THE SENATE THE TWENTY-FIFTH LEGISLATURE REGULAR SESSION OF 2009

COMMITTEE ON WAYS AND MEANS

Senator Donna Mercado Kim, Chair Senator Shan S. Tsutsui, Vice Chair

NOTICE OF DECISION MAKING

DATE: Monday March 2, 2009

TIME: 9:30 a.m.

PLACE: Conference Room 211

State Capitol

415 South Beretania Street

AGENDA

EDT

SB 91, SD1 RELATING TO COMMUNITY-BASED ECONOMIC EDT, WAM

(SSCR350) DEVELOPMENT.

Authorizes the Hawaii community-based economic development revolving fund to receive funding from any source; repeals prohibition

Status on reallocation of funds from loan program to grant program and reduces the maximum interest rate on the loans from 10% to 6%; reduces limit on applicant's total loan balance from \$500,000 to

\$250,000; deletes requirement that advisory council members be reimbursed for expenses from the revolving fund; clarifies nonprofit

determination. (SD1)

SB 256, SD1 RELATING TO TELEWORK. EDT, WAM

(SSCR351) Establishes the telework task force to develop incentives and recommendations that will encourage and expand telework

Testimony opportunities in Hawaii while reducing harmful environmental impacts, traffic congestion, the dependence on fossil fuels, and

encourage a better quality of life for people who commute to work in

Hawaii. (SD1)

SB 523, SD1 RELATING TO HIGH TECHNOLOGY. EDT, WAM

(SSCR91) Clarifies the operation of the high technology research and

development loan and grant program to allow the State to catch up to increased federal award amounts. Provides that the High Technology Development Corporation shall provide a grant to any small business in Hawaii that receives federal small business innovative research or

technology transfer awards. (SD1)

SB 972, SD1

RELATING TO TAX ADMINISTRATION.

EDT, WAM

(SSCR413)

Testimony

Status

coordinate with federal agencies, unions, and other state agencies, as applicable, on enforcement and auditing, and database and intelligence sharing. Requires report to legislature. (SD1)

taxes by directing DOTAX to identify tax gap taxpayers and

Ensures Hawaii businesses and residents are paying their fair share of

SB 1096, SD1

RELATING TO TECHNOLOGY WORKFORCE AND DEVELOPMENT.

EDT/HRE/EDH, WAM

EDT, WAM

EDT/WTL, WAM

EDT/CPN, WAM

(SSCR377)

Testimony

Status

Appropriates funds for science-, technology-, engineering-, and mathrelated programs and K-12 creative media education programs. (SD1)

SB 1247, SD1

(SSCR395)

Testimony

Status

RELATING TO THE ECONOMY.

Requires the department of taxation, with the assistance of the department of business, economic development, and tourism, to evaluate certain tax credits and tax exemptions and report to the legislature. Requires the department of taxation to give

recommendations and for the legislature to implement those recommendations prior to the mandate for those tax credits and tax

exemptions to sunset. (SD1)

SB 1248

RELATING TO STATE ENTERPRISE ZONES.

(SSCR383) **Testimony**

Status

Authorizes agricultural producers and manufacturers to renew their eligibility in the enterprise zone program and allows receipts, sales, and employees of a business establishment that are located within the same county to count toward qualification. Amends definitions in

section 209E-2, HRS.

SB 1680, SD1

(SSCR353)

Testimony

Status

RELATING TO TECHNOLOGY.

Implements key recommendations of the Hawaii broadband task force by establishing the Hawaii broadband commissioner (HBC) in the department of commerce and consumer affairs (DCCA). Transfers functions relating to telecommunications from the public utilities commission to the HBC and functions relating to cable services from DCCA to the HBC. Establishes a work group to develop procedures to streamline state and county broadband regulation, franchising, and

permitting and report to the legislature. (SD1)

ENE

SB 178

(SSCR71) **Testimony**

Status

RELATING TO FOOD WASTE RECYCLING.

Requires the department of education, in a partnership with the department of health, to establish a three-year food waste recycling pilot project in one or more public schools. Allows departments to enter into public/private partnerships to establish and operate the pilot

program. Appropriates funds for the pilot program.

SB 242, SD1

(SSCR311)

Testimony

Status

RELATING TO SEAWATER AIR CONDITIONING.

Allows the sale of cooling from seawater air conditioning district cooling systems to qualify for state enterprise zone benefits. (SD1) ENE, WAM

ENE/EDH, WAM

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SB 287, SD1 (SSCR252) Testimony Status	RELATING TO ENERGY. Requires maximum use of geothermal energy on the island of Hawaii to achieve energy self-sufficiency and reduced reliance on imported fossil fuels. Establishes a pilot program and a tax credit to facilitate the development of infrastructure for the deployment of renewable energy resources, including geothermal resources. (SD1)	ENE, WAM
SB 390, SD1 (SSCR401) Testimony Status	RELATING TO ENERGY RESOURCES. Amends the law mandating solar water heater systems for single-family dwellings by clarifying its application to new dwellings and clarifying variance request procedures and authority. (SD1)	ENE, WAM
SB 391 (SSCR262) Testimony Status	RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON OAHU. Authorizes the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, for the purpose of design and construction of a seawater air conditioning district cooling system in downtown Honolulu.	ENE, WAM
SB 392 (SSCR365) Testimony Status	RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HONOLULU SEAWATER AIR CONDITIONING, LLC PROJECTS ON OAHU. Extends the authorization to issue special purpose revenue bonds for Honolulu Seawater Air Conditioning, LLC for the design and construction of a seawater air conditioning/thermal energy storage district cooling system on Oahu.	ENE, WAM
SB 393, SD1 (SSCR256) Testimony Status	RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST ONE PLANET PACIFIC ENERGY, LLC, A PROCESSING ENTERPRISE. Provides the issuance of \$40,000,000 in special purpose revenue bonds to One Planet Pacific Energy, LLC. (SD1)	ENE, WAM
SB 485, SD1 (SSCR399) Testimony Status	RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST CARBON DIVERSION INC. Authorizes the issuance of special purpose revenue bonds to assist Carbon Diversion Inc. (SD1)	ENE, WAM
SB 486, SD1 (SSCR258) Testimony Status	RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES. Authorizes issuance of SPRBs for BioEnergy Hawaii, LLC. (SD1)	ENE, WAM
SB 559, SD1 (SSCR150) Testimony Status	RELATING TO RECYCLING. Directs the department of accounting and general services to establish by 01/01/11 a mandatory recycling program for all state buildings and facilities over which the department has authority. (SD1)	ENE/JGO, WAM

SB 1053, SD1 RELATING TO ENVIRONMENTAL REVIEW. ENE/TIA, WAM Allows an agency to transfer the responsibility for preparing and (SSCR260) funding environmental assessments and environmental impact statements to the user of the state or county land or new improvements **Testimony** to be constructed with state or county funds necessary to accommodate **Status** the user's operations. (SD1) RELATING TO DETENTION AND RETENTION PONDS. SB 1057, SD1 ENE/WTL, WAM Establishes a temporary water safety task force. (SD1) (SSCR354) **Testimony** Status SB 1066, SD1 RELATING TO THE NATURAL ENERGY LABORATORY OF ENE/EDT, WAM HAWAII AUTHORITY. (SSCR207) Increases the number of directors for NELHA to thirteen, adding two tenant representative directors. (SD1) **Testimony Status** RELATING TO AIR POLLUTION FEES. **SB 1260** ENE, WAM Removes the exemption from fees for air pollution emissions in excess (SSCR205) of 4,000 tons annually from covered sources. **Testimony Status** SB 1381, SD1 RELATING TO THE ENVIRONMENT. ENE, WAM Enables the receipt and use of moneys from the American Recovery (SSCR251) and Reinvestment Act of 2009 for drinking water and wastewater infrastructure. (SD1) **Testimony Status** SB 512, SD1 RELATING TO TAXATION. ENE, WAM Amends the definition of nameplate capacity for biofuels facilities and (SSCR259) revises the allowable tax credit to be equal to 40 cents per gallon of biofuel produced. (SD1) **Testimony** Status RELATING TO THE ISSUANCE OF SPECIAL PURPOSE SB 1633, SD1 ENE, WAM REVENUE BONDS TO ASSIST EPOD, INC., IN THE (SSCR402) DEVELOPMENT OF RENEWABLE ENERGY ON THE ISLAND OF OAHU. **Testimony** Authorizes the issuance of special purpose revenue bonds to EPOD, **Status** Inc. for renewable energy projects. (SD1) **CPN** RELATING TO GENERAL EXCISE TAX. CPN, WAM **SB 1165** Makes the GET exemption amendments for timeshare operators and (SSCR263) condominium submanagers permanent. **Testimony Status**

<u>LBR</u>

SB 63, SD1 RELATING TO WORKERS' COMPENSATION. LBR, WAM Requires an employer to pay temporary total disability benefits (SSCR428) regardless of whether the employer controverts the right to benefits. Specifies that the employee's ability to return to work is to be decided **Testimony** by the employee's treating physician. Convenes a working group. **Status** Effective upon approval for the convening of the working group; 7/1/10 if there is no consensus among the working group. (SD1) SB 1122, SD1 RELATING TO PUBLIC EMPLOYMENT. LBR, WAM Amends various sections of HRS to comply with Act 253, Session (SSCR430) Laws of Hawaii 2000, which places restrictions on the creation of civil service exempt positions and requires an annual review of exempt **Testimony** positions to determine whether they should be converted to civil **Status** service positions. (SD1) **EDH** SB 145, SD1 RELATING TO EDUCATION. EDH, WAM Clarifies the transfer of responsibility for repair and maintenance of (SSCR158) equipment and fixtures in school facilities from the department of accounting and general services to the department of education (part I); **Testimony** provides a temporary procurement code exemption (chapter 103 and **Status** 103D, Hawaii Revised Statutes), to the department of education in order to expedite construction projects (part II). (SD1) SB 773, SD1 RELATING TO HOUSING. EDH. WAM Appropriates funds for various homeless and housing programs and (SSCR378) projects. (SD1) **Testimony Status** RELATING TO EDUCATION. SB 1278, SD1 EDH, WAM Prohibits movement of junior kindergarten and kindergarten students (SSCR108) between tiers, except under certain circumstances; prohibits a junior **Testimony** kindergartener from directly graduating to the first grade, except under certain circumstances; establishes a separate curriculum for the junior Status kindergarten program; requires the department of education to staff junior kindergartens with qualified teachers and teacher aides; appropriates funds. (SD1) HTH RELATING TO TAX ON TOBACCO PRODUCTS OTHER THAN SB 38, SD1 HTH, WAM CIGARETTES. (SSCR328) Increases the tobacco tax on tobacco products other than cigarettes from 40 per cent to 60 per cent of the wholesale price and deposits **Testimony** 33.3 per cent of the proceeds collected into the community health Status centers special fund. (SD1) RELATING TO THE EMERGENCY AND BUDGET RESERVE SB 1679, SD1 HTH/HMS, WAM FUND. (SSCR416) Appropriates moneys from the emergency budget and reserve fund to maintain levels of programs for education, human services, and health. **Testimony** (SD1) Status **JGO**

RELATING TO THE INTERSTATE COMPACT FOR JUVENILES. **SB 109, SD1** JGO, WAM Adopts the new Interstate Compact for Juveniles and establishes the (SSCR62) family court's jurisdiction under the compact. Appropriates funds. (SD1) **Testimony** Status SB 194, SD1 RELATING TO TAXATION. JGO, WAM Requires a tax refund to be deposited in the taxpayer's accounts; (SSCR38) prohibits deposit into a paid preparer's accounts; requires a paid preparer to sign a return; establishes penalties. Eff 7/1/2050. (SD1) **Testimony** Status SB 1105, SD1 RELATING TO LEGISLATIVE HEARINGS AND PROCEDURES. JGO, WAM Requires any report of a study or an audit made by an executive (SSCR196) department or agency, and by the legislative reference bureau, auditor, **Testimony** judiciary, or office of Hawaiian affairs, to be submitted to the clerk of each house, senate president, speaker of the house, chairs of the **Status** appropriate subject matter committee of each house, and the legislative reference bureau library. Requires a public hearing or informational briefing, except if waived by the senate president or speaker of the house of representatives. Excludes certain routine reports. LBR MAKING AN APPROPRIATION FOR THE HAWAII COUNTY LBR, WAM SB 201, SD1 ECONOMIC OPPORTUNITY COUNCIL. (SSCR78) Appropriates funds for the Hawaii County Economic Opportunity Council to purchase 10 buses. (SD1) **Testimony Status** RELATING TO PUBLIC EMPLOYEES. LBR, WAM SB 642, SD1 Requires that across-the-board wage increases or reductions and (SSCR391) changes in health and retirement benefits for excluded employees in the excluded managerial compensation plan are at least equal to **Testimony** adjustments provided under collective bargaining to employees in the Status bargaining unit from which the employees in the managerial compensation plan are excluded. (SD1) MAKING AN APPROPRIATION FOR THE EMERGENCY LBR, WAM SB 713, SD1 ENVIRONMENTAL WORKFORCE. (SSCR392) Appropriates funds to continue the emergency environmental **Testimony** workforce program in light of recent national and local economic downturns and wars, and provides for the continuation of emergency Status environmental workforce services during periods of warfare or significant economic hardship. (SD1) RELATING TO JOB-SHARING FOR PUBLIC EMPLOYEES. SB 1126, SD1 LBR, WAM Authorizes the agencies of the executive, judiciary, and legislative (SSCR122) branches to establish a voluntary job-sharing program. (SD1) **Testimony** Status **TSM**

SB 1167, SD1 (SSCR68) Testimony	RELATING TO THE HAWAII TOURISM AUTHORITY. Renames and clarifies the duties of the executive director. Removes the sunset date for certain provisions of Act 58, Session Laws of Hawaii 2004. (SD1)	TSM, WAM
Status SB 1227, SD1 (SSCR344) Testimony Status	RELATING TO THE HAWAII TOURISM AUTHORITY. Repeals the Hawaii tourism authority; establishes the department of tourism; establishes an interagency working group to facilitate the transitioning of the department of tourism; transfers the convention center enterprise special fund, the tourism special fund, and the tourism emergency trust fund to the department of tourism; renames the department of business, economic development, and tourism to the	TSM, WAM
WTL SB 1315, SD1 (SSCR201) Testimony	department of business and economic development. (SD1) RELATING TO CONSERVATION AND RESOURCES ENFORCEMENT PROGRAM. Transfers conservation and resources enforcement program from the department of land and natural resources to the department of public safety. Effective 7/1/50. (SD1)	WTL/PSM, WAM
Statue	saicty. Effective 7/1/30. (SD1)	

Decision making meeting only, no public testimony will be accepted.

RELATING TO PLANNING AND ECONOMIC DEVELOPMENT.

Repeals the chapters relating to coastal zone management and state

planning, and transfers the authority and functions of the office of

WTL, WAM

Persons wishing to comment should submit their comments in one of the following ways:

- By Email: Comments may be emailed if less than 5 pages in length, to the Committee at WAMTestimony@Capitol.hawaii.gov. Please indicate the measure, date and time of the hearing. Email sent to individual offices or any other Senate office will not be accepted.
- By Web: Comments may be submitted online if less than 4MB in size, at http://www.capitol.hawaii.gov/emailtestimony.
- In person: 1 copy of their Comments to the committee clerk, Room 210, State Capitol.

planning to DBEDT. (SD1)

• By fax: Comments may be faxed if less than 5 pages in length, to the Senate Sergeant-At-Arms Office at 586-6659 or 1-800-586-6659 (toll free for neighbor islands), at least 24 hours prior to the hearing. When faxing, please indicate to which committee the comments is being submitted and the date and time of the hearing.

FOR AMENDED HEARING NOTICES: If the notice is an amended notice, measures that have been deleted are stricken through and measures that have been added are underscored. If there is a measure that is both underscored and stricken through, that measure has been deleted from the agenda.

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Status

SB 1318, SD1

(SSCR245)

<u>Testimony</u> Status If you require special assistance or auxiliary aids or services to participate in the public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the committee clerk 24 hours prior to the hearing so arrangements can be made.

Senator Donna Mercado Kim Chair