

Honolulu, Hawaii

Feb 8, 2006

RE: H.B. No. 2421  
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 Committees on Economic Development & Business Concerns and Tourism & Culture, to which was referred H.B. No. 2421 entitled:

"A BILL FOR AN ACT RELATING TO PERFORMING ARTS BUSINESSES,"

beg leave to report as follows:

The purpose of this bill is to stimulate Hawaii's film, television, and digital media industry by creating a program that allows performing arts qualified high technology businesses to transfer performing arts qualified high technology tax credits back to the State for 20 percent of the face value of the credits, thereby redirecting a higher percentage of local investment dollars toward smaller, independent performing arts qualified high technology businesses.

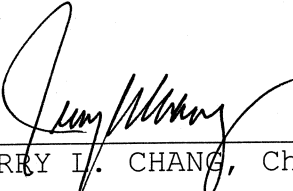
The Department of Business, Economic Development, and Tourism, the Department of Taxation, and the Department of Research and Development for the County of Hawaii submitted testimony in support of this bill. An individual submitted testimony in opposition to this bill. The Tax Foundation of Hawaii offered comments on the bill.

Your Committees have amended this bill by making technical, nonsubstantive amendments for clarity and style.



As affirmed by the records of votes of the members of your Committees on Economic Development & Business Concerns and Tourism & Culture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2421, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2421, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Economic  
Development & Business Concerns  
and Tourism & Culture,

  
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JERRY I. CHANG, Chair

  
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JO RIKI KARAMATSU, Chair





