement of generational assets, the remediation of contaminated sites, and events in which the availability of electricity or natural gas within a regional energy market is significantly restrained.