

STAND. COM. REP. NO.

131

Honolulu, Hawaii

FEB 14 2011

RE: S.B. No. 722
S.D. 1

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

Sir:

Your Committees on Energy and Environment and Agriculture, to which was referred S.B. No. 722 entitled:

"A BILL FOR AN ACT RELATING TO THE ENVIRONMENTAL RESPONSE,
ENERGY, AND FOOD SECURITY TAX,"

beg leave to report as follows:

The purpose of this measure is to redistribute the portion of the State Environmental Response, Energy, and Food Security Tax that is currently going to the General Fund to the Energy Security Special Fund and the Agricultural Development and Food Security Special Fund. The intent of this measure is to align the use of that tax revenue with the original intended use of that revenue for energy self-sufficiency and sustainable agriculture, thereby increasing Hawaii's energy and food security.

Your Committees received testimony in support of this measure from Richard Lim, Department of Business, Economic Development, and Tourism; Richard Rocheleau, University of Hawaii System; Mark Fox, The Nature Conservancy; Robert D. Harris, Sierra Club, Hawai'i Chapter; Warren Bollmeier, Hawaii Renewable Energy Alliance; Christy Imata, Hawaii Solar Energy Association; Hawaii Farm Bureau Federation; Shannon Wood, Windward Ahupua'a Alliance; Blue Planet Foundation; Kekoa Kaluhiwa, First Wind; Alexander Tiller, Elemental Energy, LLC dba Sunetric; Mary & David Barter; David Atkin; and Amy K. Brinker. Your Committees received comments on this measure from Russell S. Kokubun, Department of Agriculture; and Tax Foundation of Hawaii.



Your Committees believe that the original intention of using the barrel tax revenues for energy self-sufficiency and sustainable agriculture should be effectuated and that doing so will increase Hawaii's energy and food security. Your Committees also believe that climate change is a factor that will eventually affect the State's energy and food security.

Accordingly, your Committees have amended this measure by:

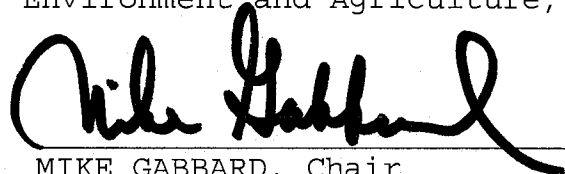
- (1) Changing the amount to be deposited into the Energy Security Special Fund from 45 cents to 44 cents;
- (2) Changing the amount to be deposited into the Agricultural Development and Food Security Special Fund from 45 cents to 44 cents; and
- (3) Requiring that 2 cents of the Environmental Response, Energy, and Food Security Tax on each barrel be deposited into a special account of the General Fund to be expended by the Office of Planning for the operations of the Climate Change Task Force established by Act 20, Special Session Laws of Hawaii 2009.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 722, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 722, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Energy and
Environment and Agriculture,



CLARENCE K. NISHIHARA, Chair



MIKE GABBARD, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* SB 722	Committee Referral: ENE/AGL, WAM	Date: 2/1/11
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The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
ENGLISH, J. Kalani (VC)				✓
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SLOM, Sam			✓	
TOTAL	2	0	1	2

Recommendation: Adopted Not Adopted


Chair's or Designee's Signature:
Josh Green MD

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 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

*Only one measure per Record of Votes

The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Agriculture
AGL

Bill / Resolution No.:* SB 722	Committee Referral: ENE/AGL, WAM	Date: <i>FEB. 1-11</i>		
<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
NISHIHARA, Clarence K. (C)	✓			
KAHELE, Gilbert (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
KOUCHI, Ronald D.	✓			
SHIMABUKURO, Maile	✓			
TOKUDA, Jill N.		✓		
WAKAI, Glenn		✓		
SLOM, Sam			✓	
TOTAL	5	2	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
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