



**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**

Thursday, March 20, 2014  
9 a.m.

State Capitol, Conference Room 211

in consideration of  
**HB 1870, HD 1**  
**RELATING TO TAXATION.**

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

The Department of Business, Economic Development, and Tourism (DBEDT) respectfully offers comments on HB 1870, HD 1, which establishes a tax credit for the purchase of residential backup generators.

Through its established energy policy directives, DBEDT supports a diverse portfolio of renewable resources and integrated and modernized grids, all achieved through balancing technical, economic, environmental, and cultural considerations. We support further analysis and exploring innovative measures that remove barriers to renewable penetration and provide enhanced grid reliability and energy security in the pursuit of a balanced, market-driven, cost-effective energy portfolio that meets and potentially exceeds Hawaii's aggressive clean energy mandates. We respectfully question if there has been a "needs analysis" stating why there should be a state subsidy for residential backup generators.

Thank you for the opportunity to provide comments on HB1870, HD1.