

STAND. COM. REP. NO. 467

Honolulu, Hawaii

FEB 15 , 2023

RE: H.B. No. 700
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
H.B. No. 700 entitled:

"A BILL FOR AN ACT RELATING TO THE FUEL TAX,"

begs leave to report as follows:

The purpose of this measure is to suspend the fuel tax from
July 1, 2023, to June 30, 2024.

Your Committee received testimony in support of this measure
from five individuals. Your Committee received testimony in
opposition to this measure from the Department of Transportation
and Department of Budget and Finance. Your Committee received
comments on this measure from the Department of Taxation, Tax
Foundation of Hawaii, and Grassroot Institute of Hawaii.

Your Committee finds that Hawaii's current fuel prices remain
close to \$5 per gallon, well above the national average of \$3.43
per gallon of fuel. Part of this high cost is due to various
taxes and fees, including the state fuel tax of sixteen cents per
gallon of liquid fuel or diesel oil. Your Committee further finds
that a suspension of the fuel tax for one year will give Hawaii
taxpayers temporary relief from the rising fuel prices.

Your Committee has amended this measure by:

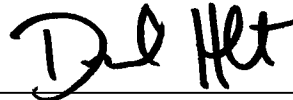
2023-1595 HB700 HD1 HSCR HMSO



- (1) Changing its effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 700, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 700, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



DANIEL HOLT, Chair



