

Honolulu, Hawaii

Apr: 129 , 2008

RE: H.B. No. 2505  
H.D. 2  
S.D. 2  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2505, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to appropriate an unspecified sum to establish a full-time, permanent renewable energy facilitator position in the Department of Business, Economic Development, and Tourism and provide additional funding for energy initiatives to carry out Hawaii's long-term energy strategy through the Environmental Response and Energy Security Tax and Energy Security Special Fund to secure a sustainable energy future in Hawaii. Among other things, this bill:

- (1) Changes the name of the Environmental Response Tax to the Environmental Response and Energy Security Tax;

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- (2) Establishes the Energy Security Special Fund into which shall be deposited a certain amount of the Environmental Response and Energy Security Tax and fees generated by the renewable energy facility siting process, among other sources;
- (3) Restricts the use of the Energy Security Special Fund to:
  - (A) Supporting DBEDT's energy program;
  - (B) Funding the Renewable Energy Facilitator; and
  - (C) Supporting the renewable energy facility siting process;
- (4) Caps the contribution of the Environmental Response and Energy Security Tax to the Environmental Response Revolving Fund at \$20,000,000;
- (5) Increases the Environmental Response and Energy Security Tax on a barrel of oil to 15 cents from five cents and distributes the tax revenues to various funds; and
- (6) Appropriates an unspecified sum from the Environmental Response Revolving Fund for the renewable energy facilitator position and an unspecified sum from the Energy Security Special Fund for the purposes of this bill.

Your Committee on Conference has amended this bill by:

- (1) Maintaining the name of the Environmental Response Tax instead of renaming it the Environmental Response and Energy Security Tax;
- (2) Deleting as a source of funding for the Energy Security Special Fund, the Environmental Response Tax and renewable energy facility siting process fees;
- (3) Revising the restricted use of the Energy Security Special Fund to:
  - (A) Support DBEDT's energy programs and necessary program positions; and
  - (B) Provide funds for the Renewable Energy Facilitator;



- (4) Deleting the cap on the contribution of the Environmental Response Tax to the Environmental Response Revolving Fund;
- (5) Deleting the ten-cent increase of the Environmental Response Tax on a barrel of oil;
- (6) Specifically authorizing legislative appropriations from the Environmental Response Revolving Fund to the Energy Security Special Fund; and
- (7) Transferring \$112,000 from the Environmental Response Revolving Fund to the Energy Security Special Fund for one fulltime, temporary renewable energy facilitator position.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2505, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2505, H.D. 2, S.D. 2, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

  
RON MENOR, Chair

  
HERMINA MORITA, Co-Chair

  
ROSALYN H. BAKER, Co-Chair

  
MARCUS R. OSHIRO, Co-Chair



