Honolulu, Hawaii

, 2007

S.B. No. 678

S.D. 1

H.D. 1

C.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 678, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

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 exempt from the general excise tax amounts received by the operator of the Hawaii Convention Center for reimbursement of costs or advances made pursuant to a contract with the Hawaii Tourism Authority (HTA).

Existing law requires that the general excise tax be imposed on the operator of the Hawaii Convention Center based on the gross income that the operator derives from its contract with HTA, including the costs and advances that the operator receives for operating the convention center. Since the moneys that are paid to the operator are paid out of the Convention Center Enterprise Special Fund, some of the moneys that should be used to operate the

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convention center are in fact being used to pay the operator's general excise tax obligation. Exempting the costs and advances from the general excise tax in this case would make those moneys available for the marketing and operations of the Convention Center in accordance with the HTA contract.

Your Committee on conference has amended this measure by changing the effective date from July 1, 2030, to upon approval.

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. 678, 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. 678, S.D. 1, 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

RYAM I. YAMANE, Co-Chair

JOEY MANAHAN, Co-Chair

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CLARENCE K. NISHIHARA, Chair

WILL ESPERO Co-Chair

SHAN S. TSUTSUI, Co-Chair

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## Hawaii State Legislature

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.:  SB 678, SD 1, HD 1					Date/Time: 4/21/07 9:22 pm				
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
NISHIHARA, Clarence K., Chr.					YAMANE, Ryan I., Co-Chr.	<b>V</b>			
ESPERO, Will, Co-Chr.	<b>Y</b>				MANAHAN, Joey, Co-Chr.	/			
TSUTSUI, Shan S., Co-Chr.	/				CHONG, Pono	/			
KIM, Donna Mercado	1				CHING, Corinne W.L.	<b>'</b>			
TRIMBLE, Gordon				1					
								:	
TOTAL	4			1	TOTAL	4			
A = Aye WR	= Ay	e with I	Reserv	ation	s $N = Nay$ E	= Exc	used		
Senate Recommendation is:					House Recommendation is:				
Adopted Not Adopted					Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agent									