

Honolulu, Hawaii

**APR 27 2018**

RE: S.B. No. 3000  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2018  
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. 3000, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INNOVATION BUSINESS,"

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:

- (1) Establish the research and development program to optimize research and development preformed in the State; and
- (2) Establish the research and development special fund and appropriate funds for the research and development program.

Your Committee on Conference finds that research and development preformed in the State is vital for the continued growth of Hawaii's economy. Your Committee on Conference believes that



supporting research and development will encourage innovation in various sectors throughout the State and has potential to attract businesses from around the world to Hawaii. Your Committee on Conference believes that creating a research and development research program in the State will assist small businesses with product development, technology transfer, and commercialization and create more high-paying jobs, resulting in highly skilled workers remaining in or coming to Hawaii and contributing to the economy.

Your Committee on Conference has amended this measure by:

- (1) Inserting a cap of \$300,000 for grants to be provided for critical product development that allows qualified businesses to achieve significant product development and technical milestones;
- (2) Requiring a company to employ fifteen or more employees to be considered a "Hawaii-based small business";
- (3) Inserting an appropriation amount of \$1,000,000 into and out of the research and development special fund to be used for the research and development program; and
- (4) Changing the effective date to July 1, 2018.

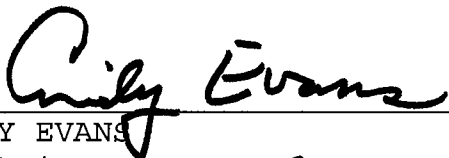
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3000, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3000, S.D. 2, H.D. 1, C.D. 1.




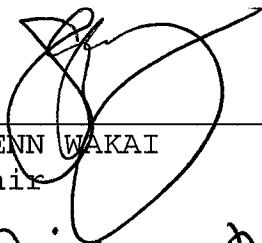
Respectfully submitted on behalf  
of the managers:

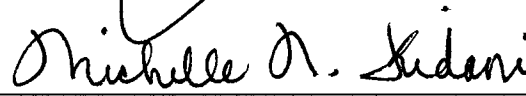
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
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 CINDY EVANS  
 Co-Chair

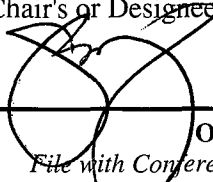
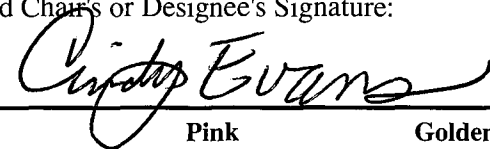
  
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 JARRETT KEOHOKALOLE  
 Co-Chair

  
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 GLENN WAKAI  
 Chair

  
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 MICHELLE N. KIDANI  
 Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>SB 3000, SD 2, HD 1</b>					Date/Time: <b>4/27/18</b> <b>11:05am</b>				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> 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.	✓	✓			EVANS, Cindy, Co-Chr.	✓	✓		
KIDANI, Michelle N., Co-Chr.	✓	✓			KEOHOKALOLE, Jarrett, Co-Chr.	✓	✓		
THIBLEN, Laura H.	✓				WARD, Gene	✓			
TOTAL	3	0	0	0	TOTAL	3	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: <b>Original</b> <i>File with Conference Committee Report</i>					<b>Yellow</b> <i>House Clerk's Office</i>		<b>Pink</b> <i>Senate Clerk's Office</i>		<b>Goldenrod</b> <i>Drafting Agency</i>