



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

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LATE TESTIMONY

The Twenty-Fourth Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Public Employment
Committee on Public Safety and Military Affairs

Testimony by
Hawaii Government Employees Association, AFSCME Local 152
March 18, 2008

S.B. 2334, S.D. 2 – RELATING TO PUBLIC SAFETY

The Hawaii Government Employees Association supports the passage of S.B. 2334, S.D. 2.

This bill would repeal the civil service exemption for the first and second deputy sheriff, and establish a requirement that the Deputy Director for Law Enforcement and the Sheriff be graduates of a law enforcement academy.

HGEA strongly supports the repeal of the civil service exemption for the first and second deputy sheriff. Historically, the majority of appointments to these positions were from outside the division. While these individuals may have been qualified, they lacked the institutional knowledge of the operations and personnel of the Sheriffs Division. And, as appointed individuals, their tenure was limited which affects continuity. We believe that the inclusion of these positions in civil service will provide create greater continuity within the Sheriffs Division leading to a more effective and efficient law enforcement operation. These employees would also be afforded the benefit of regular civil service status which, hopefully, encourages a career in public service.

We also support the requirement that the Deputy Director for Law Enforcement and the Sheriff be graduates of a law enforcement academy. While it's no guarantee that a person with this qualification will be a successful law enforcement administrator, it does provide the proper foundation upon which an effective administration can be based.

We urge your support of S.B. 2334, S.D. 2 and thank you for the opportunity to testify.

Respectfully submitted,

Nora A. Nomura
Deputy Executive Director



LATE TESTIMONY

Aloha Chair, Vice Chair, and Members of the Committee:

As legal counsel to numerous local and mainland clients within the entertainment, intellectual property and high technology sectors, I strongly oppose House Draft 1 of SB 2273 (SD2, HD1). Working together in their current state, HRS Sections 235-17 and 235-110.9 have proven to be an effective catalyst for investment in Hawaii's intellectual property, entertainment (motion picture, television, digital media and recording industries) and high technology sectors.

In its current form, House Draft 1 of SB 2273 seeks to expand the existing limitations on claiming Act 88's Refundable Production Credit along with Act 221's Investment Tax Credit. However, existing HRS Section 235-17(e) already effectively prohibits the so-called "double dipping" between the Act 221 Investment Tax Credit (provided for in HRS § 235-110.9) and the Act 88 Refundable Production Credit (provided for in HRS § 235-17) sought to be eliminated by House Draft 1 of SB 2273.

Moreover, as currently drafted, the second sentence in Section (E) (3) of House Draft 1 to SB 2273, at best, is ambiguous and fails to clearly articulate the exact credits that are intended to be recaptured. Currently, Section (E) (3) of House Draft 1 to SB 2273 provides:

"(e) Claims for credit under this section shall be subject to the following limitations:

(3) After June 30, 2008, no taxpayer shall be eligible to claim the tax credit under this section for qualified productions that are financed, in whole or in part, by investments for which a credit has been claimed by the taxpayer as a qualified high technology business under section 235-110.9. If a claim for credit is made under this section after June 30, 2008, the taxpayer shall no longer qualify for the credit under section 235-110.9 and any credit that has been claimed under that section shall be subject to recapture under section 235-110.9(i)."
(emphasis added)

As drafted, it appears that the recapture provision is not limited to prospective Investment Tax Credits claimed under HRS §235-110.9 following the bill's adoption. Stated differently, this language arguably means that any and all Investment Tax Credits claimed by a QHTB under HRS § 235-

110.9 since Act 221's enactment in 1999 would be subject to recapture if that QHTB were to make a claim for any Refundable Production Credits under HRS Section 235-17 after June 30, 2008.

For these reasons, I respectfully request that this committee refuse to pass this damaging legislation. Thank you for the opportunity to testify.

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