

STAND. COM. REP. NO.

3177

Honolulu, Hawaii

APR 28 2006

RE: S.R. No. 163

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

Sir:

Your Committee on Transportation and Government Operations,
to which was referred S.R. No. 163 entitled:

"SENATE RESOLUTION ENCOURAGING THE DEPARTMENT OF
TRANSPORTATION, WITH COOPERATION FROM THE DEPARTMENT OF LAND
AND NATURAL RESOURCES, TO ASSIST IN THE STATE AND NATIONAL
POLICIES TO REDUCE RELIANCE UPON FOSSIL FUELS AND TO PROMOTE
THE DEVELOPMENT OF AN ETHANOL INDUSTRY IN THE STATE OF
HAWAII, "

begs leave to report as follows:

The purpose of this measure is to encourage the Department of
Transportation, with cooperation from the Department of Land and
Natural Resources, to assist in the state and national policies to
reduce reliance upon fossil fuels and to promote the development
of an ethanol industry in the State of Hawaii.

Your Committee received testimony in support of this measure
from Oahu Ethanol Corporation.

Your Committee finds that a local ethanol industry can
bolster the sugar industry, which is currently facing declining
market prices. It could also stimulate the development of new
crops, thereby providing new jobs and strengthening Hawaii's
economy. This new industry will help to decrease Hawaii's heavy
dependence on imported petroleum. The nature, size, and quantity
of ethanol feed stocks, products, and by-products require maritime
transport and utilization of state harbors for the berthing of
ships for such products, and their loading, off-loading, storage,
and distribution.

2006-2971SR SSCR SMA.doc



As affirmed by the record of votes of the members of your Committee on Transportation and Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 163 and recommends its adoption.

Respectfully submitted on
behalf of the members of the
Committee on Transportation and
Government Operations,


LORRAINE R. INOUE, Chair



