

STAND. COM. REP. NO. 1735

Honolulu, Hawaii

Apr: 19, 2009

RE: S.B. No. 242
S.D. 2
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 242, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING,"

begs leave to report as follows:

The purpose of this bill is to support efforts to produce air conditioning from seawater air conditioning district cooling systems by allowing these businesses to qualify for tax and other regulatory benefits under the Enterprise Zone Program.

The Hawaii Building and Construction Trades Council, AFL-CIO supported this measure. The Department of Business, Economic Development, and Tourism and Department of Taxation opposed this bill. Honolulu Seawater Air Conditioning, LLC, and Tax Foundation of Hawaii offered comments.

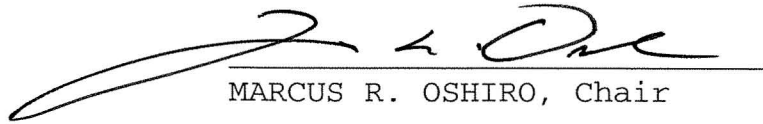
Your Committee has amended this bill by:

- (1) Specifying that gross proceeds received by a contractor relating to the construction of a seawater air conditioning district cooling system shall not be exempt from the general excise tax; and
- (2) Making technical, nonsubstantive amendments for consistency and clarity.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 242, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 242, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 242, SD2, HD1	Committee Referral: EEP, EBM, FIN	Date: April 8, 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. AWANA, Karen Leinani	✓			
5. BROWER, Tom	✓			
6. CHOY, Isaac W.	✓			
7. COFFMAN, Denny	✓			
8. HAR, Sharon E.	✓			
9. KEITH-AGARAN, Gilbert S.C.				✓
10. LEE, Chris	✓			
11. NISHIMOTO, Scott Y.				✓
12. SAGUM, Roland D., III	✓			
13. TOKIOKA, James Kunane	✓			
14. WOOLEY, Jessica				✓
15. YAMASHITA, Kyle T.	✓			
16. PINE, Kymberly Marcos	✓			
17. WARD, Gene	✓			
TOTAL (17)	14	0	0	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u>Marilyn B. Lee</u>				
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