

STAND. COM. REP. NO.

1654

Honolulu, Hawaii

, 2019

MAR 22

RE: S.B. No. 985

S.D. 1

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred S.B. No. 985, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PEARL HARBOR FLOATING DRYDOCK, LLC,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Pearl Harbor Floating Drydock, LLC, for the construction of a purpose-built floating drydock at Pearl Harbor to service submarines and surface ships.

The Chamber of Commerce Hawaii, Ship Repair Association of Hawaii, Pacific Marine & Supply Co., Yamamoto & Ichishita CPAs Inc., and a few individuals testified in support of this measure. A & B Electric Co., Inc. and Marisco, Ltd. testified in opposition to this measure. Department of Budget and Finance provided comments on this measure.

Your Committee finds that although this measure contains a special purpose revenue bond, this investment by the State will help to bolster efforts to ensure that potential looming federal cuts to the Pearl Harbor Shipyard to pay for a border wall do not

SB985 HD1 HSCR EDB HMS 2019-3188-1



occur given the State's investment in the modernization and expansion of the ship repair facility at Pearl Harbor.

Your Committee has amended this measure by changing its effective date to July 1, 2112.

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. 985, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 985, 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,



ANGUS L.K. MCKELVEY, Chair



