

STAND. COM. REP. NO.

551

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 146  
S.D. 1

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

Sir:

Your Committees on Energy and Environment and Transportation and International Affairs and Ways and Means, to which was referred S.B. No. 146 entitled:

"A BILL FOR AN ACT RELATING TO BIOFUEL,"

beg leave to report as follows:

The purpose and intent of this measure is to require transportation fuel sold in the State for use in motor vehicles to contain no less than fifteen percent biofuel that is produced in the State from feedstock grown in the State.

Your Committees received testimony in support of this measure from Chris Eldridge, Aina Koa Pono; and Arvid Tadao Youngquist. Your Committees received comments on this measure from Richard Lim, Department of Business, Economic Development, and Tourism; and Kelly King, Pacific Biodiesel, Inc.

You Committees find that the State needs to expand the use of biofuels as a viable source of energy in order to reduce dependence on imported fossil fuels and that the use of biofuels is consistent with the State's goals relating to renewable energy and sustainability. Your Committees recognize, however, that imposing a statutory requirement to utilize biofuels as transportation fuel may be premature at this time in view of the nascent nature of the industry and the uncertain availability of biomass crops in Hawaii to produce enough fuel to fulfill the mandate originally contemplated in this measure.



Accordingly, your Committees have amended this measure by removing its contents and replacing them with language that:

- (1) Directs the Department of Business, Economic Development, and Tourism to conduct a study that includes:
  - (A) An estimate of the projected demand for biofuel in the State and the availability of local biomass feedstock to meet existing and proposed biofuel production;
  - (B) The capacity of any biofuel producer's facilities to produce sufficient amounts of biofuel to meet the projected demand for biofuel;
  - (C) An estimate of the number of gallons of biofuel, broken down by type of biofuel, that can be produced solely from feedstock grown in the State;
  - (D) The percentage of transportation fuel sold in the State that could be biofuel-based; and
  - (E) Any other relevant information that the Department deems necessary; and
- (2) Requires the Department of Business, Economic Development, and Tourism to report its findings and recommendations to the Legislature no later than twenty days prior to the Regular Session of 2012; provided that the study may be included in the Energy Resources Coordinator's annual report to the Governor and Legislature.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Transportation and International Affairs and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 146, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 146, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on  
behalf of the members of the  
Committees on Energy and  
Environment and Transportation  
and International Affairs and  
Ways and Means,

*J. Kalani English*

J. KALANI ENGLISH, Chair

*Mike Gabbard*

MIKE GABBARD, Chair

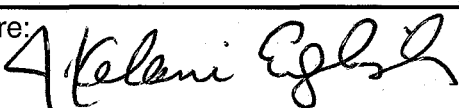
*David Y. Ise*

DAVID Y. ISE, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 146	ENE/TIA/WAM	2 March 2011		
<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
GABBARD, Mike (C)	/			
ENGLISH, J. Kalani (VC)	/			
GREEN, M.D., Josh	/			
IHARA, Jr., Les				/
SLOM, Sam	/			
<b>TOTAL</b>	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <span style="margin-left: 200px;"><input type="checkbox"/> Not Adopted</span>				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 146	ENE/TIA/WAM	3/2/2011		
<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
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado				✓
KAHELE, Gilbert				✓
KOUCHI, Ronald D.	✓			
RYAN, Pohai	✓			
TOKUDA, Jill N.				✓
WAKAI, Glenn				✓
SLOM, Sam	✓			
<b>TOTAL</b>	<b>9</b>			<b>6</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>David Y. Ige</i>				
Distribution:      Original      Yellow      Pink      Goldenrod File with Committee Report      Clerk's Office      Drafting Agency      Committee File Copy				

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