STAND. COM. REP. NO. 36D

Honolulu, Hawaii

## FEB 2 0 2009

RE: S.B. No. 32 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 S.B. No. 32 entitled:

"A BILL FOR AN ACT RELATING TO FUEL,"

begs leave to report as follows:

The purpose of this measure is to repeal the sunset date of the general excise tax exemption on gross income or proceeds from the sale of alcohol fuels.

Comments were submitted by one private organization. Testimony in opposition to this measure was submitted by one state department. Written testimony presented to your Committee may be reviewed on the Legislature's website.

Your Committee finds that Hawaii drivers typically pay high fuel prices and a general excise tax upon alcohol fuels only serves to make those prices higher. However, while the added cost of the general excise tax would increase the cost of gasoline, it may also help the public to make the shift away from the consumption of fossil fuel to "greener" alternatives.

Your Committee finds that the competing concerns regarding this issue merit further consideration. Accordingly, your Committee has amended this measure by inserting an effective date of July 1, 2050 to ensure ongoing discussions on this very important issue.



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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 S.B. No. 32, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 32, 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.:*	Committee	Referral:		ite:	
5B32	ENE,	WAM	1-	f Febro	-04
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)					
ENGLISH, J. Kalani (VC)					
GREEN, M.D., Josh					
HOOSER, Gary L.					
IHARA, Jr., Les				and the second	
KOKUBUN, Russell S.					
HEMMINGS, Fred					
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		1			
			1975 (Section Consider)		2011 - 2022 - 2023 - 202
TOTAL		7			
Recommendation:					
Chair's or Designee's Signature					
The the the					
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\*Only one measure per Record of Votes