

STAND. COM. REP. NO. 960 -08

Honolulu, Hawaii

Feb 29, 2008

RE: H.B. No. 3444
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 3444, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this bill is to maintain adequate financial resources for state renewable energy programs to supplant waning federal funding by, among other things:

- (1) Establishing an Energy Security Special Fund to fund Department of Business, Economic Development, and Tourism (DBEDT) energy programs that carry out the State's long-term energy strategy;
- (2) Expanding the Environmental Response Tax to also fund energy security programs;
- (3) Renaming the Environmental Response Tax to the Environmental Response and Energy Security Tax; and
- (4) Increasing the amount of the Environmental Response and Energy Security Tax from 5 cents to 20 cents per barrel.



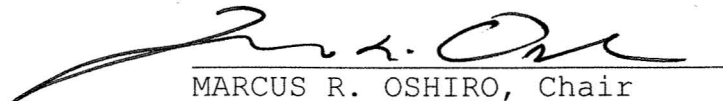
The Sierra Club, Hawaii Chapter, Hawaii Solar Energy Association, Hawaii Renewable Energy Alliance, and a concerned individual supported this bill. The Department of Health opposed this bill. DBEDT, Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Changing the amount of the Environmental Response and Energy Security Tax to an unspecified amount;
- (2) Changing the amounts of the Environmental Response and Energy Security Tax to be distributed to the Environmental Response Revolving Fund, Energy Security Special Fund, and the Energy Systems Development Special Fund, to unspecified amounts;
- (3) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

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 H.B. No. 3444, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 3444, H.D. 2.

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


MARCUS R. OSHIRO, Chair



