

Honolulu, Hawaii

APR 30 2009 , 2009

RE: S.B. No. 1195
S.D. 1
H.D. 2
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1195, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE ECONOMY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to enhance the ability of the State to plan and make decisions supporting the growth of science and technology industries in the State by:

- (1) Amending the reporting requirement under the Research and Statistics for Growth Industries Program, by requiring the Department of Business, Economic Development, and Tourism to annually report to the Legislature on the criteria used to measure the growth of Hawaii's emerging growth industries, instead of reporting on the impact of the Department of Business, Economic Development, and Tourism's efforts on those industries;



- (2) Amending the economic objectives and policies of the Hawaii State Planning Act to require planning to include developing and expanding businesses and activities in science, technology, and related emerging growth industries; and
- (3) Including, in section 226-6(b), Hawaii Revised Statutes, a new policy to achieve the State's general economic objectives, stimulating the development of economic activities such as defense, dual-use, and science and technology assets, rather than incorporating this as one of the general objectives.

Your Committee on Conference finds that it is essential to plan for science and technology initiatives that will play an instrumental role in developing Hawaii's economy to enable the State to capitalize on the financial opportunities that emerging industries involving science and technology often present. Your Committee on Conference also finds that requiring the Department of Business, Economic Development, and Tourism to revise the criteria they use in measuring the growth of emerging growth industries in Hawaii will provide the Legislature with a more complete perspective of the economic opportunities available to Hawaii.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that in updating its reports on the growth of emerging growth industries, the Department shall collaborate with non-profit economic research "activities", rather than "groups";
- (2) Amending section 226-6(a), Hawaii Revised Statutes, to require that the objectives and policies for planning the State's economy shall include objectives aimed at stimulating the development and expansion of activities related to defense, dual-use, and science and technology assets, especially on the neighbor islands, rather than incorporating this as a new policy to achieve the State's general economic objectives in section 226-6(b), Hawaii Revised Statutes;
- (3) Clarifying that in achieving the federal expenditures objective, it shall be the policy of the State to promote Hawaii's supportive role in national defense "in a



manner", rather than "while remaining", consistent with Hawaii's social, environmental, and cultural goals;

- (4) Referring to renewable energy development, creative media, and science and technology-based "sectors", rather than activities in describing the potential growth activity objective policy for the State; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1195, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1195, S.D. 1, H.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE



ANGUS L. K. MCKELVEY, Co-Chair

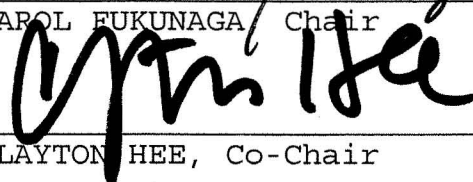


KEN ITO, Co-Chair

ON THE PART OF THE SENATE



CAROL FUKUNAGA, Chair



CLAYTON HEE, Co-Chair



Hawaii State Legislature

CCR 90

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 1195, SD 1, HD 2	Date/Time: 4/30/09 2:05pm
---	-------------------------------------

The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
---	---

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
FUKUNAGA, Carol, Chr.	✓				MCKELVEY, Angus L.K., Co-Chr.	✓			
HEE, Clayton, Co-Chr.	✓				ITO, Ken, Co-Chr.	✓			
HEMMINGS, Fred				✓	WAKAI, Glenn				✓
					YAMASHITA, Kyle T.	✓			
					WARD, Gene	✓			
TOTAL	2			1	TOTAL	4			1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
---	--

Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
--	---

Distribution: **Original** **Yellow** **Pink** **Goldenrod**
 File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency