Honolulu, Hawaii

RE: H.B. No. 2314

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2314 entitled:

"A BILL FOR AN ACT RELATING TO TAX CREDITS FOR ENERGY STAR RATED APPLIANCES,"

begs leave to report as follows:

The purpose of this bill is to promote the use of energy efficient electrical appliances by offering tax incentives in the form of income tax credits for certain Energy Star approved appliances.

The Department of Taxation, Department of Business, Economic Development, and Tourism, Consumer Advocate, Hawaii Island Chamber of Commerce, Hawaiian Electric Company, Inc., Maui Electric Company, Hawaii Electric Light Company, Sierra Club, Hawai'i Chapter, and the Conservation Council for Hawai'i testified in support of this bill. The Tax Foundation of Hawaii provided comments.

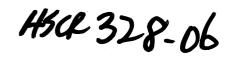
Your Committee acknowledges that the Public Utilities Commission currently has an energy efficiency docket to review the issue of rebates for washing machines and dishwashers. These types of rebates may be a more practical way to incentivize the purchase of Energy Star appliances and equipment. Further, your Committee notes that there was a discrepancy in the Department of Taxation's (DOTAX) projected state revenue impact, between \$2.5 million and \$7.5 million. DOTAX originally testified that the revenue impact would be \$7.5 million, then changed its figure to \$2.5 million, after clarification. Your Committee respectfully requests your Committee on Finance to more closely examine these figures.

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. 2314 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

Numer Dunce

HERMINA MORITA, Chair



State of Hawaii House of Representatives The Twenty-third Legislature

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 25	314	Date:	2-9-	06	
Committee Referral: FEP, FIN		☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to:	□ Pa	☐ Pass, with amendments			
	□ Hold	□ Re	commit		
EEP Members		Ayes	Ayes (WR)	Nays	Excused
1. MORITA, Hermina M	1. (C)	1			
2. EVANS, Cindy (VC)		/	·		
3. BERG, Lyla B., Ph.D.		V			
4. CARROLL, Mele		/			
5. HARBIN, Bev					
6. KANOHO, Ezra R.					
7. SCHATZ, Brian		V			
8. WATERS, Tommy		/		·	
9. PINE, Kymberly		1			
10. THIELEN, Cynthia					
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					·
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TOTAL		9			1
The recommendation is:	Adopted				
	☐ Not Adopted				
	If joint referral,	*	did not suppo	rt recommendation	
	сотп	nittee acronym(s)		
Vice Chair's or designee's sign	noturo				
vice chair's or designee's sign); / / ¬	1.A.)			
Kep C	indy Evan				
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