STAND. COM. REP. NO. 2-317

Honolulu, Hawaii

FEB 17 2012

RE: S.B. No. 2512 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committees on Energy and Environment and Economic Development and Technology and Agriculture, to which was referred S.B. No. 2512 entitled:

"A BILL FOR AN ACT RELATING TO SUSTAINABILITY,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase the amount of the allocation from the state environmental response, energy, and food security tax to the energy security special fund and the agricultural development and food security special fund;
- (2) Continue the existence of the Hawaii economic development task force by two years through June 2014, and rename it the Hawaii food and energy security council;
- (3) Make permanent the amendments to the state environmental response, energy, and food security tax enacted by Act 73, Session Laws of Hawaii 2010; and
- (4) Raise the spending limits imposed on the Department of Business, Economic Development, and Tourism's Energy Office and the Department of Agriculture.

Your Committees received testimony in support of this measure from The Nature Conservancy, Blue Planet Foundation, Hawaii Farm



Bureau Federation, and one individual. Your Committees received comments on this measure from the Department of Budget and Finance, Department of Agriculture, Department of Taxation, and Tax Foundation of Hawaii.

Your Committees find that the Legislature must increase Hawaii's food and energy independence to reverse the annual export of more than \$8,000,000,000 from the State of Hawaii for food and energy. In its final report to the Legislature, the Hawaii economic development task force recommended increasing investment in energy security and agricultural development, continuing the work of the task force through June 2014, and raising the spending limits imposed on the State Energy Office and the Department of Agriculture. Your Committees believe that these recommendations can assist the State in charting a course toward increased food and energy security and ensuring the economic well-being of future generations within our State.

Your Committees have amended this measure by:

- (1) Specifying that the state environmental response, energy, and food security tax shall be \$1.05 on each barrel or fractional part of a barrel of petroleum product;
- (2) Extending the repeal date of certain amendments to the state environmental response, energy, and food security tax, by two years, to June 30, 2017, rather than making those amendments permanent;
- (3) Changing the effective date to July 1, 2012; provided that section 3 takes effect on June 29, 2012; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Economic Development and Technology and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2512, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2512, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy and Environment and Economic Development and Technology and

Agriculture,

MIKE GABBARD, Chair

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CLARENCE K. NISHIHARA, Chair

The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Energy and Environment ENE

Bill / Resolution No.:* SB 2512	Committee Referral: Date: ENE/EDT/AGL, WAM 14 Feb 2012						
The committee is reco	nsidering its	previous de	cision on this	s measure.			
If so, then the previous d	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		V					
IHARA, Jr., Les							
SLOM, Sam							
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Recommendation: Adopted Not Adopted							
Chair's or Designee's Signature: Coloni Coloni							
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*Only one measure per Record of Votes

The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Economic Development and Technology EDT

Bill / Resolution No.:*	Committee Referral: Date:						
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		
FUKUNAGA, Carol (C)							
WAKAI, Glenn (VC)							
BAKER, Rosalyn H.		· V					
SOLOMON, Malama							
SLOM, Sam				✓			
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Recommendation: Adopted Not Adopted							
Chair's or Designee's Signature:							
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*Only one measure per Record of Votes

The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Agriculture AGL

Bill / Resolution No.:*		Committee Referral: Date:					
SB2512	ENE/EDT/AGL, WAM 2-14-12						
The committee is reconsidering its previous decision on this measure.							
If so, then the previous	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		
NISHIHARA, Clarence K. (C	5)			-			
KAHELE, Gilbert (VC)							
CHUN OAKLAND, Suzanne					V		
DELA CRUZ, Donovan M.					V		
KOUCHI, Ronald D.		~					
SHIMABUKURO, Maile				-			
TOKUDA, Jill N.	_						
WAKAI, Glenn							
SLOM, Sam							
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Recommendation:							
Adopted Not Adopted							
Chair's or Designee's Signature:							
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^{*}Only one measure per Record of Votes