

Honolulu, Hawaii

March 3, 2006

RE: H.B. No. 3118

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 Finance, to which was referred H.B. No. 3118 entitled:

"A BILL FOR AN ACT RELATING TO CORPORATIONS,"

begs leave to report as follows:

The purpose of this bill is to allow the establishment of corporations structured to recognize as corporate interests, the interests of employees and of the public in areas such as the environment, by allowing businesses to incorporate as a responsible business corporation. This bill also provides an incentive to incorporate in this form by exempting these corporations from a certain percentage of corporate taxes.

The Hawaii Alliance for Community-Based Economic Development, Democratic Party of Maui County, Hawaii Democratic Party Oahu County Committee, and Inner Ocean Publishing testified in support of this bill. The Department of Commerce and Consumer Affairs and Tax Foundation of Hawaii offered comments.

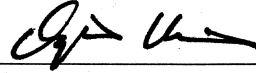
Your Committee has amended this bill by changing the effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3118, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 3118, H.D. 1.

HB3118 HD1 HSCR FIN HMS 2006-2292



Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



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DWIGHT TAKAMINE, Chair



