

STAND. COM. REP. NO.

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Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 1202
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Transportation, International and Intergovernmental Affairs and Energy and Environment, to which was referred S.B. No. 1202 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION ENERGY INITIATIVES,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Establish energy diversification, and research and development of nonfossil fuel and energy efficient modes of transportation as a state objective;
- (2) Provide income tax credit for the development of infrastructure for electric vehicle charging and for alternative fuel refueling infrastructure;
- (3) Require the designation of parking spaces for electric vehicles in public and government parking lots; and
- (4) Exempt persons or businesses that own, control, operate, or manage plants or facilities primarily used to charge or discharge vehicle batteries from public utility regulation.

Your Committees received testimony in support of this measure from Hawaiian Electric Company and its subsidiaries, Maui Electric Company, Ltd., and Hawaiian Electric Light Company, Inc.;



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International Brotherhood of Electrical Workers, Local Union No. 1186; Ralph S. Inouye Co Ltd.; Blue Planet Foundation; Sierra Club Hawai'i Chapter; and one individual. Testimony in support of this measure with offered amendments was submitted by Better Place Hawaii and High Technology Development Corporation. Testimony in support of the intent of this measure was submitted by the Department of Taxation and the Department of Business, Economic Development and Tourism. Copies of written testimony are available for review on the Legislature's website.

Your Committees find that Hawai'i must take bold steps towards reducing its dependence on imported fossil fuels. Hawai'i imports ninety-five per cent of its energy, most of which comes from petroleum and coal. Specifically, eighty-nine per cent of Hawai'i's energy is derived from petroleum and six per cent is derived from coal. Of all energy consumed in the State, approximately forty per cent is used for transportation purposes, compared with residential use of eight per cent, commercial use of ten per cent, electric power generation at twenty-five per cent, and industrial uses at sixteen per cent.

Your Committees further find that it essential that the State aggressively promote and develop alternatives to fossil fuel modes of transportation. This measure promotes the State's goals of becoming fossil fuel independent. Investment needs to be made in renewable energy resources rather than spending billions of dollars overseas for foreign oil. The environment will be protected as Hawai'i makes its contribution to the global green effort to reduce global warming.

Your Committees have amended this measure by:

- (1) Clarifying that the income tax credit for alternative fuel refueling infrastructure applies to individual or corporate net income taxes;
- (2) Requiring designation of parking spaces for electric vehicles in public, private, and government parking facilities;
- (3) Inserting unspecified dates for the deadlines for the:
 - (A) Designation of parking spaces;



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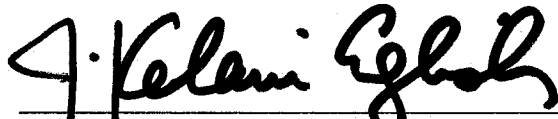
- (B) Development and implementation of a plan to expedite permitting and installation of battery exchange stations and electric vehicle charging outlets; and
- (C) Report to the Legislature by the Department of Transportation;
- (4) Deleting references to penalties; and
- (5) Making technical, nonsubstantive amendments.

As affirmed by the records of votes of the members of your Committees on Transportation, International and Intergovernmental Affairs and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1202, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1202, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Transportation,
International and
Intergovernmental Affairs and
Energy and Environment,



MIKE GABBARD, Chair



J. KALANI ENGLISH, Chair



Record of Votes
Committee on Transportation, International and Intergovernmental Affairs
TIA

*Only one measure per Record of Votes

The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* <i>SB 1202</i>	Committee Referral: <i>TIA/ENE, WAM</i>	Date: <i>12/17/09</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
ENGLISH, J. Kalani (VC)	✓			
GREEN, M.D., Josh	✓			
HOOSER, Gary L.	✓			
IHARA, Jr., Les	✓			
KOKUBUN, Russell S.	✓			
HEMMINGS, Fred	✓			
TOTAL	<i>7</i>			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: <div style="display: flex; justify-content: space-around; font-size: small;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

***Only one measure per Record of Votes**