

Honolulu, Hawaii

Feb 10, 2006

RE: H.B. No. 2313

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2313 entitled:

"A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION,"

begs leave to report as follows:

The purpose of this bill is to clarify and correct ambiguities and errors in Hawaii's business registration laws. Specifically, the housekeeping amendments made by this bill include:

- (1) Adding a section to the general partnership law regarding the types of activities of a foreign general partnership that do not constitute business transactions;
- (2) Providing that general partnerships electing to become limited liability partnerships (LLPs) shall file the LLP annual report in lieu of the general partnership annual statement; and
- (3) Requiring as one condition to reinstatement, that an administratively dissolved or cancelled professional corporation show that all taxes owed have been paid, are being paid, or are being contested.

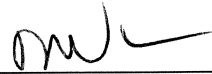
The Department of Commerce and Consumer Affairs and the Chamber of Commerce of Hawaii supported this measure.



Your Committee finds that some businesses are subject to overlapping or ambiguous registration, documentation, and other regulatory requirements. This bill would help remove some of these unnecessary burdens. In addition, providing more clarity in what constitutes a business transaction by a foreign partnership will encourage continued investment in Hawaii by the global community.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2313 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



