

STAND. COM. REP. NO. 1280

Honolulu, Hawaii

March 27, 2009

RE: S.B. No. 242
S.D. 2
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 S.B. No. 242, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this bill is to encourage the establishment and growth of seawater air conditioning businesses in Hawaii by allowing these businesses to qualify for tax and other regulatory benefits under the Enterprise Zones Program.

Honolulu Seawater Air Conditioning, LLC, American Public Works Association, and Hawaii Building and Construction Trades Council, AFL-CIO testified in support of this bill. The Department of Business, Economic Development, and Tourism, and Department of Taxation opposed this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee finds that this bill will help to increase Hawaii's energy efficiency and self-sufficiency by supporting the establishment and growth of seawater air conditioning businesses. This bill is intended to benefit all seawater air conditioning businesses in enterprise zones throughout Hawaii.

To encourage further discussion of this bill your Committee has changed its effective date to January 1, 2112. Other

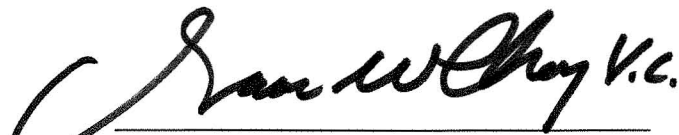
SB242 HD1 HSCR EBM HMS 2009-3342



technical, nonsubstantive amendments were also made for clarity, consistency, and style.

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 S.B. No. 242, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 242, S.D. 2, H.D. 1.

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.: SD2 SB 242 SSCR 813	Committee Referral: REP, EBM, FIN	Date: 3/24/09
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 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)	7			3

The recommendation is: Adopted Not Adopted
 If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____
Sam Wooley

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