

Honolulu, Hawaii

## FEB 1 4 2011

S.B. No. 1476 RE: S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Energy and Environment, to which was referred S.B. No. 1476 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC,"

begs leave to report as follows:

The purpose and intent of this measure is to issue special purpose revenue bonds to assist BioEnergy Hawaii, LLC, establish a cogeneration facility and related energy production facilities for electrical output or biofuels energy, or both.

Your Committee received testimony in support of this measure from Al Lardizabal, Hawaii Laborers' Union; Dante Carpenter, Pacific Waste, Inc.; and Guy Kaniho, BioEnergy Hawaii, LLC. Your Committee received comments on this measure from Kalbert K. Young, Department of Budget and Finance.

Your Committee finds that it is in the public interest to encourage the development of cogeneration facilities that make energy available to members of the public by the sale of electricity or biofuels, or both, to an electric utility or refinery, or both, that serves the area in which the facility is located. Your Committee recognizes that under the Internal Revenue Code there is a limitation on the amount of tax-exempt financing for industrial projects and that BioEnergy Hawaii, LLC, may have to consult with a bond counsel firm to determine if the project may qualify for the full amount of tax-exempt financing.



STAND. COM. REP. NO. /26

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

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. 1476, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1476, 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,

MIKE GABBARD, Chair



## The Senate Twenty-Sixth Legislature State of Hawaiʻi

## Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:*Committee Referral:Date:SB 1476ENE, WAM8 Feb 2011				
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)				
GREEN, M.D., Josh			4	1
IHARA, Jr., Les				
SLOM, Sam				
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TOTAL	5	C	Ď	
Recommendation:				
Chair's or Designee's Signature:				
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\*Only one measure per Record of Votes