

JAN 17 2020

A BILL FOR AN ACT

RELATING TO THE ENVIRONMENTAL COUNCIL.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 341, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§341- Environmental council special fund; established.

5 (a) There is created in the state treasury a special fund to be
6 designated as the environmental council special fund into which
7 shall be deposited the following moneys:

8 (1) Appropriations by the legislature to the special fund;

9 (2) All revenues from the environmental response, energy,
10 and food security tax pursuant to section

11 243-3.5(a)(5);

12 (3) Gifts, donations, and grants from public agencies,
13 private persons, and private entities; and

14 (4) Any interest earned on the balance of the special
15 fund.

16 (b) Moneys in the environmental council special fund shall
17 be used for the functions pursuant to section 341-6."



1 SECTION 2. Section 243-3.5, Hawaii Revised Statutes, is
2 amended by amending subsections (a) and (b) to read as follows:

3 "(a) In addition to any other taxes provided by law,
4 subject to the exemptions set forth in section 243-7, there is
5 hereby imposed a state environmental response, energy, and food
6 security tax on each barrel or fractional part of a barrel of
7 petroleum product sold by a distributor to any retail dealer or
8 end user of petroleum product, other than a refiner. The tax
9 shall be \$1.05 on each barrel or fractional part of a barrel of
10 petroleum product that is not aviation fuel; provided that of
11 the tax collected pursuant to this subsection:

12 (1) 5 cents of the tax on each barrel shall be deposited
13 into the environmental response revolving fund
14 established under section 128D-2;

15 (2) 5 cents of the tax on each barrel shall be deposited
16 into the energy security special fund established
17 under section 201-12.8;

18 (3) 10 cents of the tax on each barrel shall be deposited
19 into the energy systems development special fund
20 established under section 304A-2169.1; [and]



1 (4) 15 cents of the tax on each barrel shall be deposited
2 into the agricultural development and food security
3 special fund established under section 141-10[-]; and

4 (5) 0.00525 cent of the tax on each barrel shall be
5 deposited into the environmental council special fund
6 established under section 341- .

7 (b) In addition to subsection (a), the tax shall also be
8 imposed on each one million British thermal units of fossil fuel
9 sold by a distributor to any retail dealer or end user, other
10 than a refiner, of fossil fuel. The tax shall be 19 cents on
11 each one million British thermal units of fossil fuel; provided
12 that of the tax collected pursuant to this subsection:

13 (1) 4.8 per cent of the tax on each one million British
14 thermal units shall be deposited into the
15 environmental response revolving fund established
16 under section 128D-2;

17 (2) 14.3 per cent of the tax on each one million British
18 thermal units shall be deposited into the energy
19 security special fund established under section
20 201-12.8;



- 1 (3) 9.5 per cent of the tax on each one million British
2 thermal units shall be deposited into the energy
3 systems development special fund established under
4 section 304A-2169.1; [and]
- 5 (4) 14.3 per cent of the tax on each one million British
6 thermal units shall be deposited into the agricultural
7 development and food security special fund established
8 under section 141-10[-]; and
- 9 (5) 0.005 per cent of the tax on each one million British
10 thermal units shall be deposited into the
11 environmental council special fund established under
12 section 341- .

13 The tax imposed by this subsection shall be paid by the
14 distributor of the fossil fuel."

15 SECTION 3. There is appropriated out of the environmental
16 response revolving fund created under section 128D-2, Hawaii
17 Revised Statutes, the sum of \$50,000 or so much thereof as may
18 be necessary for fiscal year 2020-2021 to be used for the
19 purposes of the environmental council special fund.



1 The sum appropriated shall be expended by the department of
2 health for the funding of the environmental security council for
3 purposes consistent with this Act.

4 SECTION 4. There is appropriated out of the environmental
5 council special fund established by this Act the sum of \$50,000
6 or so much thereof as may be necessary for fiscal year 2020-2021
7 for the purposes of this Act.

8 The sum appropriated shall be expended by the department of
9 health for the funding of the environmental security council for
10 purposes consistent with this Act.

11 SECTION 5. In codifying the new sections added by sections
12 one and two of this Act, the revisor of statutes shall
13 substitute appropriate section numbers for the letters used in
14 designating the new sections in this Act.

15 SECTION 6. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY: Mike Gifford
Ross E. RJ



S.B. NO. 2777

Report Title:

Environmental Response, Energy, and Food Security Tax;
Environmental Council Special Fund; Appropriations

Description:

Establishes the Environmental Council Special Fund; dedicates 0.005 per cent of the Environmental Response, Energy, and Food Security Tax to the Environmental Council Special Fund. Appropriates \$50,000 to the Environmental Council Special Fund from the Environmental Response Revolving fund.

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