

Honolulu, Hawaii

Feb 8, 2006

RE: H.B. No. 2127  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,  
to which was referred H.B. No. 2127 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this bill is to encourage high school students to enter into high technology careers by providing a tax credit to qualified high technology businesses who operate cooperative education programs that train and supervise high school students in the high-technology business.

The Hawaii Automobile Dealers' Association submitted testimony in support of this bill. The Department of Education and Hawaii State Teachers Association submitted testimony supporting the intent of this bill. The Department of Taxation and Tax Foundation of Hawaii offered comments on this bill.

Your Committee has amended this bill by:

- (1) Deleting language that provides for recapture of the tax credit if and when the taxpayer no longer qualifies for the credit, as the tax credit is only claimed on an annual basis; and
- (2) Making technical, nonsubstantive amendments for clarity and style.



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. 2127, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2127, H.D. 1, and be referred to the Committee on Education.

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

  
\_\_\_\_\_  
JON RIKI KARAMATSU, Chair



