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THE SENATE
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2007

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COMMITTEE ON WAYS AND MEANS

Senator Rosalyn H. Baker, Chair
Senator Shan S. Tsutsui, Vice Chair

NOTICE OF DECISION MAKING

DATE: Friday, February 23, 2007
TIME: 9:30 a.m.
PLACE: Conference Room 211
State Capitol
415 South Beretania Street

A G E N D A

The following bills were previously heard in their respective subject matter committees. For this decision-making, only written comments will be accepted; no oral testimony will be accepted.

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|----------------------------|---|----------------------|
| SB 11
SD2
(SSCR357) | RELATING TO EXCISE TAX ON HEALTH CARE.
Exempts physician services, hospital charges, and rehabilitation services from the county surcharge on state tax. (SD2) | HTH/IGM, EDT,
WAM |
| SB 148
SD1
(SSCR474) | RELATING TO INCOME TAX CREDIT.
Provides a mandatory tax credit to taxpayers pursuant to article VII, section 6 of the Constitution of the State of Hawaii. (SD1) | EDT, WAM |
| SB 216
(SSCR322) | RELATING TO CAPITAL GOODS EXCISE TAX CREDIT.
Amends the definition of "cost" with regard to the capital goods excise tax credit. | EDT, WAM |
| SB 323
SD2
(SSCR584) | RELATING TO HIGH TECHNOLOGY.
Provides that the high technology special fund shall not be used to fund general administrative and fiscal positions; clarifies that the high technology innovation corporation is authorized to operate bank accounts that are necessary for the conduct of its business at both in-state and out-of-state bank locations; appropriates funds for the Hawaii small business innovation research grant program and the Hawaii small business technology transfer program. (SD2) | EDT, WAM |
| SB 331
SD2
(SSCR352) | RELATING TO ELECTRONIC DATA AND INFORMATION.
Appropriates funds to the office of the auditor for research and support services necessary to develop additional deterrents for identity theft, and in particular, those related to the compromise of electronic data and information, and social security numbers in public records. (SD2) | EDT, WAM |



SB 600 (SSCR526)	RELATING TO LEASEHOLD CONVERSION. Exempts from taxation 100% of capital gains realized during taxable years 2008-2012 from sale of leased fee interest in condominium units to association of apartment owners or residential cooperative corporations.	EDT/CPH, WAM
SB 704 (SSCR358)	RELATING TO TAXATION. Exempts amounts received by trusts whose sole beneficiaries are blind, deaf, or disabled from up to \$2,000 in income. Limits general excise tax amounts collected from the trusts to one-half per cent.	HSP, EDT, WAM
SB 707 SD1 (SSCR197)	RELATING TO A NEW MARKETS TAX CREDIT. Provides a new markets tax credit of one hundred per cent of the amount paid to a qualified community development entity located in Hawaii for a qualified equity investment; requires taxpayer to have received an allowance of credit under section 45D of the Internal Revenue Code, the federal new markets tax credit. (SD1)	EDT, WAM
SB 709 SD1 (SSCR154)	RELATING TO ECONOMIC DEVELOPMENT. Requires the department of business, economic development, and tourism to investigate, collect, analyze, and publish research and data to track economic progress and aid in the development and economic health of growth industries; appropriates unspecified amount. (SD1)	EDT, WAM
SB 711 (SSCR264)	RELATING TO TAXATION. Establishes a ten-year statute of limitations on tax collections. Clarifies that the three-year statute of limitations on tax assessments for the general excise tax, use tax, and other period taxes begins running from the filing of each periodic return.	EDT, WAM
SB 750 SD2 (SSCR361)	RELATING TO TRANSIENT ACCOMMODATIONS TAX. Requires department of taxation to: review the forms and process for collecting the transient accommodations tax from vacation rentals and bed and breakfast establishments and report revenues received from them; work with Hawaii tourism authority and counties to identify owners operating vacation rentals and bed and breakfast establishments and enforce transient accommodations tax compliance; share location information on transient accommodations taxpayers with counties. Clarifies duties of Hawaii tourism authority. (SD2)	TSG, EDT, WAM
SB 798 SD2 (SSCR362)	RELATING TO DISASTER RELIEF. Creates a one-time tax credit for victims of the October 15, 2006 earthquakes. (SD2)	IGM, EDT, WAM
SB 880 SD1 (SSCR60)	RELATING TO THE MUSEUM OF HAWAIIAN MUSIC AND DANCE. Establishes the museum of Hawaiian music and dance committee to determine the appropriate type of institution that should be established, its location, possible financing mechanisms, and to complete an initial business plan for the museum of Hawaiian music and dance; appropriates an unspecified amount to the Hawaii tourism authority to assist the committee. (SD1)	EDT, WAM



SB 896 SD1 (SSCR155)	RELATING TO HIGH TECHNOLOGY. Appropriates an unspecified amount in FY 2007-2008 and FY 2008-2009, to the high technology development corporation to negotiate a ten-year lease guaranty to support the planning and development of a life sciences research complex in Kakaako. (SD1)	EDT, WAM
SB 897 SD1 (SSCR58)	RELATING TO TECHNOLOGY TRAINING. Appropriates funds into the Hawaii 3Ts school technology laboratories fund for the economic development alliance of Hawaii to expand project EAST programs to public schools. (SD1)	EDT, WAM
SB 898 SD1 (SSCR367)	RELATING TO HIGH TECHNOLOGY TAX INCENTIVES. Requires the department of taxation to report annually on information collected from July 1, 2004, and thereafter on qualified high technology businesses and related tax incentives to properly evaluate their effectiveness; appropriates unspecified amounts for the department to initiate and begin implementation. (SD1)	EDT, WAM
SB 907 SD1 (SSCR196)	RELATING TO AEROSPACE DEVELOPMENT. Creates the office of aerospace development within the department of business, economic development, and tourism. Appropriates \$1,173,000 in FY 2007-2008 and \$1,173,000 in FY 2008-2009. (SD1)	EDT, WAM
SB 967 SD1 (SSCR356)	RELATING TO HEALTH. Provides a tax deduction for individuals who donate organs. (SD1)	HTH, EDT, WAM
SB 1007 SD1 (SSCR354)	RELATING TO THE GENERAL EXCISE TAX. Requires an investment broker and agent who share compensation for their services to pay the general excise tax on only that portion of the compensation retained by each. Effective 7/1/07. (SD1)	CPH, EDT, WAM
SB 1034 SD1 (SSCR363)	RELATING TO TAXATION. Exempts from general excise and use taxes the fuel sold for intrastate air transportation by common carriers. (SD1)	TIA, EDT, WAM
SB 1182 SD1 (SSCR359)	RELATING TO NEEDS ALLOWANCE. Establishes a needs allowance for residents of care homes and long-term care facilities. (SD1)	HSP, EDT, WAM
SB 1222 SD2 (SSCR364)	RELATING TO INCOME TAXATION. Establishes that all energy technology systems must be installed and placed in service in the State of Hawaii to obtain the State's income tax energy tax credit. (SD2)	ENE, EDT, WAM
SB 1228 SD1 (SSCR582)	RELATING TO HISTORICAL PRESERVATION. Establishes a process to determine the most appropriate means of memorializing the World War II Japanese internment camp experience in Hawaii; appropriates funds to the department of land and natural resources. (SD1)	EDT, WAM
SB 1285 SD1 (SSCR622)	RELATING TO TAX. Exempts the sale of liquid fuels and alcohol fuels from the general excise tax; increases the fuel tax by 1 cent per gallon. (SD1)	TIA/ENE, EDT, WAM



SB 1315 SD1 (SSCR114)	RELATING TO THE ACCESS HAWAII COMMITTEE. Continues the State's oversight of the Internet portal manager permanently (Access Hawaii Committee).	EDT, WAM
SB 1365 SD1 (SSCR156)	RELATING TO THE INNOVATION ECONOMY. Requires the employees' retirement system to have \$100,000,000 allocated for Hawaii venture capital investments, unless it is not prudent to do so; appropriates funds to the University of Hawaii office of technology transfer and economic development to enter into a partnership with a private sector entity. (SD1)	EDT, WAM
SB 1497 SD2 (SSCR353)	RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE. Amends Hawaii's income tax law to conform with changes to the Internal Revenue Code. (SD2)	EDT, WAM
SB 1499 SD1 (SSCR157)	RELATING TO TAX ADMINISTRATION. Conforms Hawaii tax law to federal tax law relating to tax administration and criminal tax enforcement. (SD1)	EDT, WAM
SB 1504 SD1 (SSCR366)	RELATING TO ELECTRONIC FILING OF TAX RETURNS. Requires that the department of taxation, by rule adopted pursuant to chapter 91, Hawaii Revised Statutes, shall require the electronic, telephonic, or optical filing of tax returns under certain conditions; provides that a service fee shall not be required. (SD1)	EDT, WAM
SB 1506 SD1 (SSCR355)	RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX. Extends the rental vehicle surcharge tax effective date beyond September 1, 2007. (SD1)	CPH/TIA, EDT, WAM
SB 1688 SD1 (SSCR158)	RELATING TO ECONOMIC DEVELOPMENT. Establishes a research and development follow-on funding program for Hawaii-based small businesses that received federal funding through the Hawaii Technology Development Venture or the National Defense Center of Excellence for Research in Ocean Sciences; appropriates an unspecified amount to the Hawaii strategic development corporation. (SD1)	EDT, WAM
SB 1839 SD1 (SSCR475)	RELATING TO TAX SYSTEMS. Establishes integrated tax services and management special fund to receive revenues from the integrated tax information management systems post-implementation revenue-generating initiatives; provides that moneys in the fund will be used to pay for the integrated tax information management systems. (SD1)	EDT, WAM
SB 1840 (SSCR559)	RELATING TO TAXATION. Adopts amendments to Hawaii tax laws to implement the streamlined sales and use tax agreement.	EDT, WAM
SB 1882 SD1 (SSCR318)	RELATING TO TAXATION. Establishes a food tax credit to be claimed against a resident taxpayer's income tax liability for the amount of \$ multiplied by the number of qualified exemptions to which the taxpayer is entitled. (SD1)	EDT, WAM



SB 1917 SD2 (SSCR626)	RELATING TO HOUSING. Extends the sunset date for the allocation of conveyance tax revenues to the rental housing trust fund; requires the Hawaii finance and development corporation to create an affordable housing inventory registry; and appropriates funds for various homeless and housing programs and projects. (SD2)	HSP/CPH, EDT, WAM
SB 1919 SD2 (SSCR623)	RELATING TO ASSET BUILDING. Provides a comprehensive set of asset building opportunities for Hawaii's low- and moderate-income families by establishing a self-sufficiency standard that will determine the assistance allowance; establishing a refundable state earned income tax credit; providing financial education to TANF applicants and recipients; expanding the provision of individual development accounts; and appropriating funds. (SD2)	HSP, EDT, WAM
SB 1920 SD1 (SSCR560)	RELATING TO TAXATION. Recodifies and renames existing motion picture, digital media, and film production tax provisions; increases the tax credits from fifteen and twenty per cent to twenty and twenty-five per cent; increases reporting requirements; repeals the Hawaii television and film development board; deletes references to the board from the Hawaii television and film development special fund and elsewhere. (SD1)	EDT, WAM
SB 1922 SD1 (SSCR527)	RELATING TO CREATIVE MEDIA. Creates financial incentives for and appropriates funds to the academy for creative media at the University of Hawaii to develop plans for a permanent facility in Hawaii; appropriates funds for a digital media incubator facility; establishes and appropriates funds for the music and enterprise learning experience program at the University of Hawaii-Honolulu Community College to develop the technical business skills required by Hawaii's music artists and music industry. (SD1)	EDT/EDU, WAM
SB 1934 SD1 (SSCR339)	RELATING TO TAXATION. Allows an individual taxpayer to request that the taxpayer's refund be electronically deposited into up to three checking or savings accounts. (SD1)	EDT, WAM
SB 1962 SD2 (SSCR525)	RELATING TO TAXATION. Provides an income tax deduction to an owner occupant of a residential or mixed use condominium constructed before December 31, 1975, for qualifying costs of installation of an automatic fire sprinkler system to serve the entire residential or mixed use condominium, and installed after December 31, 2007; sunsets June 30, 2012. (SD2)	CPH, EDT, WAM
SB 138 SD1 (SSCR550)	RELATING TO DIAMOND HEAD STATE MONUMENT. Establishes a sub-account under the state parks special fund into which fifty-five per cent of the proceeds collected from the admission fees charged at the Diamond Head state monument will be deposited and used to cover the costs of repair, maintenance, and operations at the Diamond Head state monument. (SD1)	WAH, WAM
SB 1090 SD1 (SSCR551)	RELATING TO HISTORIC PRESERVATION. Appropriates funds to improve the load distribution and carrying capacity of the trail system at Diamond Head state monument. (SD1)	WAH, WAM



SB 162 (SSCR19)	RELATING TO IOLANI PALACE. Exempts Iolani Palace from the standards and conditions related to the receipt of funds contained in chapter 42F, Hawaii Revised Statutes.	WAH, WAM
SB 615 SD1 (SSCR47)	RELATING TO NATIVE HAWAIIAN PRACTICES. Creates a task force within the University of Hawaii to develop a plan for the formation of a permanent 'aha moku advisory council to advise government agencies involved with regulatory policies for ocean and land use in Hawaii. (SD1)	WAH/EDU, WAM
SB 1853 SD1 (SSCR272)	RELATING TO NATIVE HAWAIIANS. Establishes an aha moku council system advisory committee to provide a framework on the formation of an aha moku council commission that shall serve as in an advisory capacity on all matters regarding the management of the State's natural resources. Appropriates funds for the advisory committee to carry out its duties. (SD1)	WAH, WAM
SB 639 SD1 (SSCR418)	RELATING TO INVASIVE SPECIES. Prohibits the sale of plants designated as noxious weeds. Requires the department of agriculture to review the noxious weed list annually and update the list, as necessary. Appropriates funds for the revision and review of the list of noxious weeds. (SD1)	WAH/ENE, WAM
SB 662 SD1 (SSCR267)	RELATING TO IMPORTANT AGRICULTURAL LANDS LOAN GUARANTY. Allows the Director of Finance to guarantee loans made to agricultural producers for agricultural projects on important agricultural lands. (SD1)	WAH, WAM
SB 715 SD1 (SSCR67)	RELATING TO THE PROCUREMENT CODE. Amends the procurement code to establish a preference for the purchase of agricultural products raised or grown in Hawaii. (SD1)	WAH/TSG, WAM
SB 718 SD1 (SSCR68)	RELATING TO THE PROCUREMENT CODE. Amends the procurement code to establish a preference for the purchase of flowers grown in Hawaii. (SD1)	WAH/TSG, WAM
SB 835 (SSCR48)	RELATING TO AGRICULTURE. Appropriates funds to the college of tropical agriculture and human resources to develop a long range plan for a food innovation and security center for the development and promotion of safe, high-quality, and high-value agricultural products.	WAH/EDU, WAM
SB 837 SD1 (SSCR268)	RELATING TO AGRICULTURE. Authorizes the agribusiness development corporation to issue revenue bonds to purchase agricultural land in Kunia from private entities. Appropriates funds to purchase the lands. Enables the agribusiness development corporation to contract with banks to provide lease management services. Allows corporation to lease agricultural lands in Kunia for up to 55 years. (SD1)	WAH, WAM



SB 890 (SSCR259)	RELATING TO INTEGRATED STRATEGIES FOR STATEWIDE FOOD AND ENERGY CROP PRODUCTION. Appropriates funds for the Center for Conservation Research and Training at UH to develop best practices consistent with comprehensive agricultural management strategies to facilitate sustainable production of crops through long-term enhancement of soil quality using ecologically responsible means. Implements a pilot project demonstrating integrated strategies to enhance soil fertility for the production of clean energy feedstocks (agricultural crops used as the raw materials for biofuels or biomass-to-electricity production) and food crops. Establishes mechanisms by which stakeholders can work collaboratively in the development of best practices and to educate the public about sustainable agriculture issues faced by the state.	ENE/WAH, WAM
SB 933 (SSCR69)	RELATING TO LAND ACQUISITIONS. Permits the board of land and natural resources to appraise land having value as a resource to the State before acquiring the land. Requires the board to submit the appraisal to the attorney general for review and approval.	WAH, WAM
SB 939 SD1 (SSCR270)	RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED. Establishes the Hawaiian home lands community development fund with revenue-sharing from commercial development projects in order to fund community and cultural programming for beneficiaries of the trust in the Hawaiian homestead communities. (SD1)	WAH, WAM
SB 940 SD1 (SSCR271)	RELATING TO HAWAIIAN HOMES COMMISSION ACT 1920, AS AMENDED. Requires the department of Hawaiian home lands to consult with the beneficiaries of the trust before agreeing to lower allowable loan amounts. (SD1)	WAH, WAM
SB 1030 SD1 (SSCR585)	RELATING TO BURIAL SITES. Requires the department of land and natural resources to map burial sites that are inadvertently discovered using a global positioning system device and retain records of the location of the site and the site to which the remains are reinterred, if any, keeping the relocation site confidential except as to lineal or cultural descendants. Appropriates \$176,000 for the 2007-2008 fiscal year for staff and equipment necessary to fulfill these requirements. (SD1)	WAH, WAM
SB 1093 SD1 (SSCR50)	RELATING TO OCEAN HEALTH CONSENSUS. Appropriates funds for the center for conservation research and training at the University of Hawaii to develop and implement an ocean health consensus project to build community based consensus in Hawaii for managing ocean ecosystem resources. (SD1)	WAH/EDU, WAM
SB 1094 (SSCR311)	RELATING TO THE LAND CONSERVATION FUND. Authorizes the use of the land conservation fund for the acquisition of agricultural easements and for the payment of debt service on bonds issued for acquisitions using the fund.	WAH, WAM



SB 1234 SD1 (SSCR419)	RELATING TO NATIVE HAWAIIAN HEALTH. Establishes a State designation of native Hawaiian health centers which follow the mandates provided for in the federal Native Hawaiian Health Care Improvement Act. (SD1)	WAH/HTH, WAM
SB 1307 SD1 (SSCR553)	RELATING TO AGRICULTURE. Creates a livestock revitalization and food security program. Appropriates \$4,700,000 in each year of the fiscal biennium. (SD1)	WAH, WAM
SB 1308 (SSCR25)	RELATING TO LOANS FOR AGRICULTURAL AND AQUACULTURE PURPOSES. Increases aquaculture loan limits for Class A & B loans to \$800,000. Makes credit denial requirements identical to the agricultural loan program by eliminating the one loan denial. Creates a "new aquaculturist program". Transfers and incorporates aquaculture funds into the agriculture funds and combines the aquaculture fund expenditure ceiling with the agriculture fund expenditure ceiling.	WAH, WAM
SB 1361 SD1 (SSCR549)	RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION. Establishes a formal partnership between the Aloha Tower Development Corporation and the department of transportation - harbors division for the development of Honolulu harbor infrastructure projects on an expedited basis to meet the critical demand for harbor expansion and upgrades. (SD1)	WAH/TIA, WAM
SB 1585 SD1 (SSCR548)	RELATING TO HISTORIC SITES. Requires landowner of a potential native Hawaiian historical site on private property to obtain prior approval of the department of land and natural resources before conducting certain activities on the land; specifies procedures; defines "potential native Hawaiian historic site." (SD1)	WAH/EDT, WAM
SB 1705 SD1 (SSCR586)	RELATING TO THE MOLOKAI IRRIGATION SYSTEM. Makes Molokai irrigation system water users advisory board a governing board. Increases number of members of the board. Allows nomination from Molokai homestead stakeholder organizations. Establishes the Molokai irrigation special fund for the purpose of repair and maintenance of the Molokai irrigation system. (SD1)	WAH, WAM
SB 1756 (SSCR421)	RELATING TO IMPORTANT AGRICULTURAL LANDS. Establishes a state agricultural land protection program for the voluntary acquisition of agricultural easements on lands designated as important agricultural lands.	WAH, WAM
SB 1838 SD1 (SSCR422)	RELATING TO KAKAAKO. Establishes Kakaako central small business district; requires the authority to confer and obtain consensus from real property owners within and adjacent to a proposed public facility prior to undertaking any public facility as part of the district-wide improvement program; requires the authority to transfer an amount equal to assessments received from 2001-2005, to the department of education. (SD1)	WAH, WAM



SB 1923 SD1 (SSCR315)	RELATING TO LANDS CONTROLLED BY THE STATE. Requires legislative approval of any exchange of lands under the control of any state department or agency for private lands. (SD1)	WAH, WAM
SB 1924 SD1 (SSCR423)	RELATING TO LANDS CONTROLLED BY THE STATE. Requires legislative approval of the sale of any state land under the control of any state department or agency. (SD1)	WAH, WAM
SB 1925 SD1 (SSCR273)	RELATING TO SUSTAINABILITY. Establishes sustainable communities in Hawaii with the combined effort of state departments and agencies. (SD1)	WAH, WAM
SB 1946 SD1 (SSCR588)	RELATING TO DAM SAFETY. Adds extensive provisions to the dam safety chapter to improve safety to dams and reservoirs in the State. (SD1)	WAH, WAM

ONLY WRITTEN COMMENTS SHOULD BE SUBMITTED.
NO ORAL TESTIMONY WILL BE ACCEPTED.

Persons wishing to submit written comments should include the following information on your comments: name, title, organization, contact information, **position on the bill (support, oppose, or comments)**, the decision-making date/time/room number, bill number, title, and committee to which your comments should be referred. Please submit your comments on 8-1/2 x 11-inch paper (one-sided printing) with 1-inch margins.


Submit comments **in person, by fax, or by e-mail 24 hours prior to the decision-making.**

- a. In person:
 - 25 copies to the committee clerk, Room 210, State Capitol, or
 - 25 copies in the State Capitol basement turnaround, in the Senate box.
- b. By Fax: Comments may also be faxed if less than 5 pages in length, to the Senate Sergeant-At-Arms Office at 586-6659 or 1-800-586-6659 (toll free for neighbor islands). Please indicate that 25 copies are needed.
- c. By E-mail: Comments may also be e-mailed if less than 5 pages in length, to: testimony@capitol.hawaii.gov (the Public Access Room, phone 587-0478). Please indicate that 25 copies are needed. Please note that the Senator's office will not accept e-mail comments.

Comments received after 4:30 p.m. the day before the decision-making will be stamped "LATE."

If you require special assistance or auxiliary aids or services to participate in the public hearing process (i.e., sign language interpreter, wheelchair accessibility, or parking designated for the disabled) please contact the committee clerk 24 hours prior to the hearing so arrangements can be made.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT 586-6800.



Senator Rosalyn H. Baker
Chair

