STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 15 , 2023

H.B. No. 700 RF: H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred H.B. No. 700 entitled:

"A BILL FOR AN ACT RELATING TO THE FUEL TAX,"

begs leave to report as follows:

The purpose of this measure is to suspend the fuel tax from July 1, 2023, to June 30, 2024.

Your Committee received testimony in support of this measure from five individuals. Your Committee received testimony in opposition to this measure from the Department of Transportation and Department of Budget and Finance. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Grassroot Institute of Hawaii.

Your Committee finds that Hawaii's current fuel prices remain close to \$5 per gallon, well above the national average of \$3.43 per gallon of fuel. Part of this high cost is due to various taxes and fees, including the state fuel tax of sixteen cents per gallon of liquid fuel or diesel oil. Your Committee further finds that a suspension of the fuel tax for one year will give Hawaii taxpayers temporary relief from the rising fuel prices.

Your Committee has amended this measure by:

2023-1595 HB700 HD1 HSCR HMS0

- (1) Changing its effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 700, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 700, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Economic Development,

DANIEL HOLT, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 467

Record of Votes of the Committee on Economic Development

Bill/Resolution No.:	Committee Referral:	Date:	2/10/	20134
	ious decision on the measure		100	- Ly Tr
☐ 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)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. HOLT, Daniel (C)				
				E Na Call Call
2. LAMOSAO, Rachele F. (VC)				
3. HUSSEY-BURDICK, Natalia				<u>a mining yang baban dan samba</u>
3. HUSSEY-BURDICK, Natalia				
4. KONG, Sam Satoru				
	7 4 August (August Ang Co			
5. NAKAMURA, Nadine K.				
			annilari da Antaria de al Antaria	
6. QUINLAN, Sean			ger ja til skip st	
7 DIFDICK Filish				
7. PIERICK, Elijah				
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TOTAL (7)	n b to		0	
The recommendation is: Adopted D Not Adopted				
If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: PMMh A C T T T T T T T T T T T T				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				