

STAND. COM. REP. NO.

2763

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 3081  
S.D. 1

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

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 3081 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to promote economic development by facilitating the interaction of local businesses with out-of-state businesses and investors.

Specifically, the measure:

- (1) Establishes an innovative business interaction program under the Hawaii Tourism Authority to increase the opportunity for interaction between innovative business investors and innovative business talent from out-of-state and in-state; and
- (2) Increases the transient accommodations tax revenues deposited into the tourism special fund to provide funds for the program.

Your Committee received written comments in support from the Hawaii Tourism Authority, Hawaii Strategic Development Corporation, and Creative Lab. Written comments in opposition were submitted by one individual. Written comments were submitted by the Department of Business, Economic Development, and Tourism, and the Tax Foundation of Hawaii.



Your Committee finds that Hawaii should emphasize and support the growth of innovative businesses and build relationships between investors and innovative talent. This measure pursues those goals by enabling the State to contract with the organizer of an annual event in Hawaii to include an element that encourages interaction between innovative business talent and potential investors.

Your Committee has amended this measure by:

- (1) Clarifying that the successor to an event organizer who assumes control of a qualifying event shall qualify for the contract;
- (2) Changing the amounts of the appropriations to unspecified sums;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3081, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3081, S.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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DAVID Y. IGE, Chair



