

Honolulu, Hawaii  
Feb 12, 2010

RE: H.B. No. 2558  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Sir:

Your Committees on Economic Revitalization, Business, & Military Affairs and Labor & Public Employment, to which was referred H.B. No. 2558 entitled:

"A BILL FOR AN ACT RELATING TO JOB CREATION,"

beg leave to report as follows:

The purpose of this bill is to provide businesses with an incentive to create jobs and employ Hawaii residents by establishing a Job Creation Tax Credit equal to the amount of each new permanent full-time employee's wages withheld for state taxes with a single withholding allowance.

The Office of the Governor, Department of Taxation, Department of Business, Economic Development, and Tourism, and Hawaii Building and Construction Trades Council, AFL-CIO, supported this bill. The Hawaii Government Employees' Association opposed the intent of this bill. Tax Foundation of Hawaii commented.

Your Committees respectfully request the Committee on Finance, to which this measure is next referred, to examine how this measure might mesh with the overall financial plan for the State.

To encourage further discussion of this measure, your Committees have amended this bill by changing the effective date to July 1, 2112.



As affirmed by the records of votes of the members of your Committees on Economic Revitalization, Business, & Military Affairs and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2558, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2558, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Economic Revitalization, Business, & Military Affairs and Labor & Public Employment,



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KARL RHOADS, Chair



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ANGUS L.K. MCKELVEY, Chair



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

<b>Bill/Resolution No.:</b> HB 2558	<b>Committee Referral:</b> EBM/LAB, FIN	<b>Date:</b> 2/11/10		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <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	✓			
<b>TOTAL (11)</b>	9	2		
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 150px;">committee acronym(s)</small>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee            Duplicate (Yellow) – Chief Clerk's Office            Duplicate (Pink) – HMSO				

State of Hawaii  
House of Representatives  
The Twenty-fifth Legislature

HSCR 394-10

**Record of Votes of the Committee on Labor & Public Employment**

<b>Bill/Resolution No.:</b> HB 2558	<b>Committee Referral:</b> EBM/LAB, FIN	<b>Date:</b> 2-11-2010		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <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)				
<b>LAB Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. RHOADS, Karl (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. AWANA, Karen Leinani				/
5. HANOHANO, Faye P.	AK	/		
6. KEITH-AGARAN, Gilbert S.C.	/			
7. LEE, Marilyn B.		/		
8. NAKASHIMA, Mark M.	/			
9. SAIKI, Scott K.	/			
10. SOUKI, Joseph M.		/		
11. TAKUMI, Roy M.		/		
12. PINE, Kymberly Marcos				/
<b>TOTAL (12)</b>	6	4	/	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <span style="margin-left: 100px;">committee acronym(s)</span>				
<b>Vice Chair's or designee's signature:</b> _____				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				