

SB 512



HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

47 Rainbow Drive
Hilo, Hawaii 96720-2013
Tel: (808) 961-2681 / Fax: (808) 935-9213

To: Committee on Ways and Means
Date: Monday, March 2, 2009
Time: 9:30 a.m.
Place: Conference Room 211 – State Capitol

Re: TESTIMONY OF GEORGE YOKOYAMA IN SUPPORT OF SB 512

Honorable Chairperson and Members of the Committee,

On behalf of Hawaii County Economic Opportunity Council (HCEOC), a community action agency, I testify in support of Senate Bill 512 that amends the definition of nameplate capacity for biofuels facilities and revises the allowable tax credit for the simple reason that ethanol is no longer the only product that exclusively represents biofuels. The amendment to replace “ethanol” with “biofuel” is meaningful and appropriate.

Thank you for the opportunity to testify.


George Yokoyama
Executive Director

SB 512 - Relating to Taxation

DATE: March 2, 2009

TIME: 9:30am

PLACE: Conference Room #211

TO: COMMITTEE ON WAYS AND MEANS

Senator Donna Mercado Kim, Chair

Senator Shan S. Tsusui, Vice Chair

FROM: William K. Akiona II

Projects Director

OmniGreen Renewables

RE: Testimony in Support of SB 512

Aloha Chair, Vice Chair, and Members of the Committee,

Thank you for the opportunity to testify on this bill.

OmniGreen Renewables LLC strongly supports SB 512, which would amend an already existing but as yet unused, ethanol facility tax credit to also encourage the production of biodiesel in the State of Hawaii. Changing the wording 'ethanol facility' to 'biofuel facility' would enable local companies to utilize this dormant incentive to expand biofuel production capacity state-wide. More biofuel facilities in the state would also create jobs in the agricultural sector, as well.

Sustainable businesses could use this already well constructed policy to propel the State forward towards energy independence, in creating jobs and economic growth, through locally owned businesses.

OmniGreen Renewables LLC is a newly formed **BioEnergy Systems Development** company conducting renewable energy research and development on the Wai'anae Coast of O'ahu, where we are planning for sustainable development projects that will simulate the rural economy and create "**Green Jobs.**"

Thank you for the opportunity to testify.

Respectfully,

William K. Akiona II

Projects Director

OmniGreen Renewables LLC

808 923-1737

omnigreen2020@yahoo.com

Barbara & Michael Gach
2198 Auina Place
Kihei, HI 96753
(808)874-8191

February 27, 2009

Monday, March 2, 2009
9:30 AM, Conference Room # 211

COMMITTEE ON WAYS AND MEANS
Senator Donna Mercado Kim, Chair
Senator Shan S. Tsusui, Vice Chair

Testimony of Barbara & Michael Gach

In support of SB 512, Relating to Taxation

Barbara & Michael Gach strongly support SB 512, which would amend an already existing but as yet unused, ethanol facility tax credit to also encourage the production of biodiesel in the State of Hawaii. Changing the wording 'ethanol facility' to 'biofuel facility' would enable local companies to utilize this dormant incentive to expand biofuel production capacity state-wide. More biofuel facilities in the state would also create jobs in the agricultural sector well.

Sustainable businesses could use this already well constructed policy to propel state forward towards energy independence and creating jobs and economic growth through locally owned businesses.

Thank you for the opportunity to testify,

Barbara & Michael Gach

Monday, March 2, 2009
9:30 AM, Conference Room # 211

COMMITTEE ON ENERGY AND ENVIRONMENT
Senator Mike Gabbard, Chair
Senator J. Kalani English, Vice Chair

Testimony of Robert King, Pacific Biodiesel

In support of SB 512, Relating to Taxation

Headquartered in Kahului, Pacific Biodiesel is a respected technology and operations expert in the rapidly expanding biodiesel industry. Since opening and operating the very first retail biodiesel pump in America, Pacific Biodiesel has built a solid reputation as a pioneer and leading advocate for the establishment of community-based biodiesel

Pacific Biodiesel strongly supports SB 512, which would amend an already existing but as yet unused, ethanol facility tax credit to also encourage the production of biodiesel in the State of Hawaii. Changing the wording 'ethanol facility' to 'biofuel facility' would enable local companies to utilize this dormant incentive to expand biofuel production capacity statewide.

We respectfully propose the following amendments to improve this bill:

1. A sunset date of Jan.1, 2017 be added to the end of the bill
2. The specification for biodiesel, ASTM D6751, be added next to ethanol specification on page 5, line 5

The addition of a sunset date will make the cost of this credit more predictable for the state and adding the specification for high quality biodiesel will ensure that biodiesel producers can also qualify for the credit. The included language limiting qualifying facilities to production capacities of 15 million gallons per year or less will encourage the construction of multiple sustainably-scaled facilities, providing a diverse and flexible biofuel production network within the state. Increasing the size and scope of applicants while limiting aggregate funding to \$12 million per year will incur the problems encountered by the federal bioenergy program.

This created an oversized pool of applicants for a limited amount of funding, ultimately reducing the shares of credits to individual companies significantly. In order for such subsidies to encourage real projects, there must be a meaningful pool of funds that we can count on, at least for a significant period.

Pacific Biodiesel urges the committee to pass SB 512 which will allow more sustainable businesses to utilize an already well constructed policy, propelling the state forward towards energy independence and encouraging jobs and economic growth through locally owned businesses.

Thank you for the opportunity to testify,

Robert King, President
Pacific Biodiesel, Inc.
40 Hobron Ave
Kahului, Hawaii 96732
Ph: (808) 877-3144
www.biodiesel.com



kim4 - Elizabeth

From: Billy Welker [welkerb001@hawaii.rr.com]
Sent: Friday, February 27, 2009 4:51 PM
To: WAM Testimony
Subject: Support SB 512

COMMITTEE ON WAYS AND MEANS
Senator Donna Mercado Kim, Chair
Senator Shan S. Tsusui, Vice Chair

Testimony of Billy Welker
Haiku, HI

In support of SB 512, Relating to Taxation

Aloha,

I am contacting you to express support for the change of an already existing but as yet unused, ethanol facility tax credit (SB 512) that will encourage the production of biodiesel in Hawaii.

As the owner of THREE Volkswagon diesel cars, all fueled with biodiesel and getting close to 40 miles to the gallon each, my family is glad to know we are doing a small part to reduce carbon emmissions, supporting a LOCAL SUSTAINABLE business, using a waste product that is converted to fuel and reducing our dependence on imported products. I am asking that we encourage more of the same.

What a wonderful opportunity to produce so much good with such small effort.

Thank you for your consideration in making Hawaii a better place

Billy Welker and family.
860 East Kuiaha Rd.
Haiku, HI 96708
808-268-8633

kim2 - Arline

From: Maggie Welker [magma@hawaii.rr.com]
Sent: Friday, February 27, 2009 12:50 PM
To: WAM Testimony
Subject: SB 512

Follow Up Flag: Follow up
Flag Status: Completed

Monday, March 2, 2009

9:30 AM, Conference Room # 211

COMMITTEE ON WAYS AND MEANS

Senator Donna Mercado Kim, Chair

Senator Shan S. Tsusui, Vice Chair

Testimony of Maggie Welker, Maui County resident

In support of SB 512, Relating to Taxation

As a user of biodiesel in our family and business vehicles, I strongly support SB 512, which would amend an already existing, but as yet unused, ethanol facility tax credit to also encourage the production of biodiesel in the State of Hawaii. **Changing the wording 'ethanol facility' to 'biofuel facility' would enable local companies to utilize this dormant incentive to expand biofuel production capacity.** More biofuel facilities in the state would also create jobs in the agricultural sector well.

I know that the will exists to move our island in the direction of energy independence. This bill will help support and encourage local businesses moving us toward that goal.

Thank you for the opportunity to testify,

Maggie Welker

860 East Kuiaha Rd. Haiku Hi 96708

kim2 - Arline

From: Mark Rooney [mrooney@hawaii.edu]
Sent: Friday, February 27, 2009 12:56 PM
To: WAM Testimony
Cc: cmoore@biodiesel.com
Subject: Support SB 512

Follow Up Flag: Follow up
Flag Status: Completed

Aloha,

I support legislation "SB 512". Please include all biofuels in facility tax credits. As a satisfied owner of a biodiesel vehicle, I support SB 512. It will help expand the future of renewable energy alternatives. I encourage all elected officials to do the same.

SB 512 would amend an already existing but as yet unused, ethanol facility tax credit to also encourage the production of biodiesel in the State of Hawaii. Changing the wording 'ethanol facility' to 'biofuel facility' would enable local companies to utilize this dormant incentive to expand biofuel production capacity state-wide. More biofuel facilities in the state would also create jobs in the agricultural sector well. Sustainable businesses could use this already well constructed policy to propel state forward towards energy independence and creating jobs and economic growth through locally owned businesses.

Please vote for SB 512.

Sincerely,
Mark Rooney
518 Kumulani Drive
Kihei, HI 96753
808-281-3606

kim2 - Arline

From: Barbara Gach [gach@maui.net]
Sent: Friday, February 27, 2009 12:29 PM
To: WAM Testimony
Subject: Testimony In support of SB 512
Attachments: Testimony for Biofuels.doc

Follow Up Flag: Follow up
Flag Status: Completed

Barbara & Michael Gach
2198 Auina Place
Kihei, HI 96753
(808)874-8191

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COMMITTEE ON WAYS AND MEANS
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Barbara & Michael Gach