

STAND. COM. REP. NO.

2476

Honolulu, Hawaii

FEB 19 2016

RE: S.B. No. 2948
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committees on Transportation and Energy and Economic Development, Environment, and Technology, to which was referred S.B. No. 2948 entitled:

"A BILL FOR AN ACT RELATING TO SHIP REPAIR,"

beg leave to report as follows:

The purpose and intent of this measure is to establish the ship repair industry grant program and to make an appropriation for the program.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii, Pacific Shipyards International, and six individuals.

Your Committees find that ship repair is a critical industry in our maritime dependent state. Ship repair capability insures the safe and timely operation of ships and barges supplying the Hawaiian Islands. Without this capability, many ships will go to the mainland for repair and dry docking.

Your Committees further find that ship repair provides well-paying industrial and technical job opportunities for citizens of Hawaii and critical industrial services to our community, such as repair of engines and generators, welding and metal fabrication, ventilation and air conditioning, and critical service to oil product transfer buoys. However, ship repair companies in Hawaii have a significant cost competitive disadvantage with mainland and



foreign ship repair entities due to higher wages and material shipping costs.

Your Committees have amended this measure by changing the program from a grant program to a loan program to provide eligible recipients with funds for capital and related improvement projects, training projects to foster employee skills and enhance productivity, and purchase of machinery and equipment used in ship repair, ship construction, and reconfiguration.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2948, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Transportation
and Energy and Economic
Development, Environment, and
Technology,



GLENN WAKAY, Chair



LORRAINE R. INOUE, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and Energy
TRE

Bill / Resolution No.:* <i>SB 2048</i>	Committee Referral: <i>TRE/EET, WAM</i>	Date: <i>2-16-16</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	✓			
GABBARD, Mike (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
ENGLISH, J. Kalani				✓
KIDANI, Michelle N.	✓			
NISHIHARA, Clarence K.				✓
SLOM, Sam	✓			
TOTAL	<i>5</i>	<i>—</i>	<i>—</i>	<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

