

STAND. COM. REP. NO.

2517

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2131  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2131, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to restore the fuel license tax on naphtha fuels sold for use in a power generating facility.

Your Committee received written comments in support of this measure from the Kauai Island Utility Cooperative.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that, in 2007, the Legislature enacted a fuel license tax on naphtha fuels sold to a power generating facility. Prior to its repeal, the tax was set at two cents per gallon. However, pursuant to Act 103, Session Laws of Hawaii 2007, as amended by Act 198, Session Laws of Hawaii 2009, as amended by Act 188, Session Laws of Hawaii 2012, the tax was repealed on December 31, 2015. Your Committee further finds that it is the intent of this measure to restore the fuel license tax of two cents per gallon for naphtha fuels sold to a power generating facility. This measure has the effect of lowering the tax on such naphtha fuel.



Your Committee has amended this measure by:

- (1) Making corrections to accurately reflect the text of section 243-4(a), Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, 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. 2131, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2131, S.D. 2.

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



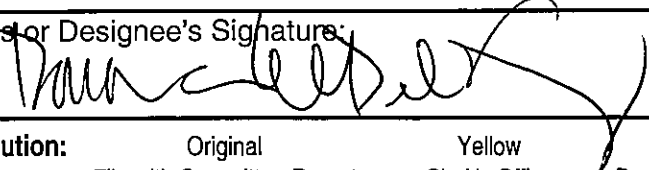
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JILL N. TOKUDA, Chair



The Senate  
Twenty-Eighth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 2131, SD1</b>	Committee Referral: <b>TRE, WAM</b>	Date: <b>2/11/16</b>		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
GALUTERIA, Brickwood				/
HARIMOTO, Breene				/
INOUE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
<b>TOTAL</b>	<b>8</b>			<b>3</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes