STAND. COM. REP. NO. 3134

Honolulu, Hawaii

MAR 24 2006

RE: H.B. No. 2619 S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committees on Energy, Environment, and International Affairs and Commerce, Consumer Protection, and Housing, to which was referred H.B. No. 2619 entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

beg leave to report as follows:

The purpose of this measure is to ensure that electric utility companies are afforded an opportunity to earn a fair rate of return, rather than providing that their profit margins will not decrease as a result of any proposed utility rate-making structure.

The Department of Business, Economic Development, and Tourism; the Public Utilities Commission; the Department of Commerce and Consumer Affairs; the Office of Hawaiian Affairs; Honolulu Seawater Air Conditioning LLC; Hawaiian Electric Company Inc.; Hawaii Electric Light Company; Maui Electric Company; Rocky Mountain Institute; the Hawaii Energy Policy Forum; PowerLight Solar Electric Systems; the Sierra Club Hawaii Chapter; and the Hawaii Renewable Energy Alliance submitted testimony in support of this measure.

Your Committees find that the State needs to reduce its dependence on petroleum. One way to reduce our dependence on petroleum is to encourage the use of renewable fuels to power aircraft, seacraft, automobiles, and other motorized vehicles.

Your Committees amended this measure by:

2006-2278 SSCR SMA-1.doc

- (1) Deleting all of the original provisions;
- (2) Amending section 237-27.1, Hawaii Revised Statutes, to extend the exemption of the proceeds of the sale of alcohol fuels from the general excise tax to December 31, 2009; and
- (3) Defecting the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Energy, Environment, and International Affairs and Commerce, Consumer Protection, and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2619, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2619, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy, Environment, and International Affairs and Commerce, Consumer Protection, and Housing,

RON MENOR Chair

J KALANI ENGLISH Chair

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Energy, Environment and International Affairs (Bills and Resolutions)

Measure:* HB 2619 (HSCR803-06)	Committee Referral: EIA/CPH, WAM March 23, 2006			2006			
The committee is reconsidering its previous decision on this measure.							
If so, then the previous decision was to:							
The Recommendation is to:							
Pass, unamended Pass, with amendments Hold Recommit (2312) (2311) (2310) (2313)							
Members		Ayes	Ayes(WR)	Nays	Excused		
ENGLISH, J. Kalani (C)							
KOKUBUN, Russell S. (VC)							
HANABUSA, Colleen					~		
HOOSER, Gary L.							
HEMMINGS, Fred		_V					
			<u> Samuella</u>				
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TOTAL	,	2					
Recommendation: Adopted Not Adopted							
Chair's or Designee's Signature:							
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

^{*}Do <u>not</u> list more than one measure per Record of Votes.

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Commerce, Consumer Protection and Housing (Bills and Resolutions)

Measure:* HB 2619 Committee Referral: EIA/CPH, WAM Date: 3/23/06						
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:						
The Recommendation is to:						
Pass, unamended Pass, with amendments Hold Recommit (2312) (2311) (2310) (2313)						
Members	Ayes	Ayes(WR)	Nays	Excused		
MENOR, Ron (C)						
BAKER, Rosalyn H. (VC)						
ESPERO, Will C.		·		nare to the same		
IGE, David Y.						
SAKAMOTO, Norman						
HOGUE, Bob						
				Fili al distanci svada vi Pili alno Boli ki vitera		
TOTAL	5	· · _ ·				
Recommendation: Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: U Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

^{*}Do <u>not</u> list more than one measure per Record of Votes.