

STAND. COM. REP. NO. **317** -12

Honolulu, Hawaii

Feb 14, 2012

RE: H.B. No. 2740

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2740 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to maintain the reduced cost of electricity generation fueled by naphtha by making permanent the temporary reduction of the fuel tax on naphtha used in a power-generating facility.

The Public Utilities Commission and Kauai Island Utility Cooperative testified in support of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2740 and recommends that it pass Second Reading and be referred to the Committee on Finance.

HB2740 HSCR EEP HMS 2012-1970



Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,

Denny Coffman

DENNY COFFMAN, Chair



