

STAND. COM. REP. NO.

1934

Honolulu, Hawaii

Aug 5, 2007

RE: S.B. No. 1612
S.D. 2
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1612, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS,"

begs leave to report as follows:

The purpose of this bill is to continue the State's tradition of environmental leadership by:

- (1) Mandating that the Department of Health (DOH) adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990, to be achieved by 2020;
- (2) Requiring the adoption of rules to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions;
- (3) Requiring the adoption of reporting and verification of statewide greenhouse gas emissions to monitor and enforce compliance; and
- (4) Authorizing the adoption of market-based compliance mechanisms.



The Hawaii Chapter of the Sierra Club, Honolulu Seawater Air Conditioning, LLC., Windward Ahupua'a Alliance, and a concerned individual supported this bill. Alliance of Automobile Manufacturers and Covanta Energy support the intent of this bill. DOH and the Hawaii Automobile Dealers' Association opposed this measure. The Department of Business, Economic Development, and Tourism (DBEDT), Life of the Land, Hawaiian Electric Company, Maui Electric Company, Ltd., and Hawaii Electric Light Company, Inc., submitted comments.

Your Committee has amended this bill by, among other things:

- (1) Removing provisions requiring the adoption of rules to achieve the maximum feasible and cost-effective greenhouse gas emission reductions, and to monitor and enforce compliance;
- (2) Requiring DBEDT to convene the Climate Change Task Force (Task Force) that shall prepare a scoping plan for achieving reductions in greenhouse gas emissions from sources or categories of sources of greenhouse gases by 2020;
- (3) Requiring the Task Force to:
 - (A) Suggest rules governing how market-based compliance mechanisms may be used by regulated entities subject to greenhouse gas emission limits and mandatory emission reporting requirements to achieve compliance with their greenhouse gas emissions limits;
 - (B) Suggest regulation to control mobile sources of greenhouse gas emissions to achieve reductions in statewide greenhouse gas emissions;
 - (C) Conduct a series of public workshops to give interested parties an opportunity to comment on the scoping plan. The Task Force shall conduct at least one of these workshops in each county; and
 - (D) Update the scoping plan to achieve the maximum technologically feasible and cost-effective reductions of greenhouse gas emissions at least once every five years;



- (4) Changing the effective date to July 1, 2025, to encourage further discussion; and
- (5) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1612, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1612, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



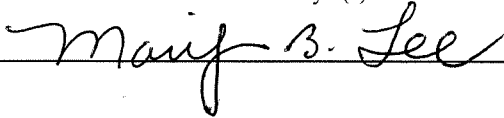
MARCUS R. OSHIRO, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSR 1934

Record of Votes of the Committee on Finance

| | | | | |
|--|-------------|---|-------------|----------------|
| Bill/Resolution No.: SB 1612 SD2 HD1 | | Date: 4/4/07 | | |
| Committee Referral: EEP, FIN | | <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration | | | | |
| FIN Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. OSHIRO, Marcus R. (C) | ✓ | | | |
| 2. LEE, Marilyn B. (VC) | ✓ | | | |
| 3. BELATTI, Della Au | | ✓ | | |
| 4. BROWER, Tom | ✓ | | | |
| 5. CARROLL, Mele | ✓ | | | |
| 6. CHONG, Pono | ✓ | | | |
| 7. HANOHANO, Faye P. | | ✓ | | |
| 8. HAR, Sharon E. | ✓ | | | |
| 9. MAGAOAY, Michael Y. | ✓ | | | |
| 10. MANAHAN, Joey | ✓ | | | |
| 11. MIZUNO, John | ✓ | | | |
| 12. NAKASONE, Bob | ✓ | | | |
| 13. RHOADS, Karl | | ✓ | | |
| 14. SAGUM, Roland D., III | ✓ | | | |
| 15. TOKIOKA, James Kunane | ✓ | | | |
| 16. AWANA, Karen Leinani | | ✓ | | |
| 17. MEYER, Colleen Rose | | ✓ | | |
| 18. WARD, Gene, Ph.D. | | ✓ | | |
| | | | | |
| TOTAL | 12 | 6 | 0 | 0 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| If joint referral, _____ did not support recommendation. committee acronym(s) | | | | |
|  | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office | | | | |