

Honolulu, Hawaii

FEB 26 2010

RE: S.B. No. 2052
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2052, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FIREWORKS,"

begs leave to report as follows:

The purpose of this measure is to impose a surcharge on purchases of more than \$25 worth of consumer fireworks.

This measure also:

- (1) Clarifies the term "cultural" to include religious events;
- (2) Provide a vehicle to increase the fireworks permit fees;
- (3) Limits fireworks permits to one per person and the number of firecrackers that can be purchased with the permit, to 5,000;
- (4) Designates all fees to the county that collected the fee;
- (5) Increases the fine imposed for some fireworks violations to \$10,000; and
- (6) Transfers fireworks fines previously paid to the counties to the State.



Your Committee held a public hearing on a proposed draft of this measure. In addition to the foregoing, the proposed S.D. 2 also:

- (1) Imposes a consumer fireworks tax on wholesalers;
- (2) Requires remittances of consumer fireworks taxes to be deposited into the state treasury and sets aside an unspecified percentage of the remittances for the implementation and enforcement of the consumer fireworks tax; and
- (3) Requires the Department of Taxation to report to the Legislature a plan to impose a tax on retail sales of fireworks, consumer fireworks, aerial devices, articles pyrotechnic, and display fireworks.

Your Committee received testimony in support of this measure from the County of Maui Department of Fire and Public Safety and the County of Kauai Fire Department. Testimony in opposition to this measure was submitted by the Legislative Information Services of Hawaii. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the current fireworks permit and import license fees have not been increased in the last ten years, while the costs of services related to the use of fireworks, including fire, police, and emergency medical services, have continued to rise. Your Committee also finds that this measure will directly assist the counties with administering and enforcing fireworks laws, by increasing the permit fees and crediting the fees to the counties.

Your Committee amended this measure by:

- (1) Changing the date on which the consumer fireworks tax commences to January 1, 2011;
- (2) Deleting the provision that imposed a surcharge on purchases of more than \$25 worth of consumer fireworks; and
- (3) Making technical nonsubstantive amendments for purposes 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 S.B. No. 2052, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2052, S.D. 2.

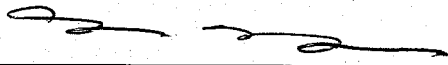
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


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:		
SB 2052 SDI	PSM/TIA, WAM	2/24/10		
<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				/
TOTAL	11	0	0	1
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