

Honolulu, Hawaii

APR 05 2007

RE: H.B. No. 1670
H.D. 2
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1670, H.D. 2, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to create the Ingenuity Company, a private, for-profit limited liability company that will assist inventors and other creators of intellectual property and benefit the education and workforce development sectors.

Specifically, Ingenuity Company will:

- (1) Acquire, invest in, license, use, and sell intellectual property and other property for the overall benefit of inventors, labor unions, and public educators; and
- (2) Uphold the intellectual property rights of, and ensure fair labor practices and health and environmental standards for, inventors and creators of intellectual property.

Comments in support of this measure were received by the Hawaii State Teachers Association, the Professional Inventors Alliance, Unite Here Local 5 Hawaii, Vivalog Technologies, and two individuals. The Department of Budget and Finance submitted comments in opposition. The Department of Education and the



Department of Business, Economic Development, and Tourism submitted comments.

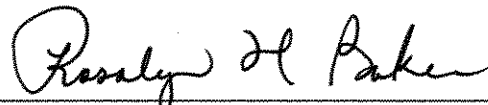
Your Committee finds that Hawaii needs to attract inventors and other creators of intellectual property to diversify and strengthen the State's economy and build its reputation as a center of innovation. Your Committee also finds that the Ingenuity Company, which will be governed by a Board of Directors representing both the creators of intellectual property and educational or labor beneficiaries, is an opportunity to fund educational initiatives contributing to workforce skills needed in a global economy.

Your Committee has amended this measure by:

- (1) Deleting the provision that required the Board of Directors to meet on the second Tuesday of each month to provide a general requirement that the Board shall meet monthly;
- (2) Delete the provision authorizing the managing member to appoint board members; and
- (3) Making technical nonsubstantive changes for the purposes of consistency and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1670, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1670, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




ROSALYN H. BAKER, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1670 HD2, SD1	EDT/EDU, WAM	3/30/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312				
<input checked="" type="checkbox"/> Pass, with amendments 2311				
<input type="checkbox"/> Hold 2310				
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul				/
TOTAL	10	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Clerk's Office	Drafting Agency		

*Only one measure per Record of Votes