

STAND. COM. REP. NO.

947

Honolulu, Hawaii

MAR 25 2009

RE: H.B. No. 371
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred H.B. No. 371, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to repeal the sunset provision on the law imposing a one cent per gallon tax on naphtha when sold for use in a power-generating facility.

Testimony in support of this measure was submitted by one state department and two private organizations. Testimony in opposition to the revenue loss resulting from this measure was submitted by one state department. Comments were submitted by one private organization. One state department submitted a statement of no position regarding this measure. Written testimony presented to your Committee may be reviewed on the Legislature's website.

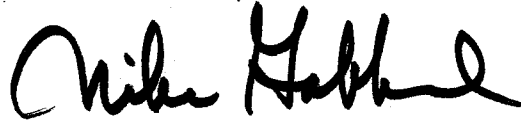
Your Committee finds that this measure removes the sunset provision of Act 103, Session Laws of Hawaii 2007. This measure will allow naphtha to continue to be taxed at the same rate of one cent per gallon as applies to diesel oil, gasoline, and aviation fuel. Your Committee also finds that use of naphtha for power generation should be encouraged, as it has a lower sulfur content than other liquid fossil fuels typically used in power generation. In addition, the burning of naphtha emits lower levels of carbon dioxide as compared to distillate or residual fuel oil.



Your Committee has amended this measure by changing the effective date of the measure from July 1, 2020, to July 1, 2009.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 371, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 371, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,



MIKE GABBARD, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* <i>HB 371 HD2</i>	Committee Referral: <i>ENE, WAM</i>	Date: <i>3-17-9</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	<input checked="" type="checkbox"/>			
ENGLISH, J. Kalani (VC)				<input checked="" type="checkbox"/>
GREEN, M.D., Josh	<input checked="" type="checkbox"/>			
HOOSER, Gary L.	<input checked="" type="checkbox"/>			
IHARA, Jr., Les	<input checked="" type="checkbox"/>			
KOKUBUN, Russell S.				<input checked="" type="checkbox"/>
HEMMINGS, Fred				<input checked="" type="checkbox"/>
TOTAL	<i>4</i>	<i>0</i>	<i>0</i>	<i>3</i>
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;"> </div>				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small; margin-top: 5px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

*Only one measure per Record of Votes