

Honolulu, Hawaii

February 18, 2016

RE: H.B. No. 2669

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. 2669 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST TRUTAG TECHNOLOGIES, INC,"

begs leave to report as follows:

The purpose of this measure is to continue the diversification of Hawaii's economy through development of the technology industry by authorizing the issuance of \$15,000,000 in special purpose revenue bonds (SPRBs) for TruTag Technologies, Inc.

The Chamber of Commerce Hawaii, TruTag Technologies, Inc., Weeks-Levy Consulting, Eyegenix, LLC, and a concerned individual testified in support of this measure. The Department of Budget and Finance provided comments.

TruTag Technologies, Inc., is a Hawaii based company that provides product authentication and brand protection solutions for multiple industries through the use of nanotechnology. Through the creation of unique microtags which offer a powerful product security measure, TruTag Technologies, Inc., is able to assist various industries in addressing the trillion-dollar global problem of counterfeit and diverted goods. The provision of SPRBs to TruTag Technologies, Inc., is intended for the expansion of a manufacturing facility established in Kapolei to increase their manufacturing capacity. Your Committee finds that the provision of SPRBs for this purpose will create jobs, increase manufacturing



in Hawaii, and improve the diversification and overall health of Hawaii's economy.

Your Committee has amended this measure by changing:

- (1) The amount of SPRBs authorized to be issued from \$15,000,000 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. 2669, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2669, H.D. 1, and be referred to your Committee on Finance.

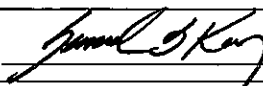
Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



DEREK S.K. KAWAKAMI, Chair



Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 2669	Committee Referral: EDB, FIN	Date: Feb 12, 2016		
<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, Clift	✓			
12. WOODSON, Justin H.	✓			
13. MATSUMOTO, Lauren Kealohilani	✓			
14. WARD, Gene	✓	✓ 1k		
TOTAL (14)	14			
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></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				