

STAND. COM. REP. NO.

3328

Honolulu, Hawaii

APR 05 2012

RE: H.B. No. 2262
H.D. 2
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2262, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to encourage the development of the State's renewable energy industry.

More specifically, this measure:

- (1) Broadens the ethanol facility income tax credit to include the construction of facilities for the production of renewable transportation fuels; and
- (2) Establishes an income tax credit for biofuel production facilities.

Your Committee received written comments in support of this measure from the Hawaii State Energy Office, Department of Business, Economic Development, and Tourism.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that encouraging the development of renewable transportation fuels production facilities and biofuel production facilities will help to stimulate the economy and

HB2262 SD2 SSCR LRB 12-2391.doc



benefit the community and the environment. This measure supports the renewable energy industry by providing income tax credits, thereby making investment more attractive.

Your Committee has amended this measure by:

- (1) Authorizing the Department of Business, Economic Development, and Tourism to increase the cap on the annual amount of certified renewable transportation fuels production facility tax credits to \$15,000,000 if there is sufficient qualified renewable transportation fuels production; provided that the Department shall report to the Legislature on the rationale and justification for any increase;
- (2) Changing the effective date of the measure to July 1, 2050, to facilitate further discussion; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2262, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2262, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

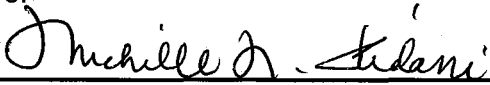


DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2262 HD2 SD1	ENE/EDT, WAM	3-29-12		
<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
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert				/
KOUCHI, Ronald D.	/			
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam			/	
TOTAL	12	0	1	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes