

Honolulu, Hawaii

FEB - 3 2016

RE: S.B. No. 2131
S.D. 1

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

Sir:

Your Committee on Transportation and Energy, to which was referred S.B. No. 2131 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:

- (1) The definition of "power-generating facility" in section 243-1, Hawaii Revised Statutes; and
- (2) The fuel tax on naphtha, as used in a power-generating facility, at a rate of two cents per gallon.

Your Committee received testimony in support of this measure from the Department of Taxation and Kaua'i Island Utility Cooperative. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the fuel tax on naphtha was enacted in 2007 but was repealed on December 31, 2015, by Act 188, Session Laws of Hawaii 2012. Naphtha is a source of alternative fuel that should be taxed to enhance state revenues. This measure will restore the tax retroactive to January 1, 2016.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2131, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2131, S.D. 1, and be referred to your Committee on Ways and Means.

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


LORRAINE R. INOUE, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and Energy
TRE

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2131	TRE, WAM	02-02-16		
<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
INOUE, Lorraine R. (C)	✓			
GABBARD, Mike (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
ENGLISH, J. Kalani	✓			
KIDANI, Michelle N.	✓			
NISHIHARA, Clarence K.	✓			
SLOM, Sam				✓
TOTAL	6			1
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