

THE SENATE
THE TWENTY-SIXTH LEGISLATURE
REGULAR SESSION OF 2012

COMMITTEE ON WAYS AND MEANS

Senator David Y. Ige, Chair
Senator Michelle N. Kidani, Vice Chair

NOTICE OF DECISION MAKING

DATE: Friday, February 24, 2012
TIME: 9:00 a.m.
PLACE: Conference Room 211
State Capitol
415 South Beretania Street

A G E N D A

**Decision making meeting only, no public testimony will be accepted.
Persons wishing to offer comments may do so 24 hours prior to the hearing.
See submittal instructions below.**

The following measure(s) were previously heard in their respective Standing Committee's:

<u>SB 2362, SD1</u> <u>(SSCR2294)</u> <u>Status & Testimony</u>	RELATING TO IRRIGATION. Authorizes the director of finance to issue general obligation bonds to finance capital improvements to various irrigation systems. (SD1)	AGL/WLH, WAM
<u>SB 2460</u> <u>(SSCR2138)</u> <u>Status & Testimony</u>	RELATING TO AGRICULTURE. Allows moneys in the pest inspection, quarantine, and eradication fund to be expended for the electronic importer manifest program. Makes an appropriation for the implementation of the electronic importer manifest program. Effective July 1, 2012.	AGL, WAM
<u>SB 2352, SD1</u> <u>(SSCR2293)</u> <u>Status & Testimony</u>	RELATING TO AGRICULTURE. Authorizes \$10,000,000 in special purpose revenue bonds to assist Kauai Coffee Company Incorporated in the planning, construction, and operation of a coffee processing facility for the production of Hawaii-grown coffee products. (SD1)	AGL, WAM
<u>SB 2182</u> <u>(SSCR2102)</u> <u>Status & Testimony</u>	RELATING TO THE CENTER FOR NURSING. Makes permanent the assessment and deposit of center for nursing fees into the compliance resolution fund and distribution of those funds to the credit of the center for nursing special fund.	CPN, WAM



<p>SB 2424, SD1 (SSCR2361) Status & Testimony</p>	<p>RELATING TO PROFESSIONAL EMPLOYER ORGANIZATIONS. Adds powers and duties to the director of labor and industrial relations regarding the registration and regulation of professional employer organizations. Authorizes various penalties for noncompliance; amends definitions and bond level requirements; establishes the professional employer special fund. Repeals chapter 373K, HRS, but moves the general excise tax provisions to chapter 373L, HRS. Appropriates funds to the department of labor and industrial relations. Effective 07/01/2050. (SD1)</p>	<p>CPN/JDL, WAM</p>
<p>SB 2427, SD1 (SSCR2103) Status & Testimony</p>	<p>RELATING TO THE PUBLIC UTILITIES COMMISSION. Requires the Public Utilities Commission to implement best practices in the areas of regulatory frameworks, rules and procedures, and information technology and public access. Appropriates funds out of the public utilities commission special fund to implement best practices. (SD1)</p>	<p>CPN, WAM</p>
<p>SB 2632, SD1 (SSCR2288) Status & Testimony</p>	<p>RELATING TO FEE TIME SHARE INTERESTS. Requires all fee time share interests to be recorded in the regular system rather than the land court. Streamlines the procedure for the office of the assistant registrar to update the certificates of title for all remaining fee time share interests as part of the deregistration process. Allows the bureau of conveyances to charge a transaction fee for each deed of a time share interest recorded in the bureau of conveyances pursuant to chapter 502, Hawaii Revised Statutes. Effective 07/01/2020. (SD1)</p>	<p>CPN/JDL, WAM</p>
<p>SB 2748 (SSCR2236) Status & Testimony</p>	<p>RELATING TO UNCLAIMED PROPERTY. Requires holders of unclaimed property to remit all property with their November 1 report and corrects references to the Unclaimed Property Trust Fund.</p>	<p>CPN/JDL, WAM</p>
<p>SB 2760 (SSCR2158) Status & Testimony</p>	<p>RELATING TO ESCROW DEPOSITORIES. Amends the fee structure for services provided by the Division of Financial Institutions of the Department of Commerce and Consumer Affairs for escrow depository regulation; amends fines for violations of escrow depository regulations; and adjusts bond requirements for escrow depositories.</p>	<p>CPN, WAM</p>
<p>SB 2761, SD1 (SSCR2159) Status & Testimony</p>	<p>RELATING TO FINANCIAL INSTITUTIONS. Establishes or amends certain regulatory fees charged by the division of financial institutions for the review and analysis of financial institution requests. (SD1)</p>	<p>CPN, WAM</p>
<p>SB 2762 (SSCR2145) Status & Testimony</p>	<p>RELATING TO MONEY TRANSMITTERS. Amends the fee structure for services provided by the Division of Financial Institutions for the regulation of money transmitters; amends the fine for violations of money transmitter regulations.</p>	<p>CPN, WAM</p>



<p><u>SB 2763, SD1</u> (SSCR2174) Status & Testimony</p>	<p>RELATING TO MORTGAGE LOAN ORIGINATION. Amends the Secure and Fair Enforcement for Mortgage Licensing Act to reflect recent federal changes and adjust fees in consideration of the new regulatory requirements. (SD1)</p>	<p>CPN, WAM</p>
<p><u>SB 2764</u> (SSCR2143) Status & Testimony</p>	<p>RELATING TO MORTGAGE SERVICERS. Requires every mortgage servicer who provides loan modification services that would require licensure as a mortgage loan originator to be licensed as a mortgage loan originator in addition to being licensed as a mortgage servicer.</p>	<p>CPN, WAM</p>
<p><u>SB 2769, SD1</u> (SSCR2238) Status & Testimony</p>	<p>RELATING TO INSURANCE. Requires the commissioner to publish a list of homeowners insurers and homeowners insurance annual premiums on the insurance division's official website. Requires the commissioner to publish a list of motor vehicle insurers and motor vehicle insurance annual premiums on the insurance division's official website. Allows the commissioner to intervene to adjust insurance rates. Provides for written notice of disapproval and hearing requirements. (SD1)</p>	<p>CPN, WAM</p>
<p><u>SB 2784, SD1</u> (SSCR2104) Status & Testimony</p>	<p>MAKING APPROPRIATIONS TO RECAPITALIZE STATE FISCAL RESERVES. Makes general fund appropriations of \$20,000,000 for fiscal year 2011-2012 and \$43,700,000 for fiscal year 2012-2013 to recapitalize the emergency and budget reserve fund. Makes general fund appropriations of \$27,500,000 for fiscal year 2011-2012, \$27,500,000 for fiscal year 2012-2013, and \$56,000,000 for fiscal year 2013-2014 to recapitalize the Hawaii hurricane relief fund. (SD1)</p>	<p>CPN, WAM</p>
<p><u>SB 2111, SD1</u> (SSCR2391) Status & Testimony</p>	<p>RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT. 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 unspecified percentages; 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 January 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 recaptured 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); effective July 1, 2050; repeals on January 1, 2027. (SD1)</p>	<p>EDT, WAM</p>



<p><u>SB 2233, SD1</u> <u>(SSCR2280)</u> Status & Testimony</p>	<p>RELATING TO ELECTRONIC INFORMATION. Authorizes government agencies to disseminate publications of notice electronically, or in a daily or weekly publication of statewide circulation, or in a daily or weekly publication in the affected county, as appropriate; appropriates funds for the operational expenses of the office of information management technology; appropriates funds for the Hawaii public library system for public access support services; electronic notice requirement effective 7/1/2013. (SD1)</p>	<p>EDT/PGM/JDL, WAM</p>
<p><u>SB 2433, SD1</u> <u>(SSCR2279)</u> Status & Testimony</p>	<p>RELATING TO CHALLENGE COURSE TECHNOLOGY. Establishes standards and regulations for operators of ziplines and canopy tours. Requires operators to obtain annual inspections and permits from the Department of Labor and Industrial Relations. Effective 7/1/2050. (SD1)</p>	<p>EDT/CPN/JDL, WAM</p>
<p><u>SB 2655, SD1</u> <u>(SSCR2282)</u> Status & Testimony</p>	<p>RELATING TO PORTABLE ELECTRONICS INSURANCE. 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; established sanctions for violations; establishes requirements for termination of insurance; establishes fees for licensing. (SD1)</p>	<p>EDT/CPN, WAM</p>
<p><u>SB 2678, SD1</u> <u>(SSCR2392)</u> Status & Testimony</p>	<p>RELATING TO HONOULIULI. Requires the department of land and natural resources to establish a Honouliuli park site project advisory group to develop recommendations to leverage county, state, federal, and private funding for an educational resource center at the Honouliuli site; requires report to 2013 legislature; appropriates \$100,000 for deposit into the Hawaii historic preservation special fund; requires moneys to be expended to accelerate the collection, preservation, and organization of resources related to the World War II internment experience in Hawaii. (SD1)</p>	<p>EDT/WLH, WAM</p>
<p><u>SB 2895, SD1</u> <u>(SSCR2284)</u> Status & Testimony</p>	<p>RELATING TO NEW MARKETS TAX CREDITS. Expands methods for delivering funding to a community development entity by allowing guarantees and credit enhancements. Increases total maximum funding amounts from \$250,000 to \$5,000,000. Establishes new markets tax credits. Makes conforming amendments. (SD1)</p>	<p>EDT, WAM</p>
<p><u>SB 2941, SD1</u> <u>(SSCR2283)</u> Status & Testimony</p>	<p>RELATING TO HIGH TECHNOLOGY. 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. (SD1)</p>	<p>EDT, WAM</p>



<p>SB 2990, SD1 (SSCR2366) Status & Testimony</p>	<p>RELATING TO ALOHA STADIUM. Requires the department of accounting and general services to hire an independent third party to develop a long-range plan, including a feasibility study to determine the cost benefits of placing Aloha Stadium under the jurisdiction of the University of Hawaii rather than the department of accounting and general services; requires a report to 2013 Legislature; appropriates \$50,000 from the stadium special fund. (SD1)</p>	<p>EDT/EDU, WAM</p>
<p>SB 3050, SD1 (SSCR2393) Status & Testimony</p>	<p>RELATING TO FILM, TELEVISION, DIGITAL, AND NEW MEDIA DEVELOPMENT. Assigns to the Hawaii tourism authority the responsibilities for film, television, digital, and new media development; repeals the film industry activities within the department of business, economic development, and tourism; makes conforming amendments; requires the Hawaii tourism authority to restructure the debt service for state obligations related to the convention center; requires unspecified amounts for fiscal year 2012-2013 and fiscal year 2013-2014 of the savings from any such restructuring to be deposited into the film, television, digital, and new media development special fund for implementation of the film, television, digital, and new media development activities; appropriates unspecified amounts from the special fund; effective 7/1/2050. (SD1)</p>	<p>EDT/TSM, WAM</p>
<p>SB 2035 (SSCR2256) Status & Testimony</p>	<p>RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST WAHIAWA GENERAL HOSPITAL. Authorizes the issuance of special purpose revenue bonds of up to \$3,000,000, for Wahiawa General Hospital to construct health care facilities. Effective July 1, 2012.</p>	<p>HTH, WAM</p>
<p>SB 2101 (SSCR2254) Status & Testimony</p>	<p>RELATING TO THE TRICARE PROGRAM. Makes permanent the general excise tax exemption on amounts received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third party health care providers pursuant to a contract with the United States.</p>	<p>HTH, WAM</p>
<p>SB 2121, SD1 (SSCR2260) Status & Testimony</p>	<p>RELATING TO MENTAL HEALTH. Permits any interested person with a clear and abiding interest in the well-being of the individual to file a written petition for emergency admission. Requires an independent evaluation of a patient admitted to a licensed psychiatric facility for involuntary hospitalization in certain circumstances. Removes the word "imminently" from "imminently dangerous". Effective 1/1/50. (SD1)</p>	<p>HTH/HMS/JDL, WAM</p>
<p>SB 2126, SD1 (SSCR2258) Status & Testimony</p>	<p>RELATING TO HEALTH CARE. Consolidates the authority, duties, responsibilities, and jurisdiction of the department of human services and the department of health, as they relate to various health care services; transfers the programs of the department of human services relating to home and community-based case management, community care foster family homes, and adult day care to the department of health on July 1, 2014. Appropriates funds to the department of health for the duties which are not wholly covered by the transfer of funds from the department of human services. Effective 1/1/50. (SD1)</p>	<p>HTH/HMS/JDL, WAM</p>



<p>SB 2227 (SSCR2215) Status & Testimony</p>	<p>RELATING TO HEALTH. Appropriates moneys to community health centers for the provision of direct health care for the uninsured, including those who will be disenrolled from the medicaid QUEST program pending eligibility changes in April 2012.</p>	<p>HMS/HTH, WAM</p>
<p>SB 2383 (SSCR2187) Status & Testimony</p>	<p>RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC. Extends the lapse date of the special purpose revenue bonds authorized to assist The Queen's Health Systems in Act 176, Session Laws of Hawaii 2003, and as amended by Act 86, Session Laws of Hawaii 2007.</p>	<p>HTH, WAM</p>
<p>SB 2422, SD1 (SSCR2333) Status & Testimony</p>	<p>RELATING TO TOBACCO PRODUCTS. Imposes an excise tax on tobacco products, other than large cigars, that is equal to the greater of 70 percent of the wholesale price of, or \$3.20 for, each article or item of tobacco products. Takes effect 1/1/50. (SD1)</p>	<p>HTH, WAM</p>
<p>SB 2536 (SSCR2358) Status & Testimony</p>	<p>RELATING TO CLEAN AND SOBER HOMES AND HALFWAY HOUSES. Establishes a temporary clean and sober home and halfway house task force. Requires the task force to submit a report to the legislature containing findings and recommendations and any proposed legislation that may be necessary to effectuate those recommendations.</p>	<p>HTH/PGM, WAM</p>
<p>SB 2631, SD1 (SSCR2323) Status & Testimony</p>	<p>RELATING TO HEALTH INSURANCE. Requires all accident and health or sickness insurers, mutual benefit societies, and health maintenance organizations to provide health care coverage and benefits for well-baby and well-child screening and diagnosis and treatment of autism spectrum disorders beginning after 12/31/2012. (SD1)</p>	<p>HTH/CPN, WAM</p>
<p>SB 2778, SD1 (SSCR2262) Status & Testimony</p>	<p>MAKING AN APPROPRIATION FOR EARLY CHILDHOOD HEALTH. Establishes a childhood obesity prevention task force. Appropriates funds to the department of health to support early childhood development. (SD1)</p>	<p>HTH, WAM</p>
<p>SB 2797, SD1 (SSCR2334) Status & Testimony</p>	<p>RELATING TO PSYCHOTROPIC MEDICATIONS IN MEDICAID. Makes permanent previous changes to the psychotropic medication statute that ensure access to medically necessary psychotropic medications while allowing cost-effective strategies. Effective 1/1/50. (SD1)</p>	<p>HTH, WAM</p>
<p>SB 2827, SD1 (SSCR2191) Status & Testimony</p>	<p>RELATING TO THE TRAUMA SYSTEM SPECIAL FUND. Adds to the uses of the moneys in the Trauma System Special Fund the costs to staff, operate, and continue the services of the injury prevention program. Effective 1/1/50. (SD1)</p>	<p>HTH, WAM</p>



<p><u>SB 2935, SD1</u> <u>(SSCR2364)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO HEALTH CARE COORDINATION. Establishes a public-private partnership in a county with a population between 100,000 and 170,000 to develop an integrated system to deliver health care across the spectrum of care; partnership to work at addressing the current crisis in acute care. Establishes Hale Makua Health Services as a membership corporation with the Hawaii health systems corporation as its sole member. (SD1)</p>	<p>HTH, WAM</p>
<p><u>SB 2939, SD1</u> <u>(SSCR2336)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ST. FRANCIS HEALTHCARE SYSTEM OF HAWAII. Authorizes the issuance of SPRBs of up to \$80,000,000, for St. Francis Healthcare System to construct healthcare facilities. Effective 1/1/50. (SD1)</p>	<p>HTH, WAM</p>
<p><u>SB 2958, SD1</u> <u>(SSCR2332)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO HEALTH. Appropriates moneys to be expended by the department of health for the implementation of a new bone marrow transplantation program in the State to fill the void left by the closure of Hawaii Medical Center East, which housed the only organ transplant center in the State. (SD1)</p>	<p>HTH, WAM</p>
<p><u>SB 3006, SD1</u> <u>(SSCR2234)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO MOTOR VEHICLE TIRES. Establishes a task force which shall study ways to prevent or control the problem of abandoned tires. (SD1)</p>	<p>HTH/ENE, WAM</p>
<p><u>SB 2224, SD1</u> <u>(SSCR2171)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO THE TAX LIEN AND ENCUMBRANCE RECORD. Allows the recordation of outstanding judgments payable to state or county agencies as a condition precedent to a vehicle's renewal, registration, or transfer of ownership. Exempts state and county agencies from paying the tax lien and encumbrance record statutory fee if state and county agencies to provide to the director of finance the license plate number or vehicle identification number. Allows taxpayer to enter into agreement with the department of taxation to pay the delinquent taxes in lieu of full payment to avoid recordation of a tax lien and encumbrance record. (SD1)</p>	<p>TIA/PGM/JDL, WAM</p>
<p><u>SB 2506, SD1</u> <u>(SSCR2241)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO CIVIL IDENTIFICATION. Transfers the non-driver's, or civil, identification program from the department of the attorney general to the department of transportation. Requires civil identification cards to be issued by the examiners of drivers in each county to comply with the federal REAL ID Act of 2005, P.L. 109-13, by January 1, 2013. (SD1)</p>	<p>TIA/PGM/JDL, WAM</p>



<p><u>SB 2871, SD1</u> <u>(SSCR2157)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO COMMERCIAL DRIVER'S LICENSE. Prohibits driving a commercial motor vehicle without a commercial driver's license in the driver's possession. Prohibits texting while operating a commercial motor vehicle and classifies a conviction of an offense of texting while operating a commercial motor vehicle as a serious traffic violation. Does not apply to hands-free or voice operated technology. Excludes from definition of electronic device a device that is physically or electronically integrated into the motor vehicle. (SD1)</p>	<p>TIA, WAM</p>
<p><u>SB 3010, SD1</u> <u>(SSCR2087)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO TRANSPORTATION. Exempts temporarily the department of transportation and its contractors from certain state requirements for certain bridge rehabilitation projects. (SD1)</p>	<p>TIA/PGM/ENE, WAM</p>
<p><u>SB 490, SD2</u> <u>(SSCR2250)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO THE HAWAII TOURISM AUTHORITY. Increases the allocation of the transient accommodations tax revenue for the Hawaii tourism authority from \$69,000,000 to \$71,000,000 until June 30, 2015; requires \$2,000,000 to be expended for development and implementation of initiatives to take advantage of expanded visa programs and increased travel opportunities for international visitors to Hawaii. (SD2)</p>	<p>TSM, WAM</p>
<p><u>SB 2642</u> <u>(SSCR2259)</u> <u>Status &</u> <u>Testimony</u></p>	<p>MAKING AN APPROPRIATION FOR THE HAWAII TOURISM AUTHORITY. Appropriates \$2,000,000 for the Hawaii tourism authority for fiscal year 2012-2013 for initiatives to take advantage of expanded visa programs and increased travel opportunities for international visitors to Hawaii.</p>	<p>TSM, WAM</p>
<p><u>SB 3048, SD1</u> <u>(SSCR2363)</u> <u>Status &</u> <u>Testimony</u></p>	<p>RELATING TO TRAVEL AND TOURISM STIMULUS INITIATIVES. Provides an employer tax credit of 4.5 per cent of the wages paid by a qualified employer to certain employees for seven years after completion of hotel and resort construction and renovation; provides a general excise tax exemption for hotel and resort construction and renovation and for the operation of these hotels and resorts for seven years after substantial completion of construction and renovation; requires construction and renovation of a hotel facility or resort facility to be completed by 6/30/2017 to be eligible for the exemption; employer tax credit applies to taxable years beginning after 12/31/2011; hotel and resort construction and renovation general excise tax exemption applies to taxable periods beginning after 6/30/2012. (SD1)</p>	<p>TSM, WAM</p>

Comments may be submitted as follows:

By Email: Email if less than 5 pages in length, to Committee at WAMTestimony@Capitol.hawaii.gov. Please indicate the measure, date and time of the hearing. Email sent to individual office or any other Senate office will not be accepted.

By Web: Online if less than 4MB in size, at <http://www.capitol.hawaii.gov/submittestimony.aspx>



In person: One copy of comments to the Committee Clerk, Room 215, State Capitol. Please mark as comments and indicate the measure, date and time of the hearing.

Please note: If you submit your written comments after 24 hours prior to the hearing, a copy of your comments may not be available during the hearing but will be posted online after the hearing.

FOR AMENDED NOTICES: Measures that have been deleted are stricken through and measures that have been added are underscored. If a measure is both underscored and stricken through, that measure has been deleted from the agenda.

If you require auxiliary aids or services to participate in the public hearing process (i.e. ASL or foreign language interpreter, or wheelchair accessibility), please contact the committee clerk at least 24 hours prior to the hearing so that arrangements can be made.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT 586-6800.

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Senator David Y. Ige
Chair

