

Honolulu, Hawaii
, 2020

FEB 14

RE: H.B. No. 1850
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which
was referred H.B. No. 1850, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ENERGY SECURITY SPECIAL
FUND,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the uses of the Energy Security Special Fund to allow the Hawaii State Energy Office to enter into public-private partnerships with certain not-for-profit entities to support the commercialization of technologies that will further Hawaii's clean energy and sustainability goals and benefit Hawaii's economy; and
- (2) Increase the allocation of funding to the Energy Security Special Fund that is deposited from the state environmental response, energy, and food security tax from 5 cents to 15 cents per barrel, to ensure sufficient funding levels for these public-private partnerships.

Your Committee received testimony in support of this measure from the University of Hawaii System, Hawaii State Energy Office, Elemental Excelerator, 350Hawaii.org, Chamber of Commerce Hawaii,



and eight individuals. Your Committee received comments on this measure from the Department of Budget and Finance and Tax Foundation of Hawaii.

Your Committee finds that this measure will aid the Hawaii State Energy Office in stimulating development and commercialization of technologies needed to facilitate the State's progress toward its clean energy and sustainability goals. Your Committee further finds that increasing the allocation of the barrel tax to the Energy Security Special Fund will allow for additional financial resources to be made available to assist in achieving a clean energy future.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1850, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



ANGUS L.K. MCKELVEY, Chair



