

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1476  
S.D. 2

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1476, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC,"

begs leave to report as follows:

The purpose and intent of this measure is to decrease Hawaii's reliance on imported fossil fuel by issuing special purpose revenue bonds to assist BioEnergy Hawaii, LLC, in establishing a cogeneration facility and related energy production facilities for electrical output or biofuels energy, or both.

Your Committee received comments in support of this measure from Guy Kaniho, General Manager, BioEnergy Hawaii, LLC; and Dante Carpenter, Pacific Waste, Inc.

Your Committee received comments on this measure from Kalbert K. Young, Director, Department of Budget and Finance.

Your Committee finds that the benefits of a cogeneration facility include reduced dependence on imported fossil fuels, reduced greenhouse gas emissions, and the creation of local technical and semi-technical jobs. Your Committee notes the comments submitted by the Director of Finance indicating that, under the Internal Revenue Code, there may be a \$10,000,000 limitation on the amount of tax-exempt financing for industrial projects and recommending that BioEnergy Hawaii, LLC, consult with



a bond counsel firm to determine if the project qualifies for the full amount of tax-exempt financing being requested.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purpose of clarity.

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 S.B. No. 1476, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1476, S.D. 2.

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

*David Y. Ice*

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DAVID Y. ICE, 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:		
SB 1476, SD1	ENE, WAM	2-25-11		
<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	/			
<b>TOTAL</b>	13	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes