

Honolulu, Hawaii

FEB 08 2007

RE: S.B. No. 598
S.D. 1

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

Madam:

Your Committees on Energy and Environment and Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 598 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

beg leave to report as follows:

The purpose of this measure is to encourage green building design and practices in an effort to shift toward greater energy sustainability.

The measure attempts to accomplish this purpose by providing a general excise tax exemption for buildings or facilities built in conformance with the United States Green Building Council's Leadership on Energy and Environmental Design green building rating system.

Your Committees received testimony in support of this measure from Honolulu Seawater Air Conditioning, LLC., and the Hawaii Association of Realtors. The Department of Business, Economic Development, and Tourism and the American Chemistry Council submitted testimony supporting the intent of this measure. Testimony offering comments on this measure was submitted by the Department of Taxation and the Hawaii Carpenter's Union.

Your Committees find that buildings represent forty per cent of our total energy use. Encouraging the construction of energy efficient buildings is essential to Hawaii's energy sustainability.



Your Committees have amended this measure by requiring the Department of Taxation to work in conjunction with the Department of Accounting and General Services to determine the criteria for green building qualification.

Your Committees further amended this measure by clarifying that the exemption applies to all buildings statewide.

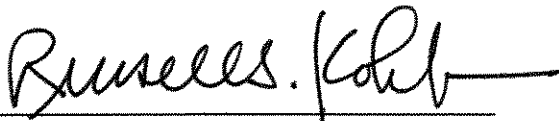
Your Committees also amended this measure to provide that a building may qualify as a "green building" if it is in conformance with comparable state-approved, nationally recognized, and consensus based guideline, standard, or system, except when the guideline, standard, or system interferes with the use of the building or facility as an emergency shelter.

Furthermore, your Committees changed the effective date of the measure from upon approval to July 1, 2007.

The Department of Taxation was unable to calculate the measure's fiscal impact because the exemption percentage was left blank.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Water, Land, Agriculture, and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 598, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 598, S.D. 1, and be referred to the Committee on Economic Development and Taxation.

Respectfully submitted on
behalf of the members of the
Committees on Energy and
Environment and Water, Land,
Agriculture, and Hawaiian
Affairs,



RUSSELL S. KOKUBUN, Chair

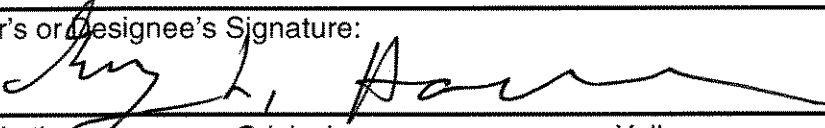


RON MENOR, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii


Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* SB 598	Committee Referral: ENE/WAH, EDOT, WAM	Date: 2/6/07		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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 Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes

The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Water, Land, Agriculture and Hawaiian Affairs
WAH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 598	ENE/WAH, EDT, WAM	2/6/07		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KOKUBUN, Russell S. (C)	X			
TOKUDA, Jill N. (VC)	X			
FUKUNAGA, Carol				X
HEE, Clayton	X			
SLOM, Sam		X		
TOTAL	3	1		1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Clerk's Office	Drafting Agency		

*Only one measure per Record of Votes