

STAND. COM. REP. NO.

3450

Honolulu, Hawaii

APR 04 2008

RE: H.B. No. 2922
H.D. 1
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2922, H.D. 1, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to reduce the license tax on diesel oil paid by entities that use diesel oil in a power-generating facility.

Specifically, this measure reduces the rate of tax for diesel oil from two cents to one cent on each gallon of diesel oil used in a power-generating facility.

Your Committee received testimony in support of this measure from the Kauai Island Utility Cooperative. The Department of Transportation submitted testimony in opposition. The Department of Taxation and the Tax Foundation of Hawaii offered comments.

Upon further consideration, your Committee has amended this measure by:

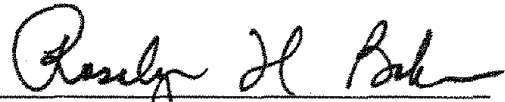
- (1) Adding a provision that the entity paying the reduced rate on diesel oil must certify annually to the Public Utilities Commission, on a form to be supplied by the Commission, that the reduced rate paid by the entity reduces costs to ratepayers;



- (2) Changing the effective date to July 1, 2009, and making a corresponding change to the application of the reduced rates to taxable years beginning after December 31, 2008; and
- (3) Making a technical nonsubstantive change for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2922, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2922, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




ROSALYN H. BAKER, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB2922, HDI, SDI	Committee Referral: ENG, WAM	Date: 4/1/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
INOUYE, Lorraine R.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul	/			
TOTAL	12	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes