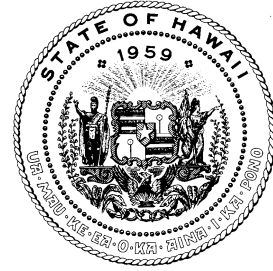


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## **MEDIA RELEASE**

February 27, 2012

### SENATE WAYS AND MEANS COMMITTEE PASSES SB 2986

OAHU – The Senate Ways and Means Committee passed Senate Bill (SB) 2986 on Thursday, February 23, 2012, extending the sunset date on Act 198 of 2009 for five years from 2012 through 2017. SB 2986 recognizes and affirms the Senate's belief that utilities like Kauai Island Utility Cooperative (KIUC) that use environmentally cleaner naphtha fuel for power generation should continue to realize reduced tax requirements.

In proposing an extension of five years instead of the previous three, Ways and Means Chair Senator David Y. Ige, stated, "As part of our state-wide site visits this past interim, I was able to visit the KIUC facility and meet with the directors and employees. During these discussions, KIUC's concerns relating to this issue were raised and a determination was made that a five year extension was more appropriate at this time."

Senator Ronald D. Kouchi added that, "I would like to thank Ways and Means Chair David Ige for taking the time to visit Kauai to get a firsthand look at our concerns and problems. KIUC's lower tax rate will save Kauai cooperative members approximately five million dollars a year, which is a great help to our residents paying one of the highest kilo watt cost in the state."

The bill now goes before the full Senate for a floor vote on March 6, 2012 before crossing over to the House of Representatives.

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