

STAND. COM. REP. NO.

1307

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 142
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 142, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INTRA-STATE AVIATION,"

begs leave to report as follows:

The purpose of this measure is to exempt the general excise tax and use tax on fuel sold from a foreign-trade zone by a common carrier for use in inter-island air transportation.

Your Committee received one written comment on this measure. The written comment may be reviewed on the Legislature's website.

Your Committee finds that inter-island air transportation is vital for businesses and residents of the State. As the only island state in the nation, transportation within the State is limited to air and sea. With the absence of a commuter ferry system, passenger travel, unlike cargo and freight, is exclusively by air.

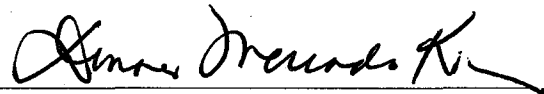
Your Committee also finds that air transportation costs have a direct effect on tourism and the economy. The high cost of inter-island travel creates a barrier for visitors and residents to visit neighbor islands, reducing the amount of commerce for businesses, services, and accommodations. Your Committee believes that exempting the general excise tax and use tax on inter-island jet fuel will benefit consumers and the State.



Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on this measure.

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. 142, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 142, H.D. 1, S.D. 1.

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




DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

| | | | | |
|--|--------------------------|-------------------------|----------------------------------|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| HB 142 HD1 | TIA, WAM | APRIL 6, 2009 | | |
| <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 |
| KIM, Donna Mercado (C) | / | | | |
| TSUTSUI, Shan S. (VC) | / | | | |
| CHUN OAKLAND, Suzanne | / | | | |
| ENGLISH, J. Kalani | / | | | |
| FUKUNAGA, Carol | / | | | |
| GALUTERIA, Brickwood | / | | | |
| HEE, Clayton | / | | | |
| HOOSER, Gary L. | / | | | |
| KIDANI, Michelle N. | / | | | |
| KOKUBUN, Russell S. | / | | | |
| TOKUDA, Jill N. | / | | | |
| HEMMINGS, Fred | / | | | |
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| TOTAL | 12 | | | |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
|  | | | | |
| Distribution: | | | | |
| Original File with Committee Report | Yellow Clerk's Office | Pink Drafting Agency | Goldenrod Committee File Copy | |

*Only one measure per Record of Votes