

STAND. COM. REP. NO.

299

Honolulu, Hawaii

Feb 12, 2007

RE: H.B. No. 724

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 724 entitled:

"A BILL FOR AN ACT RELATING TO COUNTY SURCHARGE ON STATE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this bill is to reduce the amount deducted from the City and County of Honolulu's (City) surcharge on the State General Excise Tax (GET) to pay the State Department of Taxation for the costs incurred by the State in the assessment, collection, and disposition of the county surcharge.

The Land Use Research Foundation of Hawaii, Leeward Oahu Transportation Management Association, and several concerned individuals testified in support of this bill. The Department of Budget and Fiscal Services of the City and County of Honolulu submitted comments.

Allowing the City to retain more of the funding received from its surcharge on the GET will assist in the building of the City's recently approved fixed-guide way project.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 724 and recommends that it pass Second Reading and be referred to the Committee on Finance.

HB724 HSCR TRN HMS 2007-1966



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



JOSEPH M. SOUKI, Chair

