A BILL FOR AN ACT

RELATING TO THE ENVIRONMENTAL RESPONSE, ENERGY, AND FOOD SECURITY TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The purpose of this Act is to change the amount
- 2 of the current barrel tax that shall be deposited into the
- 3 environmental response revolving fund from five cents of the
- 4 current one dollar and five cent tax on each barrel to
- 5 cents to support emergency oil spill response, chemical leakage
- 6 response, hazardous environmental disaster response, and
- 7 environmental clean ups, among other things, which are essential
- 8 to protect Hawaii's beaches from oil pollution and protect
- 9 Hawaii's residents and visitors from contamination by harmful
- 10 chemical and other hazardous material contaminants.
- 11 SECTION 2. Section 243-3.5, Hawaii Revised Statutes, is
- 12 amended by amending subsection (a) to read as follows:
- "(a) In addition to any other taxes provided by law,
- 14 subject to the exemptions set forth in section 243-7, there is
- 15 hereby imposed a state environmental response, energy, and food
- 16 security tax on each barrel or fractional part of a barrel of
- 17 petroleum product sold by a distributor to any retail dealer or

- 1 end user of petroleum product, other than a refiner. The tax
- 2 shall be \$1.05 on each barrel or fractional part of a barrel of
- 3 petroleum product that is not aviation fuel; provided that of
- 4 the tax collected pursuant to this subsection:
- 5 (1) $[\frac{5}{2}]$ cents of the tax on each barrel shall be
- 6 deposited into the environmental response revolving
- fund established under section 128D-2;
- **8** (2) 15 cents of the tax on each barrel shall be deposited
- 9 into the energy security special fund established
- 10 under section 201-12.8;
- 11 (3) 10 cents of the tax on each barrel shall be deposited
- into the energy systems development special fund
- established under section 304A-2169; and
- 14 (4) 15 cents of the tax on each barrel shall be deposited
- into the agricultural development and food security
- 16 special fund established under section 141-10.
- 17 The tax imposed by this subsection shall be paid by the
- 18 distributor of the petroleum product."
- 19 SECTION 3. Statutory material to be repealed is bracketed
- 20 and stricken. New statutory material is underscored.
- 21 SECTION 4. This Act shall take effect on July 1, 2030.

Report Title:

Environmental Response, Energy, and Food Security Tax

Description:

Changes the amount of the barrel tax for the Environmental Response, Energy, and Food Security Tax that shall be deposited into the Environmental Response Revolving Fund from five cents of the tax on each barrel to an unspecified amount to support environmental activities and programs. Effective July 1, 2030. (HB2312 HD2)

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