



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
RICHARD C. LIM
Director

Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS

Monday, March 25, 2013
9:15 a.m.

State Capitol, Conference Room 211

in consideration of
HB800, HD1, SD1

**RELATING TO MAKING AN EMERGENCY APPROPRIATION TO THE
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM FROM
THE ENERGY SECURITY SPECIAL FUND.**

Chair Ige, Vice Chair Kidani, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) supports HB800, HD1, SD1, but seeks to restore the amount of \$145,000 in energy security special funds requested in the original bill for an emergency appropriation for fiscal year 2012-2013 to staff and support the Hawaii Refinery Task Force, as discussed by Governor Abercrombie in his State of the State address.

The Task Force will serve as the principal advisory group to the Governor, and to the legislature if so requested, on potential supply and price disruptions facing the State associated with changes in the State's refining capacity and ownership. The Task Force will immediately be focused on the imminent closure of Tesoro Hawaii's Kapolei refinery, analyzing the proposed infrastructure changes, and advising on specific measures, alternatives and actions the State

should consider to maintain adequate and affordable fuel supplies to meet the State's energy needs.

The Department of Business, Economic Development, and Tourism has identified the need for an additional \$145,000 in energy security special funds for fiscal year 2012-2013 to support the Task Force in assessing these refinery issues, including funding for coordination and operation of the task force, studies and assessments, and funding for a staff position for the final quarter of FY2013. A vacancy currently exists within the department's energy division as a result of budget control measures and will be filled immediately to serve as the division's staff liaison to the Task Force and on related matters involving conventional fuel and grid infrastructure and energy assurance.

This emergency funding will ensure that the Hawaii Refinery Task Force will be provided with appropriate support to meet its intended purposes in fiscal year 2012-2013.

Thank you for the opportunity to offer these comments in support of HB800, HD1, SD1.