STAND. COM. REP. NO. 2064

Honolulu, Hawaii FEB 04 2008

RE: S.B. No. 3236 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 3236 entitled:

"A BILL FOR AN ACT RELATING TO LIFE SCIENCES,"

begs leave to report as follows:

The purpose of this measure is to advance the important specialization components of the Hawaii life sciences road map by providing a tax incentive for life sciences companies to conduct clinical trials in Hawaii.

Specifically, this measure provides:

- A fifteen per cent tax credit for costs incurred for qualified clinical trials in a county with a population over 700,000; or
- (2) A twenty per cent tax credit for costs incurred for qualified clinical trials in a county with a population of 700,000 or less.

Your Committee received testimony in support of this measure from the Cheng Health Foundation. Your Committee received testimony in opposition to this measure from Animal Rights Hawaii and two individuals. The Department of Taxation submitted comments.

Your Committee finds that providing incentives for life sciences companies to conduct clinical trials in Hawaii, due to



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our unique location, will bring in research funding from Asia and North America. Your Committee further finds that it will encourage job growth and advancement in health technologies in the State.

Your Committee amended this measure by making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3236, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3236, S.D. 1, and be referred to the Committee on Economic Development and Taxation.

> Respectfully submitted on behalf of the members of the Committee on Health,



## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Health HTH

Bill / Resolution No.:* SB 32-36	Committee Referral: HTH, EDT, WAM			Date: 02/01/'08	
The committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)		V			
FUKUNAGA, Carol (VC)		_/_			
BAKER, Rosalyn H.		<u> </u>			and the second se
MENOR, Ron					<i>V</i> ,
WHALEN, Paul					
TOTAL		3			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes