

JAN 28 2009

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# A BILL FOR AN ACT

RELATING TO AIR POLLUTION FEES.

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

1           SECTION 1. The legislature finds that financial incentives  
2 must be aligned with policies that establish societal and  
3 sustainability goals. The legislature further finds, however,  
4 that a loophole exists in Hawaii's air pollution control laws,  
5 and that this loophole inadvertently acts as a disincentive to  
6 reducing pollution from larger pollution sources.

7           Under section 342B-29, Hawaii Revised Statutes, covered  
8 source permit holders must pay fees per ton of regulated air  
9 pollutant emitted annually. These fees fund the clean air  
10 branch of the department of health and other programs. Covered  
11 source permit holders, however, are not assessed fees for  
12 pollution above four thousand tons. The legislature finds that  
13 this feature of the law is inequitable for covered source permit  
14 holders that emit less than four thousand tons, and it is a  
15 disincentive to large polluters to reduce pollution that exceeds  
16 four thousand tons annually.



1 The purpose of this Act is to eliminate a disincentive to  
2 pollution reduction by removing the cap on fees for air  
3 pollutant emissions.

4 SECTION 2. Section 342B-29, Hawaii Revised Statutes, is  
5 amended by amending subsection (c) to read as follows:

6 "(c) Fees for covered sources shall be based on the number  
7 of tons of regulated air pollutant, excluding carbon monoxide,  
8 allowed or emitted by the permitted source and shall not be less  
9 than \$25 per ton per year. [~~A covered source shall not be~~  
10 ~~assessed for emissions of a regulated air pollutant in excess of~~  
11 ~~four thousand tons per year.]"~~

12 SECTION 3. This Act does not affect rights and duties that  
13 matured, penalties that were incurred, and proceedings that were  
14 begun, before its effective date.

15 SECTION 4. Statutory material to be repealed is bracketed  
16 and stricken.

17 SECTION 5. This Act shall take effect upon its approval.

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**Report Title:**

Air Pollution; Fees

**Description:**

Removes the exemption from fees for air pollution emissions in excess of 4,000 tons annually from covered sources.

