STAND. COM. REP. NO.

Honolulu, Hawaii

H.B. No. 451 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 451 entitled:

"A BILL FOR AN ACT RELATING TO FOSSIL FUELS,"

begs leave to report as follows:

The purpose of this measure is to ensure a fair market for fossil fuel energy sources sold by a distributor to a retailer. This measure will level the playing field by taxing fossil fuels at the same rate by extending the environmental response, energy, and food security tax currently levied on petroleum products to include gaseous fossil fuel products sold by a distributor to a retailer or end user of fossil fuels other than a refiner.

The Hawaii Natural Energy Institute at the University of Hawaii at Manoa; Sierra Club, Hawaii Chapter; and a couple of individuals testified in support of this measure. HAWAII GAS testified in opposition of this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawaii; and the Blue Planet Foundation provided comments on this measure.

Your Committee has amended this measure by:

Expanding the fossil fuel sources subject to the (1)environmental response, energy, and food security tax to include solid fossil fuels;

- (2) Changing its effective date to January 1, 2100, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 451, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 451, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

CHRIS LEE, Chair



State of Hawaii House of Representatives The Twenty-seventh Legislature

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: #B 451	Committee Referral:	Date:	2/11/1	
#13 431	EEP, FIN		2/1X/1	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold				
☐ Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)	X			
2. THIELEN, Cynthia (VC)	\times			<u> </u>
3. COFFMAN, Denny				X
4. CULLEN, Ty J.K.	\times			
5. EVANS, Cindy				
C HANOHANO E D				1
6. HANOHANO, Faye P.		\times		
7 KAWAKAMI Dawak S.W.			00.00-0	
7. KAWAKAMI, Derek S.K.				
8. LOWEN, Nicole E.				
or how his traction				
9. FALE, Richard Lee		\times		
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TOTAL (9)	6	2		/
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature: 417 Me / Western				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				