

Honolulu, Hawaii

March 17, 2016

RE: S.B. No. 2506

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. 2506 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., to expand its nanotechnology manufacturing facilities in Kapolei.

The Chamber of Commerce Hawaii; TruTag Technologies, Inc.; and several concerned individuals 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 its manufacturing facility in Kapolei to increase 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.

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. 2506 and recommends that it pass Second Reading 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



State of Hawaii
House of Representatives **HSCR 1042-16**
The Twenty-eighth Legislature

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: SB 2506	Committee Referral: EDB, FIN	Date: March 11, 2016		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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	✓			
TOTAL (14)	9			5
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>Gene Ward</i></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				