

STAND. COM. REP. NO. 1310

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1923
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Economic Development and Taxation and Water, Land, Agriculture, and Hawaiian Affairs, to which was referred H.B. No. 1923, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Provide that qualifying agricultural businesses shall remain eligible for tax incentives under the enterprise zone (EZ) program in the event of force majeure; and
- (2) Allow agricultural businesses to meet gross revenue requirements if they are unable to meet the full-time employment requirements of the EZ program.

Testimony in support of this measure was received from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; County of Kauai Office of Economic Development; County of Hawaii Department of Research and Development; Hawaii Agriculture Research Center; Hawaii Farm Bureau; Maui County Farm Bureau; and Hawaii Crop Improvement Association. The Tax Foundation of Hawaii submitted comments on this measure.

Your Committees find that Hawaii's EZ program has very low participation by agricultural businesses. This measure would

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begin to address that by providing for additional flexibility in meeting EZ requirements for agricultural businesses, particularly in the case of major natural disasters.

Your Committees have amended this measure by:

- (1) Changing the effective date to upon approval; and
- (2) Making technical, nonsubstantive amendments to conform the measure to the preferred drafting style.

As affirmed by the records of votes of the members of your Committees on Economic Development and Taxation and Water, Land, Agriculture, and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1923, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1923, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development and Taxation and
Water, Land, Agriculture, and
Hawaiian Affairs,



RUSSELL S. KOKUBUN, Chair


CAROL FUKUNAGA, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii


Record of Votes
Committee on Economic Development and Taxation
EDT

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1923 HD2	EDT/WAH, WAM	3/21/07		
<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
FUKUNAGA, Carol (C)	✓			
ESPERO, Will (VC)				✓
ENGLISH, J. Kalani	✓			
IGE, David Y.	✓			
SLOM, Sam	✓			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
File with	Original Committee Report	Yellow Clerk's Office	Pink Drafting Agency	

*Only one measure per Record of Votes

The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Water, Land, Agriculture and Hawaiian Affairs
WAH

Bill / Resolution No.:*	Committee Referral:	Date:		
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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
KOKUBUN, Russell S. (C)	X			
TOKUDA, Jill N. (VC)	X			
FUKUNAGA, Carol	X			
HEE, Clayton				X
SLOM, Sam	X			
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency		

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