

STAND. COM. REP. NO. 1556 -08

Honolulu, Hawaii

Aj 1 , 2008

RE: H.C.R. No. 246  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,  
to which was referred H.C.R. No. 246 entitled:

"HOUSE CONCURRENT RESOLUTION ENCOURAGING THE DEVELOPMENT OF  
GOOD FAITH VALUATION STANDARDS AND NEGOTIATING PRACTICES FOR  
LONG-TERM INDUSTRIAL AND COMMERCIAL REAL ESTATE LEASES IN  
HAWAII,"

begs leave to report as follows:

The purpose of this concurrent resolution is to ensure the  
availability of long-term industrial and commercial real estate  
leases at terms allowing a fair return for both the lessee and  
lessor, by encouraging the development of good faith valuation  
standards and negotiating practices for these leases.

Bacon Universal, Servco Pacific Inc., Citizens for Fair  
Valuation, Grace Pacific Corporation, Plywood Hawaii, Olelo  
Community Television, and a concerned individual supported this  
measure.

Long-term industrial and commercial leases with terms that  
disadvantage lessees negatively affect our economy by imposing  
costs on business that are passed on to Hawaii's consumers and  
workers. The establishment of standards by which these industrial  
and commercial properties may be fairly valued, as well as of  
practices that bring a level playing field to the negotiation  
process, will allow lessors and lessees to achieve fair and  
reasonable lease rates and provide an overall benefit to Hawaii.

HCR246 HD1 HSCR EDB HMS 2008-3345



Your Committee has amended this measure by specifying that the Department of Business, Economic Development, and Tourism is encouraged to develop the fair-valuation standards.

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 concurs with the intent and purpose of H.C.R. No. 246, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 246, H.D. 1.

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



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KYLE T. YAMASHITA, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

HCR 1556-08

**Record of Votes of the Committee on Economic Development & Business Concerns**

<b>Bill/Resolution No.:</b> HCR246	<b>Committee Referral:</b> EDB	<b>Date:</b> 3/25/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)	✓			
2. WAKAI, Glenn (VC)	✓			
3. BERG, Lyla B., Ph.D.	✓			
4. BROWER, Tom	✓			
5. CHANG, Jerry L.	✓			
6. HANOHANO, Faye P.	✓			
7. HERKES, Robert N.	✓			
8. MANAHAN, Joey				✓
9. TSUJI, Clift	✓			
10. YAMANE, Ryan I.	✓			
11. CHING, Corinne W.L.				✓
12. MARUMOTO, Barbara C.	✓			
<b>TOTAL (12)</b>	10			2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <span style="margin-left: 150px;">committee acronym(s)</span>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office				