

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 512

S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 512 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to modify the current ethanol production facilities tax credit to provide a tax credit for biofuel production facilities.

Testimony in support of the measure was submitted by a county department and three private organizations. Testimony in support, with suggested amendments, was submitted by two private organizations. Testimony in support of the intent of the measure, with suggested amendments, was submitted by one state department. Testimony in opposition to the measure was submitted by one private organization. Comments were submitted by one state department. Copies of written testimony are available for review on the Legislature's website.

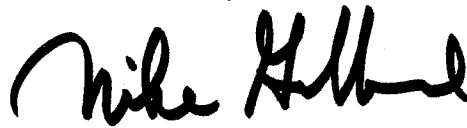
Your Committee finds that the use of biofuels can reduce the State's dependence on imported oil and increase the amount of renewable energy from sustainable resources. Amending the as yet unused ethanol facility tax credit will encourage local companies to put this dormant credit to use.

Your Committee has amended this measure to make technical, nonsubstantive stylistic changes.



As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 512, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 512, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,



---

MIKE GABBARD, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

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

|  |  |                         |          |         |
|--|--|-------------------------|----------|---------|
| Bill / Resolution No.:*<br><b>SB 512</b>   | Committee Referral:<br><b>ENE, WAM</b> | Date:<br><b>2/12/09</b> |          |         |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                         |          |         |
| The Recommendation is:<br><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 |
| GABBARD, Mike (C)  | /                                      |                         |          |         |
| ENGLISH, J. Kalani (VC)  | /                                      |                         |          |         |
| GREEN, M.D., Josh  | /                                      |                         |          |         |
| HOOSER, Gary L.  | /                                      |                         |          |         |
| IHARA, Jr., Les  | /                                      |                         |          |         |
| KOKUBUN, Russell S.  | /                                      |                         |          |         |
| HEMMINGS, Fred   | /                                      |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
|  |  |                         |          |         |
| <b>TOTAL</b>   | <b>7</b>                               |                         | <b>0</b> |         |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                         |          |         |
| Chair's or Designee's Signature: <i>J. Kalani English</i>  |  |                         |          |         |
| <b>Distribution:</b> Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy   |  |                         |          |         |

\*Only one measure per Record of Votes