

STAND. COM. REP. NO.

1251

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 791  
H.D. 1  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 791, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GASOLINE,"

begs leave to report as follows:

The purpose of this measure is to require fuel distributors to provide gasoline that does not contain ethanol for those who wish to purchase non-ethanol fuel.

Specifically, this measure requires gasoline sold in the State prior to July 1, 2011, to have ethanol content by grade as follows:

- (1) Premium gasoline to contain no ethanol;
- (2) Mid-grade gasoline to contain up to ten per cent ethanol; and
- (3) Regular gasoline to contain at least ten per cent ethanol.

In addition, this measure requires that beginning July 1, 2011, all gasoline sold in the State for use in motor vehicles to contain ten per cent ethanol by volume, unless circumstances make the inclusion of ethanol unfeasible.



Your Committee received testimony in support of this measure from the Mayor of the County of Hawaii, the Hawaii Boaters Political Action Association, Hawaii Ocean Safety Team, and five individuals. One concerned citizen submitted testimony in support of the intent of this measure with recommended amendments. Your Committee received testimony in opposition to this measure from the Hawaii Energy Policy Forum, the Western States Petroleum Association, and two individuals. The Department of Business, Economic Development, and Tourism and Life of the Land submitted comments on this measure.

Your Committee finds that there is a need to provide non-ethanol gasoline for use in boats, small gasoline powered tools, and experimental and light-sport aircraft. Your Committee further finds that, while this measure will provide for those individuals in need of non-ethanol fuel, it also provides an important phase out provision to further the State's goal of energy independence.

Your Committee amended this measure by:

- (1) Clarifying in the purpose section that the State's existing ethanol content statute provides significant flexibility for the private sector to offer non-ethanol gasoline, yet the private sector has chosen not to make non-ethanol gasoline readily available;
- (2) Deleting all references to rulemaking procedures by the Director of the Department of Business, Economic Development, and Tourism; and
- (3) Changing the effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 791, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 791, H.D. 1, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.



Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,



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RON MENOR, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:* <b>HB 791 HD1</b>	Committee Referral: <b>ENE, CPH</b>	Date: <b>3/22/07</b>
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The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312    
  Pass, with amendments 2311    
 Hold 2310    
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	✓			
HOOSER, Gary L. (VC)	✓			
IHARA, Jr., Les	✓			
KOKUBUN, Russell S.				✓
TRIMBLE, Gordon			✓	
<b>TOTAL</b>	<b>3</b>		<b>1</b>	<b>1</b>

Recommendation:    
 Adopted    
 Not Adopted

Chair's or Designee's Signature:  


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