

STAND. COM. REP. NO. **2790**

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 3077
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3077, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO BIOFUELS,"

begs leave to report as follows:

The purpose and intent of this measure is to advance the use of clean energy.

More specifically, the measure:

- (1) Expands the renewable fuels production tax credit by increasing the total amount of tax credits that can be claimed;
- (2) Makes the tax credit permanent; and
- (3) Establishes a renewable fuel facilitator position within the Department of Business, Economic Development, and Tourism.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Bioeconomy Trade Organization; Hawaii Energy Policy Forum; Hawaii Gas; Hawaii Island Economic Development Board; Hawaii Martin Luther King, Jr. Coalition; Honua Ola



Bioenergy LLC; ILWU Local 142; Kupu; Pacific Biodiesel Technologies; and ten individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee believes that expanding and making permanent the tax credit for the production of renewable fuels will help encourage investment in renewable fuel production and create jobs. Your Committee also believes that the creation of the renewable fuel facilitator position has the potential to significantly advance the State's clean energy goals.

Your Committee has amended this measure by:

- (1) Reducing the minimum annual renewable fuels production threshold that a taxpayer must meet as a requirement to be eligible for the renewable fuels production tax credit to 2,500,000,000 British thermal units;
- (2) Providing that the measure shall be repealed on an unspecified date; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, 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. 3077, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3077, S.D. 2.

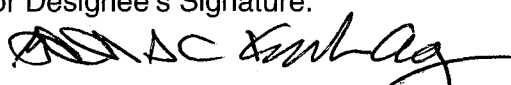
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB3077, SD1	TREILBR. WAM	2/23/18		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
GALUTERIA, Brickwood	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i				X
KIDANI, Michelle N.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.				X
WAKAI, Glenn	X			
TOTAL	9			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: <input type="checkbox"/> Original <input type="checkbox"/> File with Committee Report <input type="checkbox"/> Yellow <input type="checkbox"/> Clerk's Office <input type="checkbox"/> Pink <input type="checkbox"/> Drafting Agency <input type="checkbox"/> Goldenrod <input type="checkbox"/> Committee File Copy				

*Only one measure per Record of Votes