STAND. COM. REP. NO. 1208

Honolulu, Hawaii

MAR 2 3 2007

RE:

H.B. No. 226

H.D. 2 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 226, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS,"

begs leave to report as follows:

The purpose of this measure is to improve the environmental quality of the State by reducing greenhouse gas emissions.

Specifically, this measure establishes a greenhouse gas emissions reduction program in which the Department of Health is required to establish greenhouse gas emission limits and emission reduction standards to achieve the maximum technologically feasible and cost-effective reductions, regularly report and verify statewide greenhouse gas emissions, and monitor and enforce compliance. This measure authorizes the adoption of market based compliance mechanisms and requires the adoption of a statewide greenhouse gas emissions limit equivalent to the statewide levels in 1990 to be achieved by 2020.

Testimony in support of this measure was submitted by Sierra Club, Hawai'i Chapter; Honolulu Seawater Air Conditioning, LLC; Respiratory and Environmental Disabilities Association of Hawaii; the Conservation Council for Hawai'i; US Biodiesel Group, LLC; and twelve individuals. Covanta Energy submitted testimony in support of the intent of this measure. Testimony in opposition to this measure was submitted by the Department of Health; Hawaii Automobile Dealers' Association; Alliance of Automobile

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Manufacturers; and one individual. The Department of Business, Economic Development, and Tourism; Hawaiian Electric Company, Inc.; Life of the Land; Western States Petroleum Association; Hawaii Audubon Society; Windward Ahupua'a Alliance; and three individuals submitted comments.

Your Committee finds that, given our precious and finite resources, it is essential that Hawaii continue its tradition of environmental leadership by moving forward in efforts to reduce emissions of greenhouse gases. In doing so, Hawaii will not only serve as an example, but will also position the State's economy, technology centers, financial institutions, and businesses to benefit from national and international efforts to reduce emissions of greenhouse gases.

Your Committee amended this measure by making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 226, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 226, H.D. 2, 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 and Environment,

RON MENOR, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:* Committee HB 226 HD2 ENE,	Referral:	Da	te: /	100
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	V			
HOOSER, Gary L. (VC)	<i>\\</i>			
IHARA, Jr., Les				
KOKUBUN, Russell S.				
TRIMBLE, Gordon				
TOTAL	2			て
Recommendation: Adopted	Not Adopted			
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

\*Only one measure per Record of Votes