

STAND. COM. REP. NO. 1144

Honolulu, Hawaii

March 24, 2011

RE: S.B. No. 752

S.D. 2

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. 752, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose of this bill is to expand the use of the Hawaii Community-based Economic Development (CBED) Revolving Fund to include funding the:

- (1) Operations of the CBED Technical and Financial Assistance program and the State's Enterprise Zone program and certain personnel costs for both programs; and
- (2) Operating costs of the CBED Advisory Council.

This bill also clarifies that moneys in the Hydrogen Investment Capital Special Fund shall be expended by the Hawaii Strategic Development Corporation.

The Department of Business, Economic Development, and Tourism (DBEDT) supported the intent of this bill.

Upon further consideration and in light of testimony submitted for this measure, your Committee has amended this measure by:

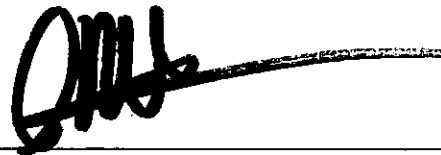
SB752 HD1 HSCR ERB HMS 2011-3263



- (1) Exempting grants provided under the CBED program from the Hawaii Public Procurement Code;
- (2) Inserting the substance of House Bill No. 782, H.D. 2, Regular Session of 2011, which temporarily:
  - (A) Establishes the DBEDT Operation Special Fund to support DBEDT operations; and
  - (B) Imposes a surcharge of \$20 to be added to various fees assessed by the Department of Commerce and Consumer Affairs, Public Utilities Commission, Department of Labor and Industrial Relations, and Department of Taxation, and requires that surcharge revenues be deposited into the DBEDT Operation Special Fund;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

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. 752, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 752, S.D. 2, 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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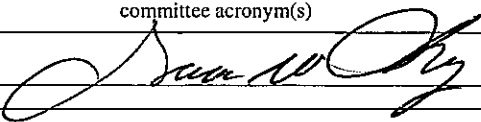
ANGUS L.K. MCKELVEY, Chair



HSCR 1144

State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

Record of Votes of the Committee on Economic Revitalization & Business

Bill/Resolution No.: SB 752 SDZ <sup>SSCR</sup> 752	Committee Referral: ERB, FIN	Date: 3/22/11		
<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)	8	2	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				