

Honolulu, Hawaii

JAN 31 , 2020

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 Energy & Environmental Protection, to which was referred H.B. No. 1850 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 Hawaii State Energy Office, Chamber of Commerce Hawaii, Climate Protectors Coalition, 350 Hawaii.org, Elemental



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

Your Committee 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.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1850, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1850, H.D. 1, and be referred to your Committee on Economic Development & Business.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



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NICOLE E. LOWEN, Chair



