Japanese Chamber of Commerce & Industry of Hawaii

Testimony to the Senate Committee on Economic Development, Government Operations and Housing Monday, February 10, 2014 at 2:45 P.M. Conference Room 016, State Capitol

RE: SENATE BILL 3082 RELATING TO TAXATION

Chair Dela Cruz, Vice Chair Slom, and Members of the Committee:

The Japanese Chamber of Commerce & Industry of Hawaii **strongly supports** SB 3082 Relating to Taxation.

I support this bill as part of the Chamber of Commerce's economic development package. There are approximately 1000 active manufacturers in the state that employ almost 17,000 people at an average compensation rate of \$42,896 or over \$6,000 more than the average private non-farm employee. Manufacturers helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

The bill gives a 20% tax credit to companies on their expenditures for manufacturing equipment and the training of their employees. We believe that this credit will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export. There is movement to begin to manufacture more back in the U.S. At the same time Hawaii still has some competitive disadvantages. This credit will help companies in Hawaii to start or grow their operations.

According to the National Association of Manufacturers, every new manufacturing job created adds another 1.6 jobs to the local service economy, and for every dollar in manufacturing sales, another \$1.34 is added to the economy. Investments in manufacturing have a stronger impact than investments most other economic sector.

I ask that <u>amendments</u> be made to clarify that the credit is refundable.

We humbly ask your support of this measure. Thank you for the opportunity to testify on this matter. Mahalo.

Sincerely,

Carol A. VanCamp, President Japanese Chamber of Commerce & Industry of Hawaii 714 Kanoelehua Ave. Hilo, HI 9672p





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RE: SENATE BILL 3082 RELATING TO TAXATION

Chair Dela Cruz, Vice Chair Slom, and Members of the Committee:

Pacific Allied Products, Ltd. strongly supports SB 3082 Relating to Taxation.

I support this bill as part of the Chamber of Commerce's economic development package. There are approximately 1000 active manufacturers in the state that employ almost 17,000 people at an average compensation rate of \$42,896 or over \$6,000 more than the average private non-farm employee. Manufacturers helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

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February 10, 2014

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RE: SENATE BILL 3082 RELATING TO TAXATION

Chair Dela Cruz, Vice Chair Slom, and Members of the Committee:

Rengo Packaging, Inc. strongly supports SB 3082 Relating to Taxation.

I support this bill as part of the Chamber of Commerce's economic development package. There are approximately 1000 active manufacturers in the state that employ almost 17,000 people at an average compensation rate of \$42,896 or over \$6,000 more than the average private non-farm employee. Manufacturers helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

The bill gives a 20% tax credit to companies on their expenditures for manufacturing equipment and the training of their employees. We believe that this credit will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export. There is movement to begin to manufacture more back in the U.S. At the same time Hawaii still has some competitive disadvantages. This credit will help companies in Hawaii to start or grow their operations.

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I ask that amendments be made to clarify that the credit is refundable.

We humbly ask your support of this measure. Thank you for the opportunity to testify on this matter. Mahalo.





February 10, 2014

Senate Committee on Economic Development, Government Operations and Housing

Chair Dela Cruz, Vice Chair Slom, and Members of the Committee:

RE: TESTIMONY IN SUPPORT OF SENATE BILL 3082

The Hawaii Food Manufacturers Association and our 120 members strongly support the measure to offer tax credits for manufacturers in the State.

There are advantages to continue to develop and upgrade food manufacturing in the State. Hawaii imports over 90% of products consumed each year and developing our manufacturing infrastructure will reduce our dependence on imports.

At the same time, demand outside the State for locally made food products affords us the opportunity to repatriate revenue back to Hawai'i from sales on the mainland and in foreign market.

Food manufacturing contributes significantly to the state's economy generating over \$500 million in annual sales and employing an annual payroll of over \$161 million.

Passage of this bill will encourage investment to upgrade and expand food manufacturing in Hawai'i.

Respectfully submitted,

Byron Goo, President

Hawaii Food Manufacturers Association



From:

mailinglist@capitol.hawaii.gov

To:

EGHTestimony

Cc:

randy@kauaichamber.org

Subject:

Submitted testimony for SB3082 on Feb 10, 2014 14:45PM

Date:

Monday, February 10, 2014 9:22:35 AM

SB3082

Submitted on: 2/10/2014

Testimony for EGH on Feb 10, 2014 14:45PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing	
Randall Francisco	Kauai Chamber of Commerce	Support	No	

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Testimony to the Senate Committee on Economic Development,
Government Operations and Housing
State Capitol, Conference Room 016
February 10, 2014 at 2:45pm

RE: SUPPORT FOR SENATE BILL 3082 RELATING TO TAXATION

Dear Chair Dela Cruz, Vice Chair Slom, and Members of the Committee:

The Maui Chamber of Commerce strongly SUPPORTS SB 3082 Relating to Taxation to give a 20% tax credit to companies on their expenditures for manufacturing equipment and the training of their employees.

A strong and growing economy means more and better paying jobs and we support efforts that will spur industry and improve our economy. This bill is part of the Chamber of Commerce's economic development package to help do just that. We have approximately 1,000 active manufacturers in the state that are employing nearly 17,000 people at an average compensation rate of \$42,896 (which is over \$6,000 more than the average private non-farm employee). Manufacturing also helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

According to the National Association of Manufacturers, every new manufacturing job created adds another 1.6 jobs to the local service economy, and for every dollar in manufacturing sales, another \$1.34 is added to the economy. Investments in manufacturing have a stronger impact than investments most other economic sectors.

We believe that this credit will help fuel manufacturing in Hawaii to grow and provide jobs, as well as more products for both local consumption and export. Since our manufacturers are well situated to export to the Asia/Pacific region, we should do all we can to help or manufacturers take advantage of growing and leveraged opportunities in Asia, as well as other countries.

Further, there is a movement across the nation revitalize manufacturing in the U.S. However, Hawaii has unique challenges not experienced in other states with higher costs of doing business, heavy regulatory burdens, higher fuel and electricity costs, transportation issues, etc. This credit will help offset some of those disadvantages so our local manufacturers can better compete in national and international markets, maximize the advantages we do have here, and grow their operations.

We therefore ask for your support of this measure, with the clarification that the credit is refundable, and appreciate the opportunity to provide testimony on this matter.

Sincerely,

Pamela Tumpap

Lamela Jumpap

President





Written Statement of DR. PATRICK K. SULLIVAN PRESIDENT/CEO OCEANIT

Before the

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND HOUSING

February 10, 2014 2:45 PM State Capitol, Conference Room 16 In Support of SB 3082 REALTING TO TAXATION

To: Chair Dela Cruz, Vice Chair Slom, and Members of the Committee

From: Dr. Patrick K. Sullivan, President/CEO

Re: Testimony in Support of SB3082

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony in support of SB3082.

Oceanit is a local diversified science and engineering company with capabilities/facilities in advanced technology, life sciences, information systems, aerospace, energy, oil and gas and consulting engineering services. Many of our technologies are ready for commercialization and hope to manufacture our technologies here in Hawaii.

This bill will encourage Hawaii companies to keep the manufacturing of their products here in Hawaii. In turn, there will be job creation and long term investments for the people of Hawaii.

Oceanit is committed to manufacturing tech in Hawaii.

Therefore, we support SB3082.





Meadow Gold Dairies



SB 3082, Relating to Taxation Senate EGH Committee Monday, February 10, 2014 2:45 pm, Room 16 Written Testimony By: Glenn Muranaka

Position: Support

Chair Dela Cruz and Members of the Senate EGH Committee:

My name is Glenn Muranaka, President and General Manager of Meadow Gold Dairies. Our company has been in Hawaii since 1897—117 years, providing Hawaii consumers with a variety of milk products and juices. Meadow Gold's long history has not come without effort. We continually adapt to our customers' and consumers' ever-changing needs, and we constantly evolve along with our industry, our community and our market. Over the years, this has required that we struggle, tighten our belts, innovate and work extremely hard, making us a better company in the process. The foundation of this work rests with the 330 employees that are committed to providing superior quality products.

I support this bill as part of the Chamber of Commerce's economic development package. There are approximately 1000 active manufacturers in the state that employ almost 17,000 people at an average compensation rate of \$42,896 or over \$6,000 more than the average private non-farm employee. Manufacturers helped Hawaii's economy by contributing nearly \$570 million in manufactured goods exported in 2012.

The bill gives a 20% tax credit to companies on their expenditures for manufacturing equipment and the training of their employees. We believe that this credit will help fuel manufacturing in Hawaii to grow and provide more products for both local consumption and export. There is movement to begin to manufacture more back in the U.S. At the same time Hawaii still has some competitive disadvantages. This credit will help companies in Hawaii to start or grow their operations.

We support language that will clarify that the tax credit is refundable. Your support of this measure and suggested clarification is appreciated. Thank you for the opportunity to submit testimony. I can be reached at 944-5958 if there are any questions.