

Honolulu, Hawaii

FEB 10 2015

RE: S.B. No. 1150

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 1150 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to make permanent the fuel license tax on naphtha fuels sold for use in a power generating facility.

Your Committee received testimony in support of this measure from the Kauai Island Utility Cooperative and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

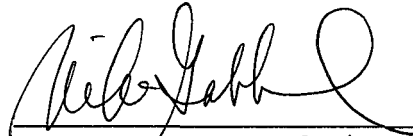
Your Committee finds that Act 103, Session Laws of Hawaii 2007, as amended by Act 198, Session Laws of Hawaii 2009, as amended by Act 188, Session Laws of Hawaii 2012, imposes a special fuel license tax rate of 2 cents per gallon for naphtha fuels used in a power generating facility and this fuel license tax rate will sunset on December 31, 2015. If the special fuel license tax rate sunsets, the rate of the fuel tax on naphtha fuels will revert to the default tax rate for liquid fuel of 17 cents per gallon. This measure will make permanent the tax rate on naphtha fuels sold for use in a power generating facility and eliminate the financial burden that would occur if the naphtha fuel license tax rate sunsets.

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. 1150 and recommends that it pass Second Reading 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-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 1150</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">ENE, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">Feb. 3, 2015</div>		
<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 checked="" type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input 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)	✓			
GREEN, Josh (VC)				✓
GALUTERIA, Brickwood				✓
IHARA, Jr., Les	✓			
SLOM, Sam	✓			
TOTAL	3	0	0	2 w
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; display: inline-block;">[Signature]</div>				
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> Distribution: Original File with Committee Report </div> <div style="text-align: center;"> Yellow Clerk's Office </div> <div style="text-align: center;"> Pink Drafting Agency </div> <div style="text-align: center;"> Goldenrod Committee File Copy </div> </div>				

*Only one measure per Record of Votes