

LATE TESTIMONY

TESTIMONY OF KEONI WAGNER ON BEHALF OF HAWAIIAN AIRLINES IN SUPPORT OF THE INTENT OF S.B. NO. 2913, RELATING TO TAXATION

January 30, 2008

To: Chairman J. Kalani English and Members of the Senate Committee on Transportation and International Affairs:

My name is Keoni Wagner and I am the Vice President for Public Affairs for Hawaiian Airlines presenting this testimony on behalf of Hawaiian Airlines in support of the intent of S.B. No. 2913.

This bill is similar to the original bill which was submitted during the 2007 legislative session to provide an exemption where an airline uplifts (purchases) fuel from a foreign trade zone (FTZ) and operates the flight for interisland travel between points within the State of Hawaii. The current statute provides an exemption for fuel sold from an FTZ to an airline which is flying in interstate commerce, that is, between states and in particular between Hawaii and the mainland. We continue to believe that this same exemption should apply to interisland flights on the basis that under federal law interisland flights are defined as interstate commerce and would support legislation that makes this exemption more explicit.

Thank you for the opportunity to testify on this measure.