STAND. COM. REP. NO. 2505

Honolulu, Hawaii

FCB 17

, 2006

RE:

S.B. No. 2125

S.D. 1

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

Sir:

Your Committee on Energy, Environment, and International Affairs, to which was referred S.B. No. 2125 entitled:

"A BILL FOR AN ACT RELATING TO TAX CREDITS,"

begs leave to report as follows:

The purpose of this measure is to provide a tax credit for the purchase of "Energy Star" designated and labeled products.

The Department of Commerce and Consumer Affairs, the Department of Business, Economic Development and Tourism, the Hawaiian Electric Company, and the Sierra Club Hawaii Chapter submitted testimony in support of this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee finds that "Energy Star" rated products, such as energy-efficient appliances, will save Hawaii residents money and help to preserve the environment. As one testifier pointed out, the initial or up-front cost of an appliance frequently drives the consumer's purchase, even though a more energy-efficient product would save the consumer more money over time. This measure provides an incentive to Hawaii residents to purchase "Energy Star" rated products, thereby reducing energy demand and saving consumers money.

Upon further consideration, your Committee amended this measure by:

(1) Adding the appropriate tax effective date language; and



(2) Making technical, non-substantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Energy, Environment, and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2125, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2125, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Energy, Environment, and International Affairs,



## The Senate Twenty-Third Legislature State of Hawaii

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

Measure:*	Committee Referral:			Date:			
SB 2125	EIA,	EIA, WAM			February 16, 2006		
The committee is reconsidering its previous decision on this measure.							
If so, then the previous decision was to:							
The Recommendation is to:	The Recommendation is to:						
Pass, unamended Pass, with amendments Hold Recommit (2312) (2311) (2310) (2313)							
Members		Ayes	Ayes	s(WR)	Nays	Excused	
ENGLISH, J. Kalani (C)						·	
KOKUBUN, Russell S. (VC)	· .						
HANABUSA, Colleen		ļ <u>.</u>	<u> </u>				
HOOSER, Gary L.	· · · · · · · · · · · · · · · · · · ·						
HEMMINGS, Fred							
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TOTAL		4					
Recommendation:		<del>- 1</del>		_	, 12,00		
Adopted Not Adopted							
Chair's or Designee's Signature: Russells. Foll——							
Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

<sup>\*</sup>Do <u>not</u> list more than one measure per Record of Votes.