

Honolulu, Hawaii

MAR 02 2007

RE: S.B. No. 1612
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1612, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS,"

begs leave to report as follows:

The purpose of this measure is to establish measurement and reduction procedures to reduce greenhouse gas emissions in the State.

Specifically, the measure:

- (1) Requires the Department of Health to adopt reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance;
- (2) Requires adoption of a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990, to be achieved by 2020;
- (3) Requires the adoption of rules to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions; and
- (4) Authorizes the adoption of market-based compliance mechanisms.

The Sierra Club, Hawai'i Chapter, Hawai'i Wildlife Fund, Honolulu Seawater Air Conditioning, and twenty-one individuals



provided written comments in support of this measure. The Department of Health; Hawaiian Electric Company, Inc.; and Western States Petroleum Association provided written comments.

Your Committee finds that the proposed language in this measure is similar to California law, and that California is one of the states with the highest carbon dioxide emissions in the nation. Your Committee further finds that according to 2003 Environmental Protection Agency data, Hawaii ranks among the seven lowest states for emissions.

Your Committee strongly supports the reduction of greenhouse gas emissions, but believes the program in this measure may be premature, and may not be the most appropriate response for Hawaii. Your Committee agrees with the Department of Health that, as a first step, a 1997 report on greenhouse gas emissions estimates should be updated, and an inventory of emissions developed. With this information in hand, the State can develop programs specifically tailored to Hawaii in order to reduce greenhouse gas emissions in and around the islands.

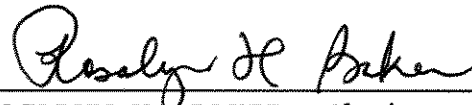
Your Committee has amended this measure accordingly by:

- (1) Deleting the proposed new chapter on greenhouse gas reduction contained in section 2 of this measure and inserting language to require the Department of Health to conduct a thorough greenhouse gas emissions inventory of Hawaii sources and to update the past report prepared by the Department of Business, Economic Development, and Tourism and the Department of Health entitled "Inventory of Hawaii Greenhouse Gas Emissions Estimates for 1990", dated July 1997, with reports to the 2008 and 2009 Legislatures;
- (2) Specifying that the appropriation in section 3 is for two positions;
- (3) Making an appropriation to the Hawaii Energy Policy Forum at the University of Hawaii at Manoa to develop a plan with a timetable for implementation to reduce greenhouse emissions in Hawaii; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and style.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1612, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1612, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 1612 SD1	Committee Referral: ENE, WAM	Date: 2/28/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul				/
TOTAL	10			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes