STAND. COM. REP. NO.

146

Honolulu, Hawaii

FEB 1 2 2007

RE: S.B. No. 773

S.D. 1

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

## Madam:

Your Committee on Economic Development and Taxation, to which was referred S.B. No. 773 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII INGENUITY CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to establish the Hawaii Ingenuity Corporation Charter, a private, for profit, non-stock, membership, corporation.

Testimony in support of this measure was received from the Professional Inventors Alliance, Vivalog Technologies, and three individuals. The Department of Budget and Finance submitted testimony in opposition.

Your Committee has heard that the establishment of a Hawaii Ingenuity Corporation would greatly assist innovation companies that create intellectual property on an ongoing basis, but would like to have increased opportunities to develop intellectual property and protect it from infringement. Such a corporation would contribute to the diversification of Hawaii's economy and the enhancement of the business climate for emerging technology industries.

Your Committee understands the concerns raised regarding the respective roles of the private and public sector in the proposed language, and believes that continuing discussion of the concept should be encouraged.

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It is the intent of your Committee to forward this measure in order to continue dialog on the concepts of a Hawaii Ingenuity Corporation.

Your Committee has amended the measure accordingly, by:

- (1) Inserting an effective date of July 1, 2050; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity.

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. 773, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 773, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

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

CAROL FUKUNAÇA, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Economic Development and Taxation EDT

	Committee Referral: Date: 2/4/07				
3B 773 EDT, CPH 2/8/07					
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)		سرا			
ESPERO, Will (VC)		/			
ENGLISH, J. Kalani		<b>✓</b>			
IGE, David Y.					
SLOM, Sam					
TOTAL		5			·
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

\*Only one measure per Record of Votes