

STAND. COM. REP. NO. 250

Honolulu, Hawaii
Feb 13, 2009

RE: H.B. No. 1601
H.D. 1

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

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred H.B. No. 1601 entitled:

"A BILL FOR AN ACT RELATING TO REAL PROPERTY,"

begs leave to report as follows:

The purpose of this bill is to support business and economic development by addressing certain inequities in the lease relationship between fee simple owners of commercial and industrial properties and holders of long-term leases of those properties.

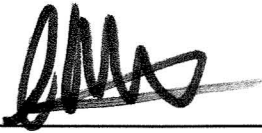
The Department of Taxation, Alexander and Baldwin, Inc. Kamehameha Schools, HRPT Properties Trust, Land Use research Foundation of Hawaii, RMR LLC, and several concerned individuals opposed this bill. The Tax Foundation of Hawaii commented on this measure.

Your Committee finds that increasing numbers of small businesses are losing their leases during this economic downturn, and it is anticipated that the number of foreclosures of commercial properties will continue to increase. Your Committee has amended this bill to adopt a temporary moratorium on all commercial, retail, and industrial lease rents, including annual or periodic rent step-ups already negotiated, ending December 31, 2010.



As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1601, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1601, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization, Business, &
Military Affairs,

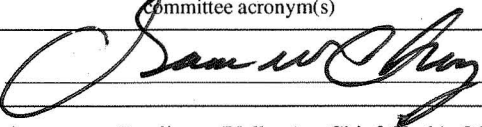


ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: HB 1601	Committee Referral: EBM	Date: 2/12/2009		
<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)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. BERG, Lyla B.	✓			
4. EVANS, Cindy	✓			
5. MANAHAN, Joey		✓		
6. TAKAI, K. Mark				
7. TOKIOKA, James Kunane	✓			
8. TSUJI, Clift	✓			
9. WAKAI, Glenn	✓			
10. WOOLEY, Jessica	✓			
11. WARD, Gene	✓			
TOTAL (11)	9	1		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ Committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				