

STAND. COM. REP. NO. 520 -06

Honolulu, Hawaii
Feb 17, 2006

RE: H.B. No. 3097

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 3097 entitled:

"A BILL FOR AN ACT RELATING TO PETROLEUM STORAGE FACILITIES,"

begs leave to report as follows:

The purpose of this bill is to assist counties with populations of less than 500,000 to maintain adequate fuel supplies by:

- (1) Allowing special purpose revenue bonds to be issued for constructing petroleum storage facilities in these counties; and
- (2) Establishing a tax credit for persons or entities that construct petroleum storage facilities within the counties.

Mid Pac Petroleum testified in support of this bill. The Department of Business, Economic Development, and Tourism and Aloha Petroleum, Ltd., supported the intent of this measure. The Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, and the Western States Petroleum Association submitted comments.

Your Committee finds that this measure will assist neighbor islands in acquiring adequate storage facilities for fuel supplies. Additional fuel storage may prove to be of great value

HB3097 HSCR CPC HMS 2006-2136



during a time of crisis when fuel supplies are not readily transferable to the neighbor islands.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3097 and recommends that it be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



