

Honolulu, Hawaii  
February 18, 2016

RE: H.B. No. 2063  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2063 entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST KEAHOLE MANAGEMENT GROUP LLC,"

begs leave to report as follows:

The purpose of this measure is to continue the diversification of Hawaii's economy through development of the manufacturing and processing industry by authorizing the issuance of \$10,000,000 in special purpose revenue bonds (SPRBs) for Keahole Management Group, LLC.

Keahole Management Group LLC testified in support of this measure. A concerned individual testified in opposition to this measure. The Department of Budget and Finance provided comments.

The development of the manufacturing and processing industry in Hawaii is one way to diversify Hawaii's economy. Your Committee finds that the issuance of SPRBs for the purpose of planning, designing, constructing, and equipping facilities for the manufacturing and processing of products, including value-added agricultural products, will help Hawaii achieve its goal of economic diversification.

Your Committee has amended this measure by changing:

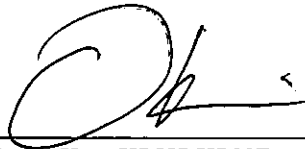
- (1) The amount of SPRBs authorized to be issued from \$10,000,000 to an unspecified amount; and



- (2) Its effective date to February 19, 2022, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2063, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2063, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Business,



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DEREK S.K. KAWAKAMI, Chair



State of Hawaii  
House of Representatives  
The Twenty-eighth Legislature

HSC 392-16

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: <b>HB 2063</b>	Committee Referral: <b>EDB, FIN</b>	Date: <b>Feb 12, 2016</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. KAWAKAMI, Derek S.K. (C)	✓			
2. KONG, Sam Satoru (VC)	✓			
3. BROWER, Tom	✓			
4. CACHOLA, Romy M.	✓			
5. CHOY, Isaac W.	✓			
6. DECOITE, Lynn	✓			
7. ITO, Ken	✓			
8. OHNO, Takashi	✓			
9. ONISHI, Richard H.K.	✓			
10. TOKIOKA, James Kunane	✓			
11. TSUJI, Cliff	✓			
12. WOODSON, Justin H.	✓			
13. MATSUMOTO, Lauren Kealohilani	✓			
14. WARD, Gene	✓			
<b>TOTAL (14)</b>	<b>14</b>			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <u><i>James S. King</i></u>				
Distribution: Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				