

STAND. COM. REP. NO. 41

Honolulu, Hawaii

FEB 09 2015

RE: S.B. No. 705
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 705 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a general excise tax exemption on gross proceeds arising from the construction, sale, installation, service, repair, modification, improvement, or lease of clean alternative fuel vehicles, electric vehicle batteries, and electric vehicle infrastructure.

Your Committee received testimony in support of this measure from the Renewable Energy Action Coalition of Hawaii, Blue Planet Foundation, and EV Structure. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that transportation fuels, most of which are imported, account for approximately two-thirds of all the energy consumed in Hawaii. A general excise tax exemption on gross proceeds arising from the construction, sale, installation, service, repair, modification, improvement, or lease of clean alternative fuel vehicles, electric vehicle batteries, and electric vehicle infrastructure will provide a financial incentive to use clean alternative fuel vehicles and further the State's clean energy initiative goals.

Your Committee has amended this measure by:

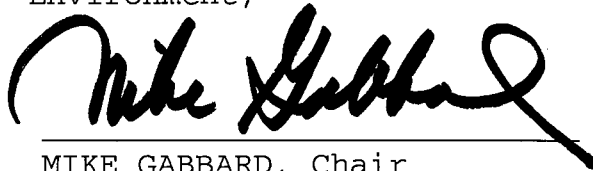
2015-1201 SSCR SMA.doc



- (1) Amending the definition of "electric vehicle infrastructure" to mean battery charging stations, rapid charging stations, and battery exchange stations; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 705, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,

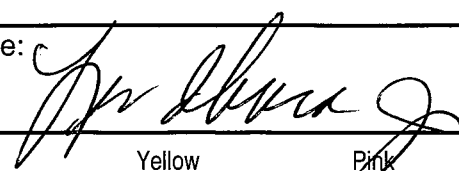


MIKE GABBARD, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* <i>SB 705</i>	Committee Referral: <i>ENE, WAM</i>	Date: <i>Feb. 3, 2015</i>		
<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
GABBARD, Mike (C)	✓			
GREEN, Josh (VC)				✓
GALUTERIA, Brickwood				✓
IHARA, Jr., Les	✓			
SLOM, Sam	✓			
TOTAL	<i>3</i>	<i>0</i>	<i>0</i>	<i>2</i> <i>9i</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes