STAND. COM. REP. NO.

361

Honolulu, Hawaii FEB 2 0 2009

RE:

S.B. No. 405

S.D. 1

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

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 405 entitled:

"A BILL FOR AN ACT RELATING TO GASOLINE,"

begs leave to report as follows:

The purpose of this measure is to abolish the ten per cent ethanol by volume requirement for gasoline sold in Hawaii for use in motor vehicles.

Testimony in support of this measure was submitted by one organization and two public citizens. Testimony in opposition was submitted by one state agency and two organizations. Written testimony presented to your Committee may be reviewed on the Legislature's website.

Your Committee finds that the intent of the ten per cent ethanol volume requirement for gasoline was to provide energy independence from foreign oil, reduce statewide gasoline consumption, and establish industrial plants to produce ethanol locally.

To date, the State of Hawaii imports all of its ethanol from overseas, along with crude oil. Since enactment of the ethanol requirement in 2006, no ethanol plants have been built, despite several planned ethanol plants and an abundance of vacant sugar cane land. Accordingly, your Committee finds that the intent of the ten per cent ethanol volume requirement remains unfulfilled.

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Your Committee has amended this measure by amending the effective date to July 1, 2050, for the purpose of encouraging further discussion.

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 S.B. No. 405, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 405, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

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

MIKE GABBARD, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:* SB 405	Committee ENE,	The state of the s	Da l	te: Feb 2	009
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)	-				
ENGLISH, J. Kalani (VC)				V	
GREEN, M.D., Josh		_			
HOOSER, Gary L.					
IHARA, Jr., Les					100 - 100 -
KOKUBUN, Russell S.					
HEMMINGS, Fred					
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TOTAL		5		5	
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					