

Honolulu, Hawaii

MAR 22 2012

RE: H.B. No. 101
H.D. 2
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Transportation and International Affairs,
to which was referred H.B. No. 101, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the definition of "bicycle" to include certain bicycles powered by an electric motor; and
- (2) Limit the types of bicycles allowed to be transported on buses in the public transportation system.

Your Committee received testimony in support of this measure from the Department of Transportation and City and County of Honolulu Department of Customer Services. Comments were received from the Maui Bicycle Alliance.

Your Committee has amended this measure by:

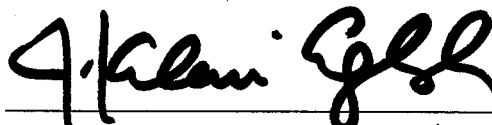
- (1) Deleting its contents and inserting the contents of S.B. No. 2977, S.D. 2, Regular Session of 2012, which provides an aviation fuel tax credit for interisland airplane carriers; and
- (2) Changing the effective date to upon approval and to apply to taxable years beginning after June 30, 2012.



Your Committee finds that the cost of aviation fuel is accelerating as the cost of petroleum rises worldwide. Aviation fuel costs represent a significant proportion of the costs of operations of all airlines. Existing aviation fuel taxes are assessed against the distributor. This measure, as amended, allows an interisland airplane carrier to whom the distributor has passed on the cost of the fuel tax to claim a credit to be deducted from the airplane carrier's net income tax liability.

As affirmed by the record of votes of the members of your Committee on Transportation and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 101, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 101, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Respectfully submitted on
behalf of the members of the
Committee on Transportation and
International Affairs,



J. KALANI ENGLISH, Chair



