STAND. COM. REP. NO.

Honolulu, Hawaii **FeS 3**, 2011 RE: H.B. No. 371

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Tourism, to which was referred H.B. No. 371 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC RECOVERY,"

begs leave to report as follows:

The purpose of this bill is to revitalize Hawaii's construction and visitor industries by providing a tax credit for construction and renovation costs on hotel property.

In 2009, the Construction Industry Task Force (Task Force) was established to determine the economic contributions of the construction industry in Hawaii, especially in the midst of an economic recession. Additionally, in 2010, an informal small business discussion group was convened by the House Committee on Economic Revitalization, Business, and Military Affairs and Senate Committee on Economic Development and Technology to address the most critical issues faced by Hawaii's small business sector. A recommendation was proposed by the Task Force and small business discussion group to create a hotel construction and renovation tax credit to boost Hawaii's construction and visitor industries.

The Hawaii Tourism Authority testified in support of this measure. The Department of Taxation supports the intent of this bill. Outrigger Hotels & Resorts offered comments.



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As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 371 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

TOM BROWER, Chair



State of Hawaii House of Representatives The Twenty-sixth Legislature



Record of Votes of the Committee on Tourism

Bill/Resolution No.: HB 371	Committee Re TOU	eferral:		Date: 1/3//	//
The committee is reconsidering its	previous decision on	the measure.	I		
	ass, unamended (as is ass short form bill wi	-	s, with amendme nmit for future p	ents (HD)	
TOU Members		Ayes	Ayes (WR)) Nays	Excuse
1. BROWER, Tom (C)					
2. TOKIOKA, James Kunane (VC)	V			
3. AWANA, Karen L.			\checkmark		
4. CHOY, Isaac W.			\checkmark		
5. EVANS, Cindy		\checkmark			
6. HASHEM, Mark J.		X			
7. McKELVEY, Angus L.K.					V
8. NISHIMOTO, Scott Y.		V			
9. TSUJI, Clift		V			
10. CHING, Corinne W.L.		V			
11. MARUMOTO, Barbara C.		\checkmark	, ₍₁ ,		
TOTAL (11)		в	V		
•	int referral,	Not Adopte	did not su	pport recommendation	on.
Vice Chair's or designee's signature:	X[4][]/]	W///M		
Distribution: Original (White) – Con	mittee Duplic	ate (Yellow) -	Chief Clerk's Of	fice Duplicate (Pink) HMSO