

Honolulu, Hawaii

APR 28 2016

RE: S.B. No. 3109
S.D. 1
H.D. 1
C.D. 1

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

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3109, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MANUFACTURING,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to increase economic development in the State through the promotion of manufacturing by:

- (1) Extending, for one year, the lapse date for the appropriation of funds in Act 215, Session Laws of Hawaii 2015, for the continuation of the manufacturing grant program in the High Technology Development Corporation; and
- (2) Appropriating funds for the manufacturing development program for the 2016-2017 fiscal year.



Your Committee on Conference finds that, recognizing the potential economic benefits provided by the manufacturing industry, the Legislature appropriated \$2,000,000 in the Regular Session of 2015 to establish a manufacturing grant program within the High Technology Development Corporation to assist companies with qualified manufacturing expenses. However, delays in establishing this program have occurred as the process for the adoption of rules has taken longer than expected. While the High Technology Development Corporation has prepared rules for this program, distribution of grant monies cannot occur until these rules are adopted. As the initial appropriation for this program lapses at the end of the current fiscal year, your Committee on Conference finds that extending the lapse date for funds appropriated in 2015 by one year will allow for the implementation of the manufacturing grant program, thereby strengthening Hawaii's manufacturing economy.

Your Committee on Conference has amended this measure by inserting an appropriation amount of \$1,000,000 for fiscal year 2016-2017 for the manufacturing grant program, including operational expenses.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3109, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3109, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

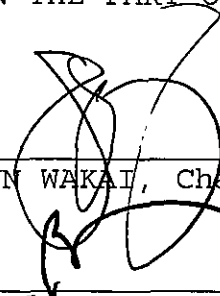


DEREK S.K. KAWAKAMI, Co-Chair



AARON LING JOHANSON, Co-Chair

ON THE PART OF THE SENATE



GLENN WAKAI, Chair



BRICKWOOD GALUTERIA, Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 3109, SD 1, HD 1	Date/Time: <i>04/26/16 2:15pm</i>
---	--------------------------------------

The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
---	---

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
WAKAI, Glenn, Chr.	✓	✓			KAWAKAMI, Derek S.K., Co-Chr.	✓	✓		
GALUTERIA, Brickwood, Co-Chr.	✓				JOHANSON, Aaron Ling, Co-Chr.	✓	✓		
SLOM, Sam				✓	TOKIOKA, James Kunane	✓	✓		
					WARD, Gene	✓	✓		
TOTAL	2	0	0	1	TOTAL	4	0	0	0

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
---	--

Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
--	---

Distribution:

Original <i>File with Conference Committee Report</i>	Yellow <i>House Clerk's Office</i>	Pink <i>Senate Clerk's Office</i>	Goldenrod <i>Drafting Agency</i>
--	---------------------------------------	--------------------------------------	-------------------------------------