

STAND. COM. REP. NO. 1160-06

Honolulu, Hawaii

March 24, 2006

RE: S.B. No. 3183
S.D. 1
H.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and Consumer Protection & Commerce, to which was referred S.B. No. 3183, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO VEHICULAR EMISSIONS,"

beg leave to report as follows:

The purpose of this measure is to require the Department of Health to adopt rules to regulate the emission standards for certain motor vehicles in the State.

The Rocky Mountain Institute supported this measure. The Sierra Club supported this measure with amendments, and the Hawaii Automobile Dealers' Association supported the intent of this measure. The Department of Health and the Alliance of Automobile Manufacturers opposed this measure.

Your Committees heard concerns from a number of parties that this measure may be in violation of the federal Clean Air Act. Specifically, section 209 of the Clean Air Act prohibits the states from adopting and enforcing standards relating to the control of emissions from new motor vehicles. The Clean Air Act, however, provides an exception for states that are in "non attainment" areas with respect to the Environmental Protection Agency's Ambient Air Quality Standards. Since Hawaii is in an attainment area, your Committees believe that the State cannot legally adopt this measure at this time.

SB3183 HD1 HSCR LRB 06-3063.doc



Furthermore, your Committees note that, due to limited state resources as noted in the testimony submitted by Department of Health, it may be more prudent to address the issue of vehicular emissions by providing incentives for the purchase of clean fuel vehicles and penalizing less efficiently fueled vehicles, rather than requiring the Department to establish emissions standards.

Accordingly, your Committees have amended this measure by:

- (1) Deleting the original contents of this measure;
- (2) Inserting the contents of Senate Bill No. 3177, S.D. 1, relating to providing tax incentives for the purchase of a passenger car or pickup truck that operates on clean fuels and penalizing less efficiently fueled vehicles; and
- (3) Inserting section 2 of Senate Bill No. 3161, S.D. 3, relating to establishing objectives and policies in the Hawaii State Planning Act supporting a renewable fuels standard of ten per cent of highway fuel demand to be provided by renewable fuels by 2010, fifteen per cent by 2015, and twenty per cent by 2020.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3183, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3183, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Consumer Protection & Commerce,



ROBERT N. HERKES, Chair



HERMINA MORITA, Chair



