STAND. COM. REP. NO. 1170 -16

Honolulu, Hawaii MAYCA 23 , 2016 RE: S.B. No. 2301 S.D. 1 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 S.B. No. 2301, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF 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, Aeronigma Solutions Inc., and Koa Kane Limited Liability Company testified in support of 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 valueadded agricultural products, will help Hawaii achieve its goal of economic diversification.



Your Committee has amended this measure by changing:

- The amount of SPRBs authorized to be issued from an amount not exceeding \$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 S.B. No. 2301, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2301, S.D. 1, 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,

KAWAKAMI, Chair



State of Hawaii House of Representatives The Twenty-eighth Legislature

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: 5B 2301, 5DI	Committee Referra		Date: 3/17/2016		
□ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
EDB Members	A	yes Ayes (WR) Nays	Excused	
1. KAWAKAMI, Derek S.K. (C)					
2. KONG, Sam Satoru (VC)					
3. BROWER, Tom	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~				
4. CACHOLA, Romy M.	V				
5. CHOY, Isaac W.					
6. DeCOITE, Lynn	٤				
7. ITO, Ken	l l				
9 OTINO Takashi					
8. OHNO, Takashi					
9. ONISHI, Richard H.K.			İ		
5. ONISHI, Klenaru H.K.					
10. TOKIOKA, James Kunane		· · ·			
IV. I OKIOKA, vantes Kuhant	V				
11. TSUJI, Clift					
12. WOODSON, Justin H.					
13. MATSUMOTO, Lauren Kealoh	ilani v				
				·	
14. WARD, Gene	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~				
TOTAL (14)	1	7		Z	
The recommendation is: Z Adopted D Not Adopted If joint referral, did not support recommendation.					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					
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