

STAND. COM. REP. NO. 173

Honolulu, Hawaii

Feb 8, 2007

RE: H.B. No. 1670
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 1670 entitled:

"A BILL FOR AN ACT RELATING TO THE INGENUITY CHARTER,"

begs leave to report as follows:

The purpose of this bill is to facilitate intellectual property development in Hawaii, while upholding high labor and environmental standards and funding instruction that encourages innovation by public school students. This bill achieves these purposes by establishing a for-profit, limited liability company chartered by the State to own, license, use, and sell intellectual property for the benefit of inventors, labor unions, and public educators.

The Professional Inventors Alliance, Vivalog Technologies, and several concerned individuals supported this bill. The Hawaii State Teachers Association supported the intent of this bill. The Office of the Governor, Department of Taxation, and Department of Budget and Finance opposed this measure. The Department of Education commented on this bill.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2034, to encourage further discussion; and

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- (2) Making technical, nonsubstantive amendments for clarity and consistency.

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. 1670, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1670, H.D. 1, and be referred to the Committees on Education and Labor & Public Employment.

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



KYLE T. YAMASHITA, Chair



