STAND. COM. REP. NO. OYS

Honolulu, Hawaii

Manh 2, 2007

RE: H.B. No. 1003

H.D. 3

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1003, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this bill is to facilitate the growth of the alternative fuel industry in the state by:

- (1) Statutorily establishing the Hawaii Natural Energy Institute of the University of Hawaii at Manoa (Institute) and a funding mechanism for the development of renewable energy and end-use energy-efficient technologies, including those that ameliorate peak demand problems;
- (2) Establishing the Hawaii Biofuels Program within the Department of Business, Economic Development, and Tourism to manage the state's transition to energy selfsufficiency; and
- (3) Requiring DBEDT to develop and prepare a bioenergy master plan.

Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., Maui Electric Company, Ltd., Hawaii Energy Policy Forum, University of Hawaii, and ClearFuels Technology, Inc.,

HB1003 HD3 HSCR FIN HMS 2007-2697



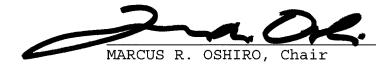
supported this bill. The Department of Budget and Finance, DBEDT, and the Public Utilities Commission (PUC) submitted comments.

Your Committee has amended this bill by:

- (1) Removing the provision that allowed a portion of any public benefit fees, established and approved by the PUC, to be placed into the Energy Systems Development Special Fund to support the operations of the Institute;
- (2) Changing the effective date to July 1, 2020, to facilitate further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1003, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1003, H.D. 3.

Respectfully submitted on behalf of the members of the Committee on Finance,



State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: #B 1003 HD2	Date:	2/26	107	
Committee Referral: EEP HED, FIN	The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended Pass, with amendments				
☐ Hold ☐ Pass, with amendments, for recommittal for further consideration				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)	~			
3. BELATTI, Della Au				
4. BROWER, Tom	~			
5. CARROLL, Mele				
6. CHONG, Pono	V			
7. HANOHANO, Faye P.				V
8. HAR, Sharon E.	レ			
9. MAGAOAY, Michael Y.				
10. MANAHAN, Joey	V			
11. MIZUNO, John				
12. NAKASONE, Bob	~			
13. RHOADS, Karl	<i>\</i>			
14. SAGUM, Roland D., III	/			- Control - Cont
15. TOKIOKA, James Kunane				
16. AWANA, Karen Leinani				
17. MEYER, Colleen Rose				
18. WARD, Gene, Ph.D.	f			V
TOTAL	15	0	\bigcirc	3
The recommendation is: Not Adopted				
If joint referral, did not support recommendation.				
committee acronym(s)				
Vice Chair's or designee's signature:				
vice chair 5 or designet 5 signature.				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				