

Honolulu, Hawaii

APR 25 2014

RE: S.B. No. 2196
S.D. 2
H.D. 1
C.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2196, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Re-establish the energy systems development special fund;
- (2) Amend the amount of the environmental response, energy, and food security tax to be deposited into various existing funds;
- (3) Amend the purpose of the hydrogen investment capital special fund to be for the development of hydrogen production, storage, and dispensing infrastructure;



- (4) Require the Director of Finance to deposit an unspecified amount from the revenues of the environmental response, energy, and food security tax into the hydrogen investment capital special fund; and
- (5) Extend the repeal of various allocations of the environmental response, energy, and food security tax from 2015 to 2030.

Your Committee on Conference finds that re-establishing the energy systems development special fund will provide funding to support Hawaii projects important for achieving state energy goals, such as renewable power generation, advanced transportation, energy efficient end-use technologies, and the integration of systems to allow increased renewable use.

Your Committee on Conference has amended this measure by:

- (1) Specifying in the findings that the purpose of this measure is to:
 - (A) Re-establish the energy systems development special fund to be funded in part by revenues collected from the environmental response, energy, and food security tax; and
 - (B) Extend the allocation of revenues collected from the environmental response, energy, and food security tax to various special funds from June 30, 2015, to June 30, 2030;
- (2) Deleting language that would have amended the purpose of the hydrogen investment capital special fund to be for the development of hydrogen production, storage, and dispensing infrastructure;
- (3) Deleting language that would have amended the amount of the environmental response, energy, and food security tax to be deposited into various existing funds;
- (4) Deleting language that would have required the Director of Finance to deposit an unspecified amount from the revenues of the environmental response, energy, and food security tax into the hydrogen investment capital special fund;
- (5) Changing the effective date to July 1, 2014; and



- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

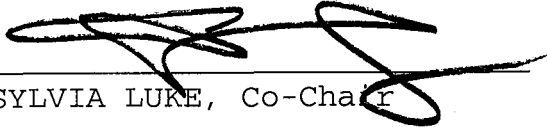
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2196, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2196, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

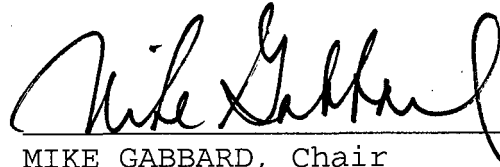


CHRIS LEE, Co-Chair



SYLVIA LUKE, Co-Chair

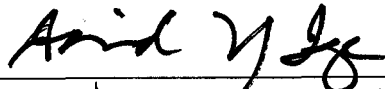
ON THE PART OF THE SENATE



MIKE GABBARD, Chair



CLARENCE K. NISHIHARA, Co-Chair



DAVID Y. IGE, Co-Chair



