

STAND. COM. REP. NO. 1146

Honolulu, Hawaii

March 24, 2011

RE: S.B. No. 1496  
S.D. 1  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Economic Revitalization & Business, to which was referred S.B. No. 1496, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES,"

begs leave to report as follows:

The purpose of this bill is to support the aerospace industry in Hawaii by including the development and operation of space exploration and lunar research related activities within the definition of "eligible business activity" under the State's Enterprise Zone program.

The University of Hawaii at Hilo, Mars Institute, Real World Design, Challenge, Pacific International Space Center for Exploration Systems, The Aerospace States Association, Pacific International Space Alliance, Onizuka Space Center, Hawaii State Aerospace Advisory Committee, Pacific Aviation Museum Pearl Harbor, Hawaii Academy of Science, Enterprise Honolulu, and several concerned individuals supported this bill. The Department of Business, Economic Development, and Tourism and Department of Taxation supported the intent of this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee notes that incentives provided by this measure will help to stimulate economic growth for Hawaii and for our international partners such as Japan, which is particularly important in light of the current economic hardships experienced

SB1496 HD1 HSCR ERB HMS 2011-3262



by Japan and Hawaii as a result of the devastating earthquake and tsunami of March 11, 2011.

Your Committee has amended this measure by changing its effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1496, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1496, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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



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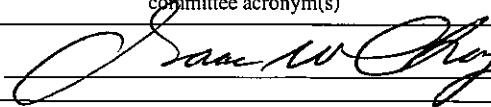
ANGUS L.K. MCKELVEY, Chair



HSCR 1146

State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

Record of Votes of the Committee on Economic Revitalization & Business

Bill/Resolution No.: <del>SB 1469</del> <sup>SSP</sup> SDI <sup>SS</sup> <del>1496</del>		Committee Referral: <u>ERB, FIN</u>	Date: <u>3/22/11</u>	
<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)				
ERB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. CHOY, Isaac W. (VC)	/			
3. AWANA, Karen L.	/			
4. BROWER, Tom				✓
5. EVANS, Cindy	/			
6. HASHEM, Mark J.	/			
7. NISHIMOTO, Scott Y.	/			
8. TOKIOKA, James Kunane	/			
9. TSUJI, Clift	/			
10. MARUMOTO, Barbara C.	/			
11. PINE, Kymberly Marcos	/			
TOTAL (11)	10	0	0	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				