Honolulu, Hawaii

Feb 13, 2008

RE: H.B. No. 2893 H.D. 1

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

Sir:

Your Committees on Transportation and Water, Land, Ocean Resources & Hawaiian Affairs, to which was referred H.B. No. 2893 entitled:

"A BILL FOR AN ACT RELATING TO INTRA-COUNTY FERRY SERVICE," beg leave to report as follows:

The purpose of this bill is to improve ferry service within Maui County by:

- (1) Requiring the Department of Land and Natural Resources (DLNR) to assign priority mooring space to intra-county ferries serving Maui County; and
- (2) Exempting distributors of fuel sold for use by an intracounty ferry service from the fuel tax.

Several concerned individuals testified in support of this bill. A concerned individual testified in opposition of this measure. DLNR, Department of Taxation (DoTAX), and The Tax Foundation of Hawaii submitted comments.

Currently, ferry service is provided within the County of Maui that provides an additional mode of transportation for Maui residents, commuting workers, and visitors alike. Providing priority assignment of mooring space, as well as fuel tax exemptions for an intra-county ferry service, will result in a

more reliable ferry service and will allow for this low cost mode of transportation to continue in the County of Maui.

However, your Committees understand the concerns raised by DoTAX regarding the placement of the tax exemption in the license tax section of the fuel tax law rather than the section specifying when the fuel tax is not applicable. Accordingly, your Committees have amended this measure by:

- (1) Providing for the fuel tax exemption in the section of the fuel tax law that specifies when the fuel tax is not applicable; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Water, Land, Ocean Resources & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2893, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2893, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Transportation and Water, Land, Ocean Resources & Hawaiian Affairs,

KEN ITO, Chair

JOSEPH M. SOUKI, Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Transportation

Bill/Resolution No.: HB 2893	TRN/WI	Referral: LH, FIN		Date: 04 Feb.	2008			
☐ The committee is reconsidering its previous decision on the measure.								
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)								
TRN Members		Ayes	Ayes (WR	Nays	Excused			
1. SOUKI, Joseph M. (C)								
	1000							
2. NISHIMOTO, Scott Y. (VC)		/ 4/32/2/6/4/5						
3. EVANS, Cindy	errer en			arec (1990) and a first take				
	25-25-5							
4. HAR, Sharon E.								
5. LEE, Marilyn B.								
6. LUKE, Sylvia	7.7			70 F 186 F 63				
7. McKELVEY, Angus L.K.								
	1 Aug. 7							
8. NAKASONE, Bob								
9. SONSON, Alex M.								
2. BONSON, MEXIM								
10. TAKAMINE, Dwight Y.								
11. TAKUMI, Roy M.								
12. MEYER, Colleen Rose								
12. MELEN, CORCH ROSE								
13. PINE, Kymberly Marcos								
TOTAL (13)		7			6			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)								
Vice Chair's or designee's signature								
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office								



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Record of Votes of the Committee on Water, Land, Ocean Resources & Hawaiian Affairs

Bill/Resolution No.:	Committee Referral:	Date	Date: 2/4/08						
нв 2893	TRN/WLH, FIN		2/4/00)					
☐ The committee is reconsidering its previous decision on the measure.									
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)									
WLH Members	Ayes	Ayes (WR)	Nays	Excused					
1. ITO, Ken (C)									
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2. KARAMATSU, Jon Riki (VC)									
3. CARROLL, Mele									
4. MAGAOAY, Michael Y.									
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5. MORITA, Hermina M.									
6. SAGUM, Roland D., III									
T SAIVI S. M.V.									
7. SAIKI, Scott K.	J								
8. THIELEN, Cynthia	See A see the second of the se								
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TOTAL (8)	5	(0	2					
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)									
Vice Chair's or designee's signature:									
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office									