Honolulu, Hawaii

Feb. 2006

RE: H.B. No. 2421 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committees on Economic Development & Business Concerns and Tourism & Culture, to which was referred H.B. No. 2421 entitled:

"A BILL FOR AN ACT RELATING TO PERFORMING ARTS BUSINESSES,"

beg leave to report as follows:

The purpose of this bill is to stimulate Hawaii's film, television, and digital media industry by creating a program that allows performing arts qualified high technology businesses to transfer performing arts qualified high technology tax credits back to the State for 20 percent of the face value of the credits, thereby redirecting a higher percentage of local investment dollars toward smaller, independent performing arts qualified high technology businesses.

The Department of Business, Economic Development, and Tourism, the Department of Taxation, and the Department of Research and Development for the County of Hawaii submitted testimony in support of this bill. An individual submitted testimony in opposition to this bill. The Tax Foundation of Hawaii offered comments on the bill.

Your Committees have amended this bill by making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business Concerns and Tourism & Culture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2421, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2421, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Economic Development & Business Concerns and Tourism & Culture,

JERRY I. CHANG, Chair

JOY RIKI KARAMATSU, Chair

State of Hawaii House of Representatives The Twenty-third Legislature

Record of Votes of the Committee on Economic Development & Business Concerns

Bill/Resolution No.: HB 2421	Date:	Feb. 3, 200	6		
Committee Referral: EDB/TAC, FIN	☐ The compreviou	The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	Pass, with amendments				
☐ Hold	☐ Re	commit			
EDB Members	Ayes	Ayes (WR)	Nays	Excused	
1. KARAMATSU, Jon Riki (C)					
2. WAKAI, Glenn (VC)	/ /				
3. ABINSAY, Felipe P., Jr.	/_				
4. CHANG, Jerry L.					
5. HERKES, Robert N.				V	
6. MAGAOAY, Michael Y.					
7. TSUJI, Clift					
8. YAMASHITA, Kyle T.					
9. CHING, Corinne W.L.					
10. MARUMOTO, Barbara C.		V			
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The recommendation is:			(
□ Not Adopted					
If joint referral, did not support recommendation. committee acronym(s)					
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Vice Chair's or designee's signature:	\supset				
Distribution: Original (White – Committee	Ouplicate (Yello	w) – Clerk's Office			

State of Hawaii House of Representatives The Twenty-third Legislature

Record of Votes of the Committee on Tourism & Culture

HB 2421 2 - 3 - ○C Committee Referral: EDB/TAC, FIN □ The committee is reconsidering its previous decision on the measure The recommendation is to: □ Pass, unamended □ Hold □ Recommit TAC Members Ayes 1. CHANG, Jerry L. (C) 2. YAMASHITA, Kyle T. (VC) 3. ABINSAY, Felipe P., Jr.				
The recommendation is to: Pass, unamended Pass, with amendments Hold Recommit TAC Members Ayes Ayes (WR) 1. CHANG, Jerry L. (C)	e.			
The recommendation is to: Pass, unamended Recommit TAC Members Ayes Ayes (WR) 1. CHANG, Jerry L. (C)				
TAC Members Ayes Ayes (WR) 1. CHANG, Jerry L. (C)	Nays			
TAC Members Ayes (WR) 1. CHANG, Jerry L. (C)	Nays	1		
1. CHANG, Jerry L. (C)	Nays	1		
		Excused		
2. YAMASHITA, Kyle T. (VC)				
3. ABINSAY, Felipe P., Jr.				
4. KARAMATSU, Jon Riki				
5. MAGAOAY, Michael Y.				
6. TSUJI, Clift				
7. WAKAI, Glenn				
8. CHING, Corinne W.L.				
9. MARUMOTO, Barbara C.				
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TOTAL				
The recommendation is: Adopted				
The recommendation is:				
□ Not Adopted				
If joint referral, did not support rec	ommendation			
committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office		,		