

Honolulu, Hawaii
Feb 4, 2008

RE: H.B. No. 2168

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2168 entitled:

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

begs leave to report as follows:

The purpose of this bill is to allow Hawaii to use hydrogen as a source of electricity and transportation fuel by authorizing the issuance of \$50,000,000 in special purpose revenue bonds to assist H2 Technologies, Inc., to construct a hydrogen generation appliance research, development, and manufacturing facility and laboratory and a gasoline- or diesel-to-hydrogen automobile conversion garage on the island of Hawaii.

The High Technology Development Corporation, Hawaii Island Economic Development Board, H2 Technologies, Inc., and a concerned individual testified in support of this bill.

Your Committee finds that Hawaii's dependence on imported petroleum makes the state vulnerable to oil embargos, supply disruptions, international market dysfunctions, and many other factors that are foreseeable and unforeseeable and beyond the State's control. This down-side expense can be voided by increasing and fortifying Hawaii's energy portfolio. The potential of hydrogen fuel and technology, coupled with Hawaii's abundant renewable energy resources, in addition to its employment and environmental collateral benefits, make hydrogen an energy resource deserving of state support.



The hydrogen generator to be developed by H2 Technologies, Inc., and the conversion of automobiles to hydrogen fuel, will help propel our state into a clean, self-sufficient, independent, and renewable energy economy.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2168 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



HERMINA MORITA, Chair



