

STAND. COM. REP. NO.

256

Honolulu, Hawaii

FEB 13 2007

RE: S.B. No. 1718

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 S.B. No. 1718 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR ELECTRICAL GENERATION ON THE ISLAND OF MAUI,"

begs leave to report as follows:

The purpose of this measure is to support the development of renewable and efficient energy systems in the State.

Specifically, this measure authorizes the Department of Budget and Finance to issue special purpose revenue bonds for the construction of a biodiesel refinery on Maui with primary production volumes designated as fuel for electrical generation in which BlueEarth Maui Biofuels, LLC is involved.

Testimony in support of this measure was submitted by the Department of Business, Economic Development and Tourism, Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, and BlueEarth Maui Biodiesel. The Department of Budget and Finance submitted comments.

Your Committee finds this measure will help meet the goals of the State's Renewable Portfolio Standard and Alternate Fuels Standard. Your Committee further finds that by increasing the availability of locally grown biofuels, the state will not only increase its energy security and mitigate greenhouse gases, but will encourage a viable, local agricultural industry. It will

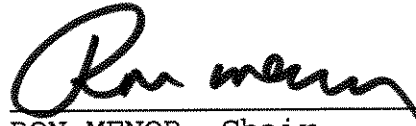


also result in the reduction of imported livestock feed since the by-products of biodiesel are an excellent alternative.

Your Committee finds that the issuance of special purpose revenue bonds under this measure is in the public interest and for the public health, safety, and general welfare.

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 S.B. No. 1718 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

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

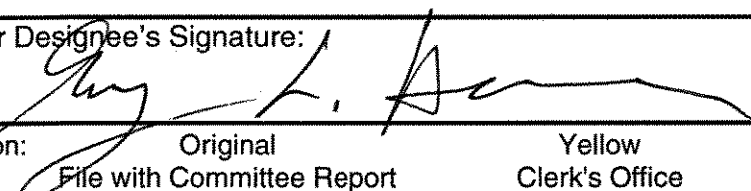


RON MENOR, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1718	ENE, WAM	2/16/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	✓			
HOOSER, Gary L. (VC)	✓			
IHARA, Jr., Les	✓			
KOKUBUN, Russell S.				✓
TRIMBLE, Gordon	✓			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Yellow	Pink	
File with Committee Report	Clerk's Office	Clerk's Office	Drafting Agency	

*Only one measure per Record of Votes