
A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL RESPONSE TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that resources are needed
2 to help reduce imported fossil fuel use and to transition the
3 State to clean energy and indigenous energy sources. Funding is
4 needed to support research to further the requirements of
5 Hawaii's new greenhouse gas emissions limit adopted in Act 234,
6 Session Laws of Hawaii 2007, codified in section 342B-71, Hawaii
7 Revised Statutes. The department of health also requires
8 additional funding for greenhouse gas emissions planning and
9 environmental enforcement.

10 The legislature further finds that there is a clear nexus
11 between oil consumption and the environmental impact of
12 greenhouse gas emissions. Currently, a five-cent fee is charged
13 for every barrel of oil sold in the State. This fee is
14 deposited into the environmental response revolving fund, a fund
15 that was set up to provide emergency funding for rapid response
16 in the event of a large oil spill. The fund was later amended
17 to allow it to be used for other environmental and energy



1 purposes, including addressing concerns relating to global
2 warming.

3 The purpose of this Act is to increase the environmental
4 response tax to provide needed funding for energy conservation
5 and alternative energy development, global warming initiatives,
6 and other programs pursuant to chapter 128D, Hawaii Revised
7 Statutes.

8 SECTION 2. Section 243-3.5, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) In addition to any other taxes provided by law,
11 subject to the exemptions set forth in section 243-7, there is
12 hereby imposed at times provided in section 128D-2 a state
13 environmental response tax of [5] _____ cents on each barrel or
14 fractional part of a barrel of petroleum product sold by a
15 distributor to any retail dealer or end user, other than a
16 refiner, of petroleum product; provided that _____ cents of the
17 tax on each barrel shall be used pursuant to section 128D-2 to
18 address concerns relating to drinking water. The tax imposed by
19 this subsection shall be paid by the distributor of the
20 petroleum product."

21 SECTION 3. Statutory material to be repealed is bracketed
22 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Environmental Response Tax; Petroleum Products

Description:

Increases the state environmental response tax on petroleum in order to increase funding available for energy conservation, alternative energy development, global warming initiatives, and other programs pursuant to chapter 128D, HRS. (SB2932 SD3)

