

Honolulu, Hawaii

March 3, 2006

RE: H.B. No. 3115  
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 3115, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PETROLEUM INDUSTRY,"

begs leave to report as follows:

The purpose of this bill is to protect Hawaii's consumers by ensuring that the petroleum industry engages in consistent and fair practices. Among other things, this measure:

- (1) Establishes the Petroleum Industry Monitoring, Analysis, and Reporting Program (Program), which requires refiners to submit reports that provide information about refiner expenses and sales to the Public Utilities Commission (PUC);
- (2) Establishes the automated Petroleum Industry Information Reporting System to be maintained by the PUC;
- (3) Establishes the Petroleum Industry Monitoring, Analysis, and Reporting Special Fund (Special Fund);
- (4) Redelineates the types of information that the petroleum industry must provide to the PUC;
- (5) Repeals the gasoline price cap law;



- (6) Makes an appropriation to the Special Fund for the PUC to establish the Program; and
- (7) Makes any misrepresentation or unlawful profiteering by the petroleum industry an unfair trade practice.

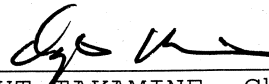
The PUC and Aloha Petroleum, Ltd., testified in support of this bill. The Department of Business, Economic Development, and Tourism, The Chamber of Commerce of Hawaii, and Mid Pac Petroleum supported the intent of this measure. The Kokua Council and a concerned individual opposed this measure. The Department of Budget and Finance, Department of Commerce and Consumer Affairs, Western States Petroleum Association, and a concerned individual offered comments.

Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 H.B. No. 3115, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 3115, H.D. 2.

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



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DWIGHT TAKAMINE, Chair



State of Hawaii  
House of Representatives  
The Twenty-third Legislature

HSCR 945-06

**Record of Votes of the Committee on Finance**

|  |   |                  |             |                |
|--|---|------------------|-------------|----------------|
| <b>Bill/Resolution No.:</b><br>HB 3115 HD1   | <b>Date:</b><br><span style="font-size: 24pt; font-family: cursive;">2-28-06</span>           |                  |             |                |
| <b>Committee Referral:</b><br>EEP / CPC, JUD, FIN  | <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. |                  |             |                |
| <b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Recommit    |   |                  |             |                |
| <b>FIN Members</b>   | <b>Ayes</b>   | <b>Ayes (WR)</b> | <b>Nays</b> | <b>Excused</b> |
| 1. TAKAMINE, Dwight Y. (C)   | ✓   |                  |             |                |
| 2. KAWAKAMI, Bertha C. (VC)  | ✓   |                  |             |                |
| 3. CARROLL, Mele   | ✓   |                  |             |                |
| 4. CHONG, Pono   | ✓   |                  |             |                |
| 5. EVANS, Cindy  | ✓   |                  |             |                |
| 6. LEE, Marilyn B.   | ✓   |                  |             |                |
| 7. MAGAOAY, Michael Y.   | ✓   |                  |             |                |
| 8. NAKASONE, Bob   | ✓   |                  |             |                |
| 9. NISHIMOTO, Scott Y.   | ✓   |                  |             |                |
| 10. TANAKA, Kameo  | ✓   |                  |             |                |
| 11. TSUJI, Clift   | ✓   |                  |             |                |
| 12. WAKAI, Glenn   | ✓   |                  |             |                |
| 13. YAMANE, Ryan I.  | ✓   |                  |             |                |
| 14. YAMASHITA, Kyle T.   | ✓   |                  |             |                |
| 15. MEYER, Colleen Rose  |   | ✓                |             |                |
| 16. MOSES, Mark S.   |   | ✓                |             |                |
| 17. PINE, Kymberly   | ✓   |                  |             |                |
| 18. STEVENS, Anne V.   |   |                  |             | ✓              |
| <b>TOTAL</b>   | <b>15</b>   | <b>2</b>         |             | <b>1</b>       |
| <b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted<br><br>If joint referral, _____ did not support recommendation.<br>committee acronym(s) |   |                  |             |                |
| Vice Chair's or designee's signature:<br><div style="text-align: center; font-family: cursive; font-size: 24pt; margin-top: 10px;">                     Bertha C. Kawakami                 </div>      |   |                  |             |                |
| <b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – HMSO    Duplicate (Pink) – Clerk's Office  |   |                  |             |                |