

Honolulu, Hawaii

March 19, 2008

RE: S.B. No. 2088  
S.D. 1  
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 S.B. No. 2088, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ADVANCED FLIGHT SIMULATOR  
TRAINING,"

begs leave to report as follows:

The purpose of this bill is to expand Hawaii's aviation industry by allowing businesses engaged in advanced flight simulator training for pilots, dispatchers, mechanics, or air traffic controllers, to qualify for the State Enterprise Zones law general excise tax exemption and tax credit.

The Honolulu Community College, Global Aeronautics LLC, and a concerned individual testified in support of this bill. The Department of Business, Economic Development, and Tourism supported the intent of this measure. The Department of Taxation and Tax Foundation of Hawaii offered comments.

Your Committee notes that there is a demand for pilots and aviation mechanics and the training that will produce these workers. This measure will provide an incentive for private businesses to make the substantial investment needed to construct, equip, and operate advanced flight training centers in Hawaii, thus expanding Hawaii's aviation industry considerably. However, your Committee is concerned about the economic impact this bill will have.



Accordingly, your Committee has amended this bill by changing its effective date to July 1, 2034, to encourage further discussion. A technical, nonsubstantive amendment was also made for clarity and style.

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 S.B. No. 2088, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2088, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

1212.08

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

<b>Bill/Resolution No.:</b> SB 2088, SD1	<b>Committee Referral:</b> EDB, FIN	<b>Date:</b> 3/11/08		
<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>	11	0	0	1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) _____ did not support recommendation.				
<b>Vice Chair's or designee's signature:</b> _____				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office				