

STAND. COM. REP. NO.

146

Honolulu, Hawaii

FEB 12 2007

RE: S.B. No. 773

S.D. 1

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

Madam:

Your Committee on Economic Development and Taxation, to which was referred S.B. No. 773 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII INGENUITY CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to establish the Hawaii Ingenuity Corporation Charter, a private, for profit, non-stock, membership, corporation.

Testimony in support of this measure was received from the Professional Inventors Alliance, Vivalog Technologies, and three individuals. The Department of Budget and Finance submitted testimony in opposition.

Your Committee has heard that the establishment of a Hawaii Ingenuity Corporation would greatly assist innovation companies that create intellectual property on an ongoing basis, but would like to have increased opportunities to develop intellectual property and protect it from infringement. Such a corporation would contribute to the diversification of Hawaii's economy and the enhancement of the business climate for emerging technology industries.

Your Committee understands the concerns raised regarding the respective roles of the private and public sector in the proposed language, and believes that continuing discussion of the concept should be encouraged.

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It is the intent of your Committee to forward this measure in order to continue dialog on the concepts of a Hawaii Ingenuity Corporation.

Your Committee has amended the measure accordingly, by:

- (1) Inserting an effective date of July 1, 2050; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 773, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 773, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development and Taxation,

  
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CAROL FUKUNAGA, Chair



