

STAND. COM. REP. NO. 1177

Honolulu, Hawaii
March 24, 2011

RE: S.B. No. 769
S.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 Tourism, to which was referred S.B. No. 769, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to create jobs in the construction industry and improve the tourism industry in the State by establishing a tax credit for qualified hotel and resort property construction and renovation costs incurred after December 31, 2010, and before January 1, 2015.

The Hawaii Tourism Authority, The Resort Group, Land Use Research Foundation of Hawaii, and The Pacific Resource Partnership supported this bill. The Department of Taxation supported the intent of this bill. The Tax Foundation of Hawaii offered comments.

It appears to your Committee that the proposed tax credit percentage amounts and cost ranges would reduce the cost to the State resulting from lost tax revenues. Furthermore, as a longer effective period for the tax credit may increase its economic benefits, further discussion in this regard is warranted.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No.

SB769 SD1 HSCR TOU HMS 2011-3237



769, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Tourism,



TOM BROWER, Chair



Record of Votes of the Committee on Tourism

Bill/Resolution No.: SB 769 SD1	Committee Referral: TOU, FIN	Date: 3/21/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)	✓			
2. TOKIOKA, James Kunane (VC)	✓			
3. AWANA, Karen L.	✓			
4. CHOY, Isaac W.		✓		
5. EVANS, Cindy	✓			
6. HASHEM, Mark J.	✓			
7. McKELVEY, Angus L.K.				✓
8. NISHIMOTO, Scott Y.	✓			
9. TSUJI, Clift	✓			
10. CHING, Corinne W.L.				✓
11. MARUMOTO, Barbara C.	✓			
TOTAL (11)	8	1	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) _____ did not support recommendation.				
Vice Chair's or designee's signature: _____				
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