

Honolulu, Hawaii

APR 11 2008

RE: S.C.R. No. 50

S.D. 1

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

Madam:

Your Committees on Energy and Environment and Water and Land,  
to which was referred S.C.R. No. 50 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF  
BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM AND THE  
DEPARTMENT OF LAND AND NATURAL RESOURCES TO STUDY THE  
FEASIBILITY OF CREATING A RENEWABLE ENERGY SUB-DISTRICT  
CLASSIFICATION OF LANDS AS PERMISSIBLE LOCATIONS FOR  
RENEWABLE ENERGY GENERATION AND TO STUDY, WITH THE ASSISTANCE  
OF THE DEPARTMENT OF TAXATION, THE COST OF PROVIDING A NON-  
REFUNDABLE INCOME TAX CREDIT TO RESIDENTS OF COMMUNITIES OF  
RENEWABLE ENERGY SUB-DISTRICTS THAT PRODUCE RENEWABLE  
ENERGY, "

beg leave to report as follows:

The purpose of this measure is to request the Department of  
Business, Economic Development, and Tourism and the Department of  
Land and Natural Resources to study the feasibility of creating a  
renewable energy sub-district classification of lands as  
permissible locations for renewable energy generation.

Specifically, this measure requests that the study:

- (1) Refer to the December 2006 report to the Department of  
Land and Natural Resources and the Department of  
Business, Economic Development, and Tourism, *A Catalog  
of Potential Sites for Renewable Energy in Hawaii*, that  
identifies potential sites in the State for the location  
of renewable energy generation; and



- (2) Include a cost analysis of providing a non-refundable income tax credit to residents of lands in renewable energy sub-districts.

The Department of Taxation is requested to assist with the income tax credit portions of the study.

Testimony in support of this measure was submitted by Zero Emissions Leasing LLC. Comments were submitted by the Department of Land and Natural Resources; and the Department of Business, Economic Development, and Tourism.

Your Committees have amended this measure by adding clauses to:

- (1) Explain that a similar effort was previously made when geothermal resource subzones were designated through sections 205-5.1 and 205-5.2, Hawaii Revised Statutes (HRS), but without financial incentives for community residents to accept geothermal development activities in their community; and
- (2) Request that the Department of Business, Economic Development, and Tourism consider the repeal of sections 205-5.1 and 205-5.2, HRS, and incorporation of geothermal resource subzones within the renewable energy sub-district classification being designated pursuant to chapter 91, Hawaii Revised Statutes.

Your Committees find that providing financial incentives for community residents to accept renewable energy generators in their community would assist in the development of renewable energy generators, such as wind turbines and photovoltaic panels.

Your Committees further find that the creation of a renewable energy sub-district land classification may serve the public interest by promoting the use of renewable energy; which will ultimately, by decreasing the use of fossil fuels, reduce the State's production of greenhouse gases and increase the State's energy self-sufficiency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Water and Land that are attached to this report, your Committees concur with the intent



and purpose of S.C.R. No. 50, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 50, S.D. 1.

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

Russell Kohl  
for CLAYTON HEE, Chair

Ray L. D...  
BON MENOR, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:* <b>SCR 50</b>	Committee Referral: <b>ENE / WTL</b>	Date: <b>4/10/08</b>
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The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312     Pass, with amendments 2311     Hold 2310     Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	X			
HOOSER, Gary L. (VC)				X
IHARA, Jr., Les				X
KOKUBUN, Russell S.	X			
TRIMBLE, Gordon	X			
<b>TOTAL</b>	<b>3</b>			<b>2</b>

Recommendation:  Adopted     Not Adopted


Chair's or Designee's Signature:  


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\*Only one measure per Record of Votes

The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Water and Land**  
**WTL**

Bill / Resolution No.:* <b>SCR 50</b>	Committee Referral: <b>ENE/WTL</b>	Date: <b>4/10/08</b>		
<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
HEE, Clayton (C)				✓
KOKUBUN, Russell S. (VC)	✓			
FUKUNAGA, Carol	✓			
TOKUDA, Jill N.	✓			
WHALEN, Paul				✓
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
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