

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 2121
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2121, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to promote the government's use of renewable energy technologies and ensure that such projects are cost effective by:

- (1) Prohibiting government agencies from contracting with private energy providers that claim the renewable energy technologies tax credit; and
- (2) Authorizing the issuance of general obligation bonds to purchase renewable energy systems for state facilities.

An individual supported this measure. The Department of Business, Economic Development, and Tourism; the County of Kauai; the Hawaii County Department of Water Supply; the Hawaii PV Coalition; Kairos Energy Capital, LLC; and an individual opposed this measure. The Office of Hawaiian Affairs, the Department of Education, and the Hawaii Community Development Authority commented on this measure.

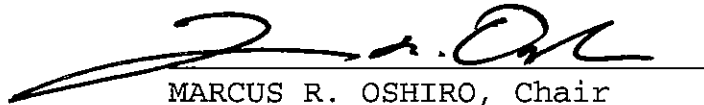


Your Committee has amended this measure by:

- (1) Recasting the ban against a government agency entering into an energy agreement with a taxpayer who claims the renewable energy technologies income tax credit with instead a disallowance of the tax credit to any taxpayer who installs a renewable energy system for or enters into an energy agreement with a government agency;
- (2) Changing the lapse date for the general obligation bonds to June 30, 2014; and
- (3) Changing the effective date to July 1, 2030.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2121, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2121, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR 906-12

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 2121, HD1	Committee Referral: EEP, FIN	Date: 3/1/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. CHOY, Isaac W.	✓			
4. CULLEN, Ty	✓			
5. GIUGNI, Heather	✓			
6. HAR, Sharon E.	✓			
7. HASHEM, Mark J.	✓			
8. ICHIYAMA, Linda	✓			
9. JORDAN, Jo	✓			
10. KAWAKAMI, Derek S.K.	✓			
11. LEE, Chris	✓			
12. MORIKAWA, Dee	✓			
13. TOKIOKA, James Kunane	✓			
14. YAMASHITA, Kyle T.	✓			
15. MARUMOTO, Barbara C.	✓			
16. RIVIERE, Gil	✓			
17. WARD, Gene		✓		
TOTAL (17)	16	1	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <u>Marilyn B. Lee</u>				
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