STAND. COM. REP. NO. **82**

Honolulu, Hawaii

Fry9, 2009

RE: H.B. No. 553 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred H.B. No. 553 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL ENTERPRISE ZONES," begs leave to report as follows:

The purpose of this bill is to encourage the establishment of modern medical and medical research facilities within the state by establishing a medical enterprise zone program initially consisting of a pilot medical enterprise zone in west Maui.

Classic Resorts Limited, West Maui Improvement Foundation, Lahainaluna High School Health Occupations Students of America, Newport Hospital Corporation, Lahaina-Honolua Senior Citizens Club, Trilogy Excursions, Lokelani Construction, and numerous concerned individuals submitted testimony in support of this measure. The Department of Health opposed the bill. Department of Taxation, Tax Foundation of Hawaii, and several concerned individuals commented on this measure.

Your Committee finds that our state, especially its rural areas, would benefit from the establishment of modern medical facilities for health care and research that would attract highly skilled medical professionals to work in Hawaii. Limiting potential investments in a medical enterprise zone to a pilot project in west Maui will minimize the impact on the State while allowing the State to evaluate the zone's performance.

In addition, the project offers the Department of Business, Economic Development, and Tourism an opportunity to examine the existing Enterprise Zone Program and consider whether a reform of its benchmarks is needed to make them more appropriate and applicable to medical, alternative energy, and other desirable research and technology businesses.

Your Committee has amended this bill by replacing the Department of Health with the Department of Business, Economic Development, and Tourism, which has expertise in administering the existing Enterprise Zone Program. To allow further discussion of this bill, its effective date has been changed to July 1, 2112.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 553, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 553, H.D. 1, and be referred to the Committee on Health.

Respectfully submitted on behalf of the members of the Committee on Economic Revitalization, Business, & Military Affairs,

ANGUS L.K. MCKELVEY, Chair

State of Hawaii House of Representatives The Twenty-fifth Legislature



Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: HB 553	Committee Referral:	Date:	2/3/20	209
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	1			
2. CHOY, Isaac W. (VC)				
2. CHO1, Isaac (1. (1. C)	19 19 19 19 19 19 19 19 19 19 19 19 19 1			30.0
3. BERG, Lyla B.	1			
4. EVANS, Cindy				
4. EVANS, Cindy	v v		4 T	
5. MANAHAN, Joey	✓			
	Service Servic	A CALL OF A CALL OF		
6. TAKAI, K. Mark				/
7. TOKIOKA, James Kunane				1
	Any Carlo	E 4 8 8 18		Barris Santa S
8. TSUJI, Clift				
9. WAKAI, Glenn				/
10. WOOLEY, Jessica	V			
11. WARD, Gene				2 8 05 G00 A6
			*	
TOTAL (11)	8			_3
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				