

Honolulu, Hawaii
February 15, 2013

RE: H.B. No. 1409
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and
Agriculture, to which was referred H.B. No. 1409 entitled:

"A BILL FOR AN ACT RELATING TO BIOFUELS,"

beg leave to report as follows:

The purpose of this measure is to enhance Hawaii's energy security by providing funds to the Agribusiness Development Corporation as investment capital for research and development partnerships with entities and enterprises for zero waste biofuel production. Specifically, this measure allocates for every 15 cents of the environmental response, energy, and food security tax that is deposited into the energy security special fund and the agricultural development and food security special fund, respectively, 1.5 cents of each deposit to the Agribusiness Development Corporation.

A few individuals provided testimony in support of this measure. The Department of Agriculture, the Agribusiness Development Corporation, and the Tax Foundation of Hawaii provided comments on this measure.

Your Committees note that zero waste biofuel production may already be in receipt of additional funds if H.B. No. 857, Regular Session of 2013, is enacted as it appropriates an additional \$500,000 to the Department of Agriculture to address this issue.

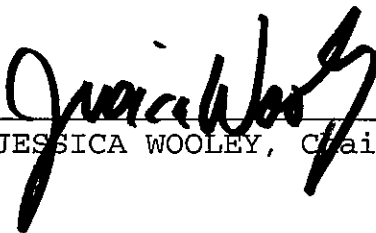


Your Committees have amended this bill by:

- (1) Allocating unspecified amounts to the Agribusiness Development Corporation from the deposits of the environmental response, energy, and food security tax into the two special funds; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1409, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1409, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Agriculture,



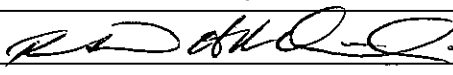
JESSICA WOOLEY, Chair



CHRIS LEE, Chair



Record of Votes of the Committee on Agriculture

Bill/Resolution No.: HB140A	Committee Referral: EEP/AGR, FIN	Date: 2/12/13		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. WOOLEY, Jessica (C)	✓			
2. ONISHI, Richard H.K. (VC)	✓			
3. BROWER, Tom	✓			
4. CACHOLA, Romy M.				✓
5. CHOY, Isaac W.	✓			
6. OHNO, Takashi	✓			
7. TAKAYAMA, Gregg	✓			
8. TOKIOKA, James Kunane	✓			
9. TSUJI, Clift	✓			
10. CHEAPE, Lauren Kealohilani	✓			
11. WARD, Gene	✓			
TOTAL (11)	10			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				