

STAND. COM. REP. NO.

3663

Honolulu, Hawaii

APR 19 2006

RE: H.C.R. No. 82

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Business and Economic Development and Energy, Environment, and International Affairs, to which was referred H.C.R. No. 82 entitled:

"HOUSE CONCURRENT RESOLUTION SUPPORTING THE DEVELOPMENT OF THE FUND MANAGEMENT INDUSTRY IN HAWAII,"

beg leave to report as follows:

The purpose of this measure is to diversify the State's economy by supporting the development of an Asian-focused fund management industry in Hawaii.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism, and the Pacific American Foundation.

Asian economies and their respective capital markets represent the largest opportunity for economic growth. Hawaii can potentially benefit from this growth by becoming a financial service center that targets Asia-Pacific fund management. Hawaii has many favorable attributes that attracts an Asia-focused capital market, including a more convenient time zone that allows Asia-based managers to operate within relatively normal business hours, and a multicultural and multiethnic population.

Your Committees find that supporting the development of a strategy to establish an Asian-focused fund management industry in Hawaii will have numerous economic and financial benefits for the State. The fund management industry has the potential to provide jobs for state residents and attract former local residents back

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to Hawaii for employment, diversify the state economy, produce additional tax revenues for the State, boost and diversify the tourism industry, support the local financial industry, and expand the State's financial pool.

As affirmed by the records of votes of the members of your Committees on Business and Economic Development and Energy, Environment, and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 82, and recommend its adoption.

Respectfully submitted on behalf of the members of the Committees on Business and Economic Development and Energy, Environment, and International Affairs,



J. KALANI ENGLISH, Chair



WILL ESPERO, Chair



