STAND. COM. REP. NO. 2165

Honolulu, Hawaii

FEB 1 1 2008

RE: S.B. No. 2433

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 Economic Development and Taxation, to which was referred S.B. No. 2433 entitled:

"A BILL FOR AN ACT RELATING TO IOLANI PALACE,"

begs leave to report as follows:

The purpose of this measure is to establish standards and conditions for the receipt of funds appropriated to the State of Hawaii Museum of Monarchy History.

Testimony in support of this measure was received from Iolani Palace.

Your Committee finds that Act 291, Session Laws of Hawaii 2007, designated the Friends of Iolani Palace as the State of Hawaii Museum of Monarchy History, and exempted the organization from the standards and conditions related to the receipt of funds contained in chapter 42F, Hawaii Revised Statutes.

Your Committee further finds that subsequently, the exemption has raised concerns among both legislators and the Governor, and this measure was introduced to address the issue by establishing standards and conditions that must be met in order to receive state funding. These standards and conditions are essentially identical to those that all non-profit organizations have to satisfy in order to receive grants-in-aid through chapter 42F, Hawaii Revised Statutes.



Your Committee has amended this measure to further clarify that these standards and conditions must be met prior to receiving state funding by:

- (1) Adding the phrase, "in order to receive state funds," at the beginning of the new subsections (c) and (d) in section 6E-35, Hawaii Revised Statutes; and
- (2) Making a technical, nonsubstantive amendment to conform to the preferred drafting style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2433, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2433, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Economic Development and Taxation,

CAROL FUKUNAGA, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Economic Development and Taxation EDT

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 2433	EDT, WAM			2/05/08	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)		\checkmark			
ESPERO, Will (VC)					V
BAKER, Rosalyn H.		√			,
ENGLISH, J. Kalani					V
IGE, David Y.		$\overline{}$			
SLOM, Sam		V			
	date: 10 m. 10 g. 10 g. 11 g. 11 d. 11 m. 11 d. 11				
TOTAL		4			<u>ک</u>
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