STAND. COM. REP. NO.

Honolulu, Hawaii FEB 2 0 2009

RE: S.B. No. 1612 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 Energy and Environment and Transportation, International and Intergovernmental Affairs, to which was referred S.B. No. 1612 entitled:

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

beg leave to report as follows:

The purpose of this measure is to establish a comprehensive approach to increasing the use of alternative fuel vehicles in the State, including state procurement of alternative fuel vehicles, tax incentives, and infrastructure requirements.

Testimony in support of the measure was submitted by one private organization. Testimony in support, with suggested amendments and comments, was submitted by one state department and four private organizations. Testimony supporting the intent of the measure, but with concerns, was submitted by two state departments. Testimony in opposition to the measure was submitted by one state department and one private organization. Comments were submitted by three private organizations. Written testimony presented to the Committees may be reviewed on the Legislature's website.

The Department of Transportation submitted testimony addressing the effect that the tax and fee exemptions and waivers in this measure would have on the State Highway Fund revenues. Given the Department of Transportation's current and projected financial situations, the Department of Transportation has been concerned about keeping up with the project schedules for critical



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roadway infrastructure improvements. To address these concerns, the Department of Transportation has offered an amendment to the measure, authorizing it to set up certain programs, which are contingent upon the economy improving.

Your Committees find that this measure contains a comprehensive framework to encourage the development of electric and alternative fuel cars in Hawaii. Nonetheless, your Committees find that this measure's impact on the already-strained budget of the Department of Transportation is problematic. Your Committees further find that, with the economic downturn affecting the state budget, it is incumbent upon the legislature to make tough choices.

Your Committees have amended this measure by deleting the contents of the measure and replacing it with language suggested by the Department of Transportation, establishing a Land Transportation Modernization Special Fund, to be administered by the Department of Transportation. Moneys deposited in the Land Transportation Modernization special Fund would be used for the purpose of rectifying critical deficiencies by pursuing programs and projects of the Department of Transportation that have the greatest potential to improve performance categories relating to safety, congestion, system preservation, and other programs and initiatives.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Transportation, International and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1612, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1612, S.D. 1, and be referred to the Committee on Ways and Means.

> Committees on Energy and Environment and Transportation, International and Intergovernmental Affairs,

Respectfully submitted on behalf of the members of the

MIKE GABBARD, Chair

J. KALANI ENGLISH, Chair



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:*Committee Referral:Date:SB 1612ENELTTA, WAM2/19/09								
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			
GABBARD, Mike (C)		V						
ENGLISH, J. Kalani (VC)		V						
GREEN, M.D., Josh	-							
HOOSER, Gary L.					V			
IHARA, Jr., Les		100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100						
KOKUBUN, Russell S.								
HEMMINGS, Fred								
TOTAL		3		1	3			
Recommendation:								
Chair's or Designee's Signature								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only one measure per Record of Votes

The Senate Twenty-Fifth Legislature State of Hawaii

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

Bill / Resolution No.:*	Committee Referral: Date:								
SB 1612	ENE/TIA, WAM 2/19/09								
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
ENGLISH, J. Kalani (C)									
GABBARD, Mike (VC)									
ESPERO, Will									
NISHIHARA, Clarence K.					1				
SLOM, Sam				/					
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TOTAL		3							
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									
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