

STAND. COM. REP. NO. 65

Honolulu, Hawaii
February 5, 2013

RE: H.B. No. 574
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Veterans, Military, & International Affairs, & Culture and the Arts, to which was referred H.B. No. 574 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC FUNDS,"

begs leave to report as follows:

The purpose of this measure is to find innovative ways to fund capital improvement projects and create jobs in Hawaii by taking advantage of loans provided under the Immigrant Investor Pilot Program of the federal Immigration and Nationality Act, also known as EB-5 loans. Specifically, this measure would set aside general excise tax revenues that are equal to the principal and interest payable during each fiscal year for any EB-5 loan that financed a state project to repay that loan.

The University of Hawaii and Hawaiian Islands Regional Center, LLC, testified in support of this measure. The Department of Budget and Finance testified in opposition to this measure. The Tax Foundation of Hawaii provided comments.


Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

HB574 HD1 HSCR VMI HMS 2013-1652



As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 574, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 574, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Veterans,
Military, & International
Affairs, & Culture and the
Arts,


K. MARK TAKAI, Chair



