Honolulu, Hawaii

April 10 , 2015

RE: S.B. No. 1150

S.D. 1 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1150, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to help reduce dependency on imported fossil fuels and maintain the viability of naphtha as fuel for power generating facilities to produce electricity by extending the sunset provision on the per-gallon tax on naphtha sold for use in a power-generating facility for an additional three years.

The Kauai Island Utility Cooperative supported this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- Leaving unspecified, the sunset date of the per-gallon tax on naphtha for purposes of facilitating further discussion;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

SB1150 HD2 HSCR FIN HMS 2015-3246-1

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1150, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1150, S.D. 1, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE, Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 1150, SD1, HD1	Committee Referral: EEP, FIN			
☐ 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)				
FIN Members	Ayes	Ayes (WR	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. CACHOLA, Romy M.				
4. CULLEN, Ty J.K.	1			
5. DeCOITE, Lynn				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
6. JOHANSON, Aaron Ling				
7. JORDAN, Jo				
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand	/			
10. LOWEN, Nicole E.				
11. ONISHI, Richard H.K.				
12. TOKIOKA, James Kunane				
13. YAMASHITA, Kyle T.				
14. POUHA, Feki				
15. WARD, Gene				
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New Column				<u> </u>
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TOTAL (15)	14			(
The recommendation is: Adopted Not Adopted did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				