



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Written Testimony Presented Before the  
Senate Committee on Energy and Environment  
& Senate Committee on Agriculture  
February 1, 2011, 2:55PM

by

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and

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### SB 722 - RELATING TO THE ENVIRONMENTAL RESPONSE, ENERGY, AND FOOD SECURITY TAX

Chair Gabbard, Chair Nishihara, Vice-Chair English, Vice-Chair Kahele, and members of the committees:

My name is Richard Rocheleau, Director of the Hawai'i Natural Energy Institute at the University of Hawai'i at Mānoa. I support SB 722 which proposes to amend Section 243-3.5, Hawai'i Revised Statutes to allocate 45 cents of the tax on each barrel into the energy security special fund and 45 cents into the agricultural development and food security fund. I believe these changes are consistent with the original intent of the tax and are critical to achieve the advances required to maintain recent progress to insure energy and food security for the State of Hawai'i.

I would also like to take this opportunity to comment on the energy systems development special fund established under 304A-2169. Although the energy systems development special fund was established in 2007, funding for the activities of the fund was not made available until passage of ACT 73 (oil barrel tax) in 2010. However, while ACT 73 imposes a June 30, 2015 repeal of the tax on oil and the other special funds, the legislation establishing the energy systems development special fund (ACT 253) imposes a repeal date of June 30, 2012. Due to the three-year delay funding the energy systems development special fund, I am requesting that the committees consider amending the repeal date for the energy systems development special fund to June 30, 2015 to be consistent with the other activities funded by ACT 73.

Additionally, I would like to make the committees aware that the authorization to access the energy system development special funds was included in the Budget Worksheets under Program ID#BED120, under the Department of Business, Economic Development and Tourism (DBEDT). To date, this has prevented UH/HNEI from accessing these funds. UH is working with DBEDT to determine means for UH to access the funds, consistent with legislative language. UH/HNEI is ready to initiate activities under this program once this situation is resolved.

Thank you for the opportunity to testify.