

STAND. COM. REP. NO.

145

Honolulu, Hawaii

Feb 9, 2011

RE: H.B. No. 1271

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1271 entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC SERVICE COMPANY TAX,"

begs leave to report as follows:

The purpose of this bill is to assist the State in addressing its budget shortfall by requiring that 50 percent of the county share of revenues generated by the public service company tax be deposited into the State General Fund for a period of five years.

Specifically, Act 64, Session Laws of Hawaii 2001, allocated to the counties collections from the public service company tax that were in excess of a rate of four percent. This measure temporarily diverts 50 percent of that amount to the State General Fund.

Hawaiian Telcom testified in support of this bill with amendments. The Department of Budget and Fiscal Services of the City and County of Honolulu testified in opposition to this measure. The Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1271 and recommends that it pass Second Reading and be referred to the Committee on Finance.

HB1271 HSCR CPC HMS 2011-1806



Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



