

STAND. COM. REP. NO.

605

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 1752
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 1752 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to assess the effectiveness of
tax credit incentives for increased economic productivity by
providing for:

- (1) The disclosure by high technology businesses of
information about these tax credits to the Department of
Business, Economic Development, and Tourism (DBEDT); and
- (2) An analysis by DBEDT of the economic impact and
effectiveness of these tax credits.

Numerous concerned individuals supported this bill. DBEDT
supported the intent of this bill. Honolulu Seawater Air
Conditioning, LLC, Oceanit, Cellular Bioengineering, Inc., Ocean
Engineering & Energy Systems, LLC, ICAM, PacifiCap Group, and a
concerned individual opposed this measure.

Your Committee has amended this bill by removing its
substantive contents and inserting a new chapter, which is the
result of discussions between Committee members and those
testifying on the bill. As amended, this bill will create a
uniform, standardized system of applications and mandatory yearly

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progress reports for all recipients of state tax credits worth \$10,000 or more annually, which will include information about the organization's business, employees, and jobs created and retained.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1752, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1752, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



Record of Votes of the Committee on Economic Development & Business Concerns

Bill/Resolution No.: HB 1752		Date: Feb. 12, 2007		
Committee Referral:		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)	✓			
2. WAKAI, Glenn (VC)	✓			
3. BERG, Lyla B., Ph.D.				✓
4. BROWER, Tom	✓			
5. CHANG, Jerry L.				✓
6. HANOHANO, Faye P.	✓			
7. HERKES, Robert N.	✓			
8. MANAHAN, Joey	✓			
9. TSUJI, Clift	✓			
10. YAMANE, Ryan I.	✓			
11. CHING, Corinne W.L.	✓			
12. MARUMOTO, Barbara C.	✓			
TOTAL	10	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Clerk's Office				