

STAND. COM. REP. NO.

1247

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 782
H.D. 2
S.D. 2

Honorable Sharon S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 782, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,"

begs leave to report as follows:

The purpose and intent of this measure is to make the Department of Business, Economic Development, and Tourism more self-sufficient.

Specifically, this measure:

- (1) Establishes the Department of Business, Economic Development, and Tourism operation special fund for the operation of the Department of Business, Economic Development, and Tourism; and
- (2) Imposes a surcharge on certain business- and commerce-related fees and requires the surcharge revenues to be deposited into the special fund.

Your Committee received comments in support of this measure from Richard C. Lim, Director, Department of Business, Economic Development, and Tourism.



Your Committee received comments in opposition to this measure from Dwight Y. Takamine, Director, Department of Labor and Industrial Relations; Kealii Lopez, Director, Department of Commerce and Consumer Affairs; Gary M. Slovin, on behalf of USAA; Rick Tsujimura, on behalf of State Farm Insurance Companies; Kevin Katsura, Associate General Counsel, Legal Department, Hawaiian Electric Company, Inc.; Marvin S.C. Dang, attorney for Hawaii Financial Services Association; Myoung Oh, Government Affairs Director, Hawaii Association of REALTORS; Alison Powers, Executive Director, Hawaii Insurers Council; and Natalie J. Iwasa, Natalie J. Iwasa, CPA, Inc.

Your Committee received comments on this measure from Kalbert K. Young, Director, Department of Budget and Finance; and the Tax Foundation of Hawaii.

Your Committee finds that imposing a surcharge on certain business- and commerce-related fees and establishing the Department of Business, Economic Development, and Tourism operation special fund is unnecessary at the present time.

Your Committee further finds that promotion of the aerospace industry in Hawaii will result in job growth, a stronger local economy, and conservation of Hawaii's natural night-sky resource.

Accordingly, your Committee has amended this measure by deleting the contents of H.B. 782, H.D. 2, S.D. 1, and inserting the contents of S.B. 165, S.D. 2, which extend the Starlight Reserve Advisory Working Committee until June 30, 2013, and appropriates moneys for the Office of Aerospace Development to identify and promote opportunities to expand and diversify aerospace-related industries in Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 782, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 782, H.D. 2, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

David Y. Ige

DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 782, HD2, SD1	Committee Referral: EDT, WAM	Date: 4-7-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)			/	
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.				/
ENGLISH, J. Kalani	/			/
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado		/		
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai		/		
TOKUDA, Jill N.		/		
WAKAI, Glenn	/	/		
SLOM, Sam				/
TOTAL	7	3	1	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes