

HOUSE OF REPRESENTATIVES
THE TWENTY-SIXTH LEGISLATURE
REGULAR SESSION OF 2012

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COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS

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Rep. Cindy Evans Rep. Barbara C. Marumoto
Rep. Mark J. Hashem Rep. Kymberly Marcos Pine
Rep. Scott Y. Nishimoto

AMENDED NOTICE OF HEARING

DATE: Tuesday, March 13, 2012
TIME: 8:30 a.m.
PLACE: Conference Room 312
 State Capitol
 415 South Beretania Street

A M E N D E D A G E N D A

The following measure(s) has been **DELETED** from the agenda: **SB2235 SD2, SB2236, SB2941 SD2, SB2111 SD2, SB2780 SD1, SB2739 SD2, SB2226 SD2, SB2238 SD1, SB2947 SD2, SB2030 SD2, SB2457 SD2**

<u>SB 2239, SD1</u> <u>(SSCR2606)</u> Status Proposed HD1	RELATING TO ECONOMIC DEVELOPMENT. Exempts grants made under the community-based economic development program from the Hawaii public procurement code; clarifies that moneys in the hydrogen investment capital special fund shall be expended by the Hawaii strategic development corporation; repeals the high technology innovation corporation. (SD1) Establishes a venture accelerator funding program under the Hawaii strategic development corporation to assist the State's technology businesses to compete for investment capital. Appropriates funds.	ERB, EEP, FIN
<u>SB 2272, SD1</u> <u>(SSCR2622)</u> Status	MAKING AN APPROPRIATION FOR THE CONSTRUCTION OF A VAPOR HEAT TREATMENT FACILITY. Authorizes general obligation bonds for the construction of a vapor heat treatment facility by the agribusiness development corporation on the island of Hawaii at a location to be determined by the corporation. (SD1)	ERB, AGR, FIN
<u>SB 2528, SD2</u> <u>(SSCR2636)</u> Status	RELATING TO TECHNOLOGY. Places the Hawaii 3Ts school technology laboratories fund under the department of business, economic development, and tourism. Repeals section 302A-1314, Hawaii Revised Statutes. Effective 07/01/2050. (SD2)	ERB, EDN, FIN
<u>SB 2235, SD2</u> <u>(SSCR2633)</u> Status	RELATING TO COMMUNICATIONS TECHNOLOGY. Promotes enhanced communication infrastructure for Hawaii residents by incorporating recommendations of the Hawaii broadband task force in the Hawaii state plan; requires the department of business, economic development, and tourism to submit an annual status report to the governor and legislature. (SD2)	ERB, FIN



SB 2236
(SSCR2531)
Status

RELATING TO INFORMATION TECHNOLOGY.

ERB, FIN

Clarifies that the information technology steering committee shall consist of thirteen members: four members to be selected by the senate president, four members to be selected by the speaker of the house of representatives, and four members to be selected by the chief information officer, with the chief information officer to serve as the chair.

SB 2941, SD2
(SSCR2635)
Status

RELATING TO HIGH TECHNOLOGY.

ERB, FIN

Defines "qualified high technology business" to mean a business employing or owning capital or property, or maintaining an office, in this State; provided that more than fifty per cent of its total business activities are qualified research and more than fifty per cent of its qualified research is in this State; adds reporting requirements to measure the effectiveness of the tax credit for research activities; establishes a fine for failure to file the survey information in the reporting requirements; includes federal and state income tax returns and documents related to deductions for tax credits for research activities to be filed as part of the survey; extends the tax credit through 2016; applies to tax years beginning after 12/31/2011. Effective 7/1/2050. (SD2).

SB 2111, SD2
(SSCR2688)
Status

RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT.

ERB, FIN

Establishes the Hawaii film and digital media special fund; repeals part IX, chapter 201, Hawaii Revised Statutes, relating to Hawaii television and film development (part II); amends the motion picture, digital media, and film production income tax credit to add an additional credit for an unspecified per cent of the qualified production costs paid to legal residents of this State and to Hawaii vendors and Hawaii suppliers; amends the total tax credit cap to an unspecified amount; requires annual report; increases requirements for hiring of legal residents of this State; applies to qualified expenditures incurred on or after July 1, 2012, and before January 1, 2027 (part III); establishes a motion picture, digital media, and film production infrastructure tax credit of fifty per cent of qualified infrastructure costs; requires qualified expenditure of at least \$10,000,000; increases requirements for hiring of legal residents of this State; requires the credit to be repaid through an annual payment to the State equal to fifteen per cent of the qualified infrastructure project's taxable income until the credit has been repaid; provides for a 100 per cent recapture of the tax credit if the facilities are no longer used for a qualified activity; requires annual report; applies to taxable years beginning after June 30, 2012 (part IV); appropriates funds for additional resource and staffing support to assist state agencies in collecting and reporting annually on estimates of the full-time equivalent positions for legal Hawaii residents by each production receiving tax credits; effective July 1, 2050; repeals on January 1, 2027. (SD2)

SB 2655, SD2
(SSCR2629)
Status

RELATING TO PORTABLE ELECTRONICS INSURANCE.

ERB, CPC, FIN

Establishes provisions for the sale of portable electronics insurance; requires vendors to hold a limited lines license to sell or offer coverage under a policy; establishes sanctions for violations; establishes requirements for termination of insurance; establishes fees for licensing. (SD2)



<u>SB 2421, SD1</u> <u>(SSCR2538)</u> <u>Status</u>	RELATING TO PUBLIC ACCOUNTANCY. Establishes a peer review process for public accounting firms that engage in attest work. Effective 7/1/2050. (SD1)	ERB, CPC, FIN
<u>SB 2780, SD1</u> <u>(SSCR2744)</u> <u>Status</u>	RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES Appropriate moneys for the information technology transformation initiative in fiscal year 2012-2013; authorizes issuance of general obligation bonds for planning, design, and requirements necessary to develop and implement an integrated financial and human resource management system for the State. (SD1)	ERB, FIN
<u>SB 2739, SD2</u> <u>(SSCR2607)</u> <u>Status</u>	RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD. Authorizes the department of business, economic development, and tourism to establish fees pursuant to chapter 91, Hawaii Revised Statutes, to be charged to each agency submitting rules to the small business regulatory review board as part of the agency submission process; requires the fees to be used for the expenses of the board; requires each agency to notify the board on an annual basis of any rules that affect small business to be amended or repealed to reflect a statutory amendment or repeal. Effective 7/1/2050. (SD2)	ERB, FIN
<u>SB 2226, SD2</u> <u>(SSCR2630)</u> <u>Status</u>	RELATING TO TAXATION. Amends Hawaii tax laws to implement the streamlined sales and use tax agreement; takes effect when the State becomes a party to the streamlined sales and use tax agreement. Creates a committee to oversee the department of taxation's implementation and administration of, and compliance with the streamlined sales and use tax agreement, to take effect on approval. (SD2)	ERB, FIN
<u>SB 2238, SD1</u> <u>(SSCR2605)</u> <u>Status</u>	RELATING TO TAXATION. Repeals Act 155, Session Laws of Hawaii 2010, which requires all businesses with excise tax exemptions to register to do business in Hawaii, file their tax returns in a timely manner, and expressly claim their entitlement, and creates a personal trust liability for businesses that use the general excise tax as the basis for increasing their prices and ensures that those funds are paid to the State for the benefit of consumers and businesses. (SD1)	ERB, FIN
<u>SB 2947, SD2</u> <u>(SSCR2608)</u> <u>Status</u>	RELATING TO TAXATION. Requires state agencies or the department of taxation to prepare reports relating to authorized tax credits or exemptions that have a purpose related to economic development. Requires the department of taxation to post the reports on its website. Appropriates unspecified funds. (SD2)	ERB, FIN
<u>SB 2030, SD2</u> <u>(SSCR2712)</u> <u>Status</u>	RELATING TO PROCUREMENT. Allows the chief procurement officer or head of a purchasing agency to expand the scope of work in a bid for a listed subcontractor, with certain conditions, after bid opening. Effective 07/01/50. (SD2)	ERB, FIN



<u>SB 2457, SD2</u> <u>(SSCR2615)</u> <u>Status</u>	RELATING TO PROCUREMENT. Imposes time limits on rendering administrative and judicial review decisions; limits protests to those that are a minimum percentage of the contract value; requires posting of a protest bond, to be forfeited if the protesting party does not prevail. Effective 07/01/50. (SD2)	ERB, FIN
<u>SB 2167, SD1</u> <u>(SSCR2481)</u> <u>Status</u>	RELATING TO PROFESSIONS AND VOCATIONS. Clarifies the definition of "landscape architect". Replaces the existing definition of "surveyor" or "land surveyor" with definitions for "land surveying" and "professional surveyor", "professional land surveyor", or "land surveyor". Effective 07/01/2050. (SD1)	ERB, CPC
<u>SB 3024, SD1</u> <u>(SSCR2421)</u> <u>Status</u>	RELATING TO CORPORATIONS. Amends shareholder voting requirements for proposed plans involving mergers or share exchanges of publicly traded corporations. (SD1)	ERB
<u>SB 2504, SD2</u> <u>(SSCR2565)</u> <u>Status</u>	RELATING TO THE SALE OF DOGS AND CATS. Requires retail pet stores to implant an identification microchip in a dog or cat prior to sale or exchange, collect appropriate dog licensing forms and fees from a purchaser, provide specific written documentation regarding each dog or cat sold, and provide written information about spaying and neutering. Prohibits the sale of dogs and cats in a public place, except for humane groups facilitating adoptions. Establishes penalties. Effective 01/02/2050. (SD2)	ERB, CPC/JUD, FIN

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least 24 hours prior to the hearing with a transmittal cover indicating:

- Testifier's name with position/title and organization;
- The Committee the comments are directed to;
- The date and time of the hearing;
- Measure number; and
- The number of copies the Committee is requesting.

While every effort will be made to copy, organize, and collate all testimony received, materials received on the day of the hearing or improperly identified or directed to the incorrect office, may be distributed to the Committee after the hearing.

Submit testimony in ONE of the following ways:

PAPER: 3 copies (including an original) to Room 404 in the State Capitol;

FAX: For comments less than 5 pages in length, transmit to 586-8479 (for Oahu) or 1-800-535-3859 (for Neighbor Islanders without a computer to submit testimony through e-mail or the Web);

EMAIL: For comments less than 5 pages in length, transmit to ERBtestimony@capitol.hawaii.gov; or

WEB: For comments less than 10MB in size, transmit from <http://www.capitol.hawaii.gov/submittestimony.aspx>.

If during the course of the hearing it appears that there will not be sufficient time to allow everyone to be heard, the chairperson reserves the right to limit the remaining testifiers to three minutes. This three minute policy will be enforced to ensure fairness and adequate consideration to all bills.


Testimony submitted will be placed on the Legislative Web site after the hearing adjourns. This public posting of testimony on the Web site should be considered when including personal information in your testimony.

If you require special assistance or auxiliary aids and/or services to participate in the House public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the Committee Clerk at 586-6498 or email your



request for an interpreter to HouseInterpreter@Capitol.hawaii.gov at least **24 hours** prior to the hearing for arrangements. Prompt requests submitted help to ensure the availability of qualified individuals and appropriate accommodations.

Selected meetings are broadcast live. Check the current legislative broadcast schedule on the "Capitol TV" Web site at www.capitoltv.org OR call 536-2100.



Rep. Angus L.K. McKelvey
Chair

