

STAND. COM. REP. NO. 1010

Honolulu, Hawaii

MAR 25 2015

RE: H.B. No. 139
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 139, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ANAERGIA INC,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Anaergia Inc. (Anaergia) with the development of facilities for renewable nonfossil fuel energy production in Maui.

Your Committee received testimony in support of this measure from Ulupono Initiative; Anaergia Services, LLC; West Maui Taxpayers Association and two individuals. Your Committee received testimony in opposition to this measure from Zero Waste Kauai and one individual. Your Committee received comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that Anaergia, a global leader in renewable energy and waste-to-energy conversion, proposes to build, own, and operate a project located in central Maui that is designed to process up to seven hundred tons per day of municipal solid waste, green waste, and sewage sludge. The development of renewable, efficient, and secure energy systems in the State, which is geographically isolated from sources of oil, continues to be in the public interest. Implementation of this measure will



create new jobs and reduce waste and transportation costs while furthering the State's renewable energy goals.

Your Committee has amended this measure by:

- (1) Clarifying that revenue secured from the special purpose revenue bonds will allow Anaergia to improve its ability to maintain current industry standards;
- (2) Clarifying that facility outputs shall be made available by sale directly from Anaergia to viable off-takers, by sale to electric utilities servicing the public, or both;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 139, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 139, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

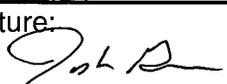
Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,


MIKE GABBARD, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 139, HD1	ENE, WAM	March 17, 2015		
<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)	✓			
GREEN, Josh (VC)	✓			
GALUTERIA, Brickwood	✓			
IHARA, Jr., Les	✓			
SLOM, Sam				✓
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes