

STAND. COM. REP. NO. 2383

Honolulu, Hawaii

FEB 14 2014

RE: S.B. No. 2764  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committees on Economic Development, Government Operations and Housing and Energy and Environment, to which was referred S.B. No. 2764 entitled:

"A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES,"

beg leave to report as follows:

The purpose and intent of this measure is to expand eligible business activity in the state enterprise zones to include the development of various types of renewable energy by sustainable business corporations.

Your Committees received testimony in support of this measure from The Chamber of Commerce of Hawaii; Hawaiian Electric Vehicle Network; Maui Venture Consulting, LLC; and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Department of Taxation; Tax Foundation of Hawaii; and RevoluSun.

Your Committees find that sustainable business corporations engaged in the development or production of renewable energy will stimulate business, agricultural, and industrial growth in areas that will result in neighborhood revitalization. The addition of other forms of renewable resources to the state enterprise zone program is consistent with currently approved business activities, which include wind energy production. Furthermore, state enterprise zone tax incentives and regulatory flexibility will



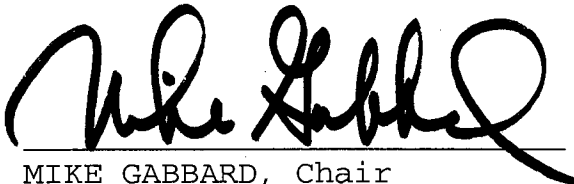
help attract renewable energy businesses and further the State's renewable energy goals.

Your Committees have amended this measure by:

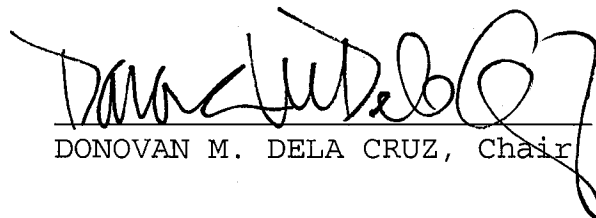
- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Government Operations and Housing and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2764, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2764, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Economic  
Development, Government  
Operations and Housing and  
Energy and Environment,



MIKE GABBARD, Chair



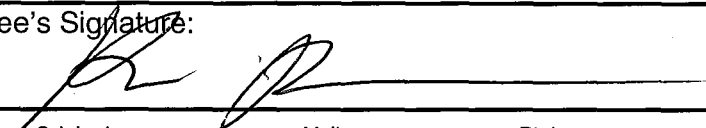
DONOVAN M. DELA CRUZ, Chair





The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2764	EGH/ENE, WAM	2/11/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)	X			
CHUN OAKLAND, Suzanne	X			
IHARA, Jr., Les				X
SLOM, Sam				X
<b>TOTAL</b>	3			2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes