

NEIL ABERCROMBIE  
GOVERNOR

BRIAN SCHATZ  
LT. GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF TAXATION  
P.O. BOX 259  
HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1530  
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FREDERICK D. PABLO  
INTERIM DIRECTOR OF TAXATION

RANDOLF L. M. BALDEMOR  
DEPUTY DIRECTOR

## HOUSE COMMITTEE ON FINANCE

### TESTIMONY OF THE DEPARTMENT OF TAXATION REGARDING HB 529 RELATING TO TAXATION

**TESTIFIER:** FREDERICK D. PABLO, INTERIM DIRECTOR OF  
TAXATION (OR DESIGNEE)  
**COMMITTEE:** FIN  
**DATE:** FEBRUARY 15, 2011  
**TIME:** 3:30PM  
**POSITION:** SUPPORT; COMMENTS

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This measure prohibits recipients of federal grants from qualifying for state tax credits.

The Department of Taxation (Department) generally **supports** this measure. However it is unclear what is included in the definition of "federal moneys."

**INELIGIBILITY FOR CREDITS PAID WITH GOVERNMENT MONEY—**  
The Department supports the proposal to preclude the use of government grants from being used to also qualify for tax credits. The Department believes this bill represents good general tax policy. A person should not be allowed to "double dip" benefits by being subsidized by the federal government on one hand and then leveraging that subsidy for further tax benefits.

**NEED FOR CLARIFICATION—**The Department requests clarification on whether the receipt of federal grants should bar a taxpayer from receiving any State tax credit, or only the portion of a State tax credit that results from the use or expenditure of the federal grant or monies. If it is the latter (as appears to be the intent), the Department suggests the following language:

**§235- Tax credits; ineligibility.** Notwithstanding any law to the contrary, to the extent a taxpayer or recipient receives a federal grant or moneys, and to the extent the expenditure of such federal grant or moneys results in the eligibility to claim any tax credit under this chapter, no tax credit under this chapter shall be allowed to the extent that the expenditure was paid with the federal grant or moneys.

**DEFINITION OF "MONEYS"** – The Department also requests clarification on what is meant by "federal moneys."

# TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

**SUBJECT:** INCOME, Ineligibility to claim state income tax credits

**BILL NUMBER:** HB 529

**INTRODUCED BY:** Yamashita, Chong, Choy

**BRIEF SUMMARY:** Adds a new section to HRS chapter 235 to provide that a taxpayer or recipient of a federal grant or moneys shall not be eligible to claim any state income tax credit if eligibility to claim the tax credit is met through receipt of the federal grant or moneys.

**EFFECTIVE DATE:** Tax years beginning after December 31, 2010

**EFFECTIVE DATE:** This measure proposes that a taxpayer receiving any grants or moneys from the federal government shall not be eligible for any state income tax credits if the taxpayer became eligible for the state income tax credits by receiving a federal grant or moneys. Since there are no qualifying provisions or restrictions, it is questionable whether a taxpayer who is a developer of affordable housing receiving federal stimulus funds may qualify for the state's compliment of the low-income housing tax credit. The developer may indeed need those credits to round out the financing of the affordable housing project.

Obviously this was not the intent of this proposal to deny a state tax credit - in this case the low-income housing tax credit - solely because a federal grant was received for an affordable housing development. This point has been made previously by the Realtors and private developers. On the other hand, understanding perhaps the introducer's intent of not wanting the state to subsidize an activity that has already benefitted from a federal grant, consideration should be given to enumerating those state initiated tax credits that would then fall under this proposed prohibition. That way it would be clearer to the taxpayers which credits would be null and void should a federal grant or subsidy be used to qualify for the state tax credit.

Digested 2/14/11

**Hawaii Solar Energy Association**

*Serving Hawaii Since 1977*



**February 15, 2011  
3:30PM  
Room 308**

**COMMITTEE ON FINANCE  
Hawaii Solar Energy Association**

*Serving Hawaii Since 1977*

**Mark Duda  
President**

**HB 529**

**TESTIMONY IN STRONG OPPOSITION**

Aloha Chair Oshiro, Vice Chair Lee, and Members of the Committee:

HSEA strongly opposes this measure in its current form because it would, perhaps inadvertently, disqualify most commercial solar projects from qualifying for the state's Renewable Energy Technologies Income Tax Credit (RETITC) available under HRS §235-12.5.

This is the case because, as a stimulus measure, the federal government has made its own business tax credit for solar investments available as a grant for projects started during the 2009-2011 tax years. That is, for projects begun or placed in service in these years, the tax filer has the option of taking a federal tax credit or, instead, electing to take a grant. In either case this federal incentive is worth 30 percent of the project's installed cost.

The federal government made the grant option available in order to continue its support renewable energy during a period when the overall economy was struggling. The federal government recognized that a tax credit used to offset taxes on business earnings would provide only a weak stimulus during a period of low and/or negative profitability for most firms.

Because of conditions in the broader economy, most commercial solar projects today elect to use the grant option. As a result, if HB529 passes in its current form, the market for commercial solar projects will drastically contract. Included in this contraction will be the State's own projects on the DOTA, DOE, Community Colleges, along with other federal and county level projects.

In short, the passage of HB529 in its current form will have a major and unambiguously negative impact on Hawaii's solar industry and on its commercial clients – the small and medium sized businesses that are critical to Hawaii's economy.

HSEA has attached an alternative to the current language which would, rather than disqualify all projects receiving federal grants from receiving state credits, (1) reduce the basis used to calculate the state credit by the amount of any federal grant received but (2) exempt grants offered in lieu of credits (as opposed to standard grants) from this provision. HSEA believes that this revision, while more modest, is an appropriate response to the issues involved, while avoiding any unintended industry-wide consequences.

Thank you for the opportunity to testify on this measure.

Mark Duda  
President, Hawaii Solar Energy Association

**About Hawaii Solar Energy Association**

*Hawaii Solar Energy Association (HSEA) is comprised of installers, distributors, manufacturers and financiers of solar energy systems, both hot water and PV, most of which are Hawaii based, owned and operated. Our primary goals are: (1) to further solar energy and related arts, sciences and technologies with concern for the ecologic, social and economic fabric of the area; (2) to encourage the widespread utilization of solar equipment as a means of lowering the cost of energy to the American public, to help stabilize our economy, to develop independence from fossil fuel and thereby reduce carbon emissions that contribute to climate change; (3) to establish, foster and advance the usefulness of the members, and their various products and services related to the economic applications of the conversion of solar energy for various useful purposes; and (4) to cooperate in, and contribute toward, the enhancement of widespread understanding of the various applications of solar energy conversion in order to increase their usefulness to society.*

HB529: PROPOSED ALTERNATE LANGUAGE

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§235- Tax credits; ineligibility.

Notwithstanding any law to the contrary, the basis for calculating the amount of any Hawaii tax credit available under this section shall be reduced by the amount of any federal grant received, provided that grants received in lieu of a federal tax credit are exempted from this restriction."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval and shall apply to taxable years beginning after December 31, 2011.

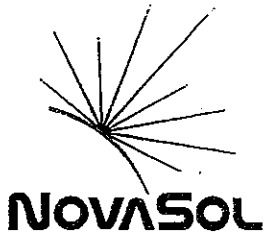
INTRODUCED BY: \_\_\_\_\_

**Report Title:**

Tax Credits

**Description:**

Reduces the basis for calculating Hawaii tax credits available under Section 235 by the amount of any federal grants received; exempts grants elected in lieu of tax credits from this provision.



February 14, 2011

Hawaii State Legislature  
Honolulu, HI 96813

To whom it may concern:

I am writing to you to express my strong opposition to HB 529 which seeks to prohibit recipients of federal monies from receiving State tax credits. This bill is extremely broad and will ensnare a huge number of individuals and organizations in the State of Hawaii that receive federal monies. It will further prevent almost all R&D credit opportunities in the State as almost all R&D conducted in Hawaii is through Federal monies, typically involving a highly competitive process (i.e. it is NOT a double dip)..

This bill would literally stop broad sectors of R&D activities in the State by removing the very incentives the State is working so hard in achieving R&D activity here. R&D work is critical to the future growth in Hawaii industry and education and should be supported not dampened or eliminated as this bill would do.

Please feel free to contact me at any time if you have other questions or comments.

Sincerely,

Rick E. Holasek, Ph.D.  
President and CEO  
NovaSol  
1001 Bishop Street, Suite 2950  
Honolulu, HI 96813  
(808) 441-3666  
[rick@nova-sol.com](mailto:rick@nova-sol.com)

CORPORATE OFFICE

1001 Bishop Street  
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FINANCE OFFICE

1001 Bishop Street  
Suite 2950  
Honolulu, Hawaii 96813  
808.441.3600  
808.441.3601 fax





TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

TUESDAY, FEBRUARY 15, 2011 AT 3:30 P.M.

**Conference Room 308, State Capitol  
Agenda #3**

**RE: HOUSE BILL NO. 529 RELATING TO TAXATION**

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

Puko'a Scientific strongly opposes HB 529 relating to Taxation. Although we are concerned about the broad impact of this bill, this testimony specifically addresses the impact on the research and development industry (R&D).

Thank you for the opportunity to testify on this bill. Puko'a Scientific strongly opposes HB529

Federal research and development support plays a critical role in growing Hawaii's science and tech sectors with support coming from a range of Federal sources including the Department of Defense, NIH, NSF, Department of Energy, Homeland Security, and the Department of Agriculture. However, federal funds are restricted to only research and development activities and may not be used for commercialization. Through leveraging of federal funds the state receives a greater return on investment when companies are able to accelerate commercialization through use of complementary and unrestricted R&D tax credits. This proposed Bill will eliminate the ability for the largest research and experimentation sector in Hawaii to qualify for the benefits under HRS Chapter 235 and eviscerate the entire purpose and intent of the R&D tax credit. Finally, the language of the bill is vague and confusing and may have unintended consequences which negatively impact the growth of Hawaii's tech companies. Therefore, we strongly oppose this bill.

Puko'a Scientific is a 9 person company started in 2004 specializing in the interpretation of image and signal data to identify objects, threats or targets. Puko'a Scientific is in the dual use sector.

Sincerely,

/s/James P. Karins

James P. Karins  
President and CEO  
Puko'a Scientific





Written Statement of  
**IAN KITAJIMA**  
**CONVENER**  
Hawaii Dual Use Industry  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Support of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Ian Kitajima, Convener.

Re: **Testimony in Opposition of HB529**

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

Hawaii's dual use companies compete nationally for federal funding to conduct advance research and development (R&D) from Kona on the Big Island to Waimea on Kauai. On average, companies write ten proposals to win one project. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for Hawaii's Dual use companies to bear the risk and expense to compete for federal funding.

By supporting this bill, you will further reduce the incentive to compete for federal work, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

The Dual Use Industry and its companies are major STEM contributors from BAE Systems' Statewide sponsorship of FIRST Robotics and the dozens of smaller companies acting as robotics mentors and judges, to hosting visits from schools, to providing valuable internships for Hawaii kids to work on advance research that rivals anything on the mainland.

We are exciting Hawaii kids to become the next great scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

A few additional points to consider:

- The bill may affect anyone receiving Federal funding.
- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
- The federal tax code IRC 41(d) already limits R&D tax credits to research that is both unfunded and has intellectual property rights. Thus only research that has risk to the company can be claimed for tax credits. This bill could create confusion with already defined restrictions.
- Companies have used the State R&D tax credit to fund the startup of new companies - Fatigue Science [Archineotics], Hoana Medical & Nanopoint [Oceanit], Action Packed Networks [Referentia].
- Companies have used the State R&D tax credit to fund internal R&D efforts. Oceanit's internal R&D fund which is funded by the R&D credit has a 70% success rate for projects that go on and win Federal funding.

We strongly urge you to vote in opposition of HB529 and appreciate your continued support of Hawaii's technology industry.

Sincerely, *Ian Kitajima*



Written Statement of  
**Curt Leonard**  
**Project Manager**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Curt Leonard, Project Manager

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony in **opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

At Oceanit, we regularly employ over a dozen summer interns, host labs and facilities tours for public and charter school kids, mentor and judge robotics programs throughout Hawaii, raise money for education programs on Maui and Kauai, support the Women in Technology program, and so on. For the last three years, we have produced over 130 episodes of "Weird Science with Dr. V" every Tuesday morning on Hawaii News Now. These programs are supported in part by the State's R&D tax credit, which this bill would negate.

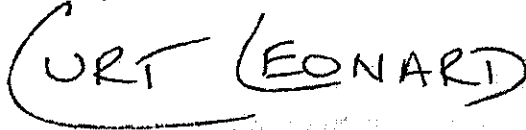
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,



Curt Leonard  
Project Manager  
590 Lipoa Parkway, Suite 159  
Kihei, HI 96753  
808-875-2385



**oceanit.**



Written Statement of  
**Dr. Edward A. Pier**  
**Senior Scientist**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Dr. Edward A. Pier, Senior Scientist

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

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Sincerely,



Edward A. Pier





Written Statement of  
**Dr. Ryan Miyamoto**  
**Sr. RF Research Engineer**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Dr. Ryan Miyamoto, Sr. RF Research Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

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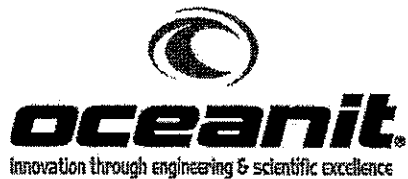
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

*Ryan Miyamoto*





Written Statement of  
**Scott Otake**  
**Electrical Engineer**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Scott Otake, Electrical Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

Scott Otake





Written Statement of  
**Zubin Menon**  
Special Projects  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308

**IN OPPOSITION OF**  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Zubin Menon, Special Projects

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB 529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advanced research and development (R&D) in Hawai'i. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawai'i companies to bear the risk and expense to compete for these federal dollars.

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We are encouraging Hawai'i kids to become scientists and engineers, but where will they go and who will they work for when there is no industry because of this bill?

A few additional points to consider:

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We strongly urge you to vote in opposition of HB 529 and appreciate your continued support of the technology industry.

Sincerely,

Zubin Menon



Written Statement of  
**Paul Pernambuco-Wise**  
**Chief Scientist**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Support of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Dr. Paul Pernambuco-Wise, Chief Scientist

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

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We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

A few additional points to consider:

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- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

Paul Pernambuco-Wise Ph.D







Written Statement of  
**Frank M Price, III**  
**Laser / LIDAR / Optical Engineer**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Frank M Price, III, Laser/LIDAR/Optical Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

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Sincerely,

Frank M Price, III

Laser/LIDAR/Optical Engineer





Written Statement of  
**Michael Ching**  
Engineer  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Michael Ching, Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,  
Michael Ching





Written Statement of  
**CRIS TAKUSHI**  
**SENIOR CIVIL ENGINEER**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee  
From: Cris Takushi, Senior Civil Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

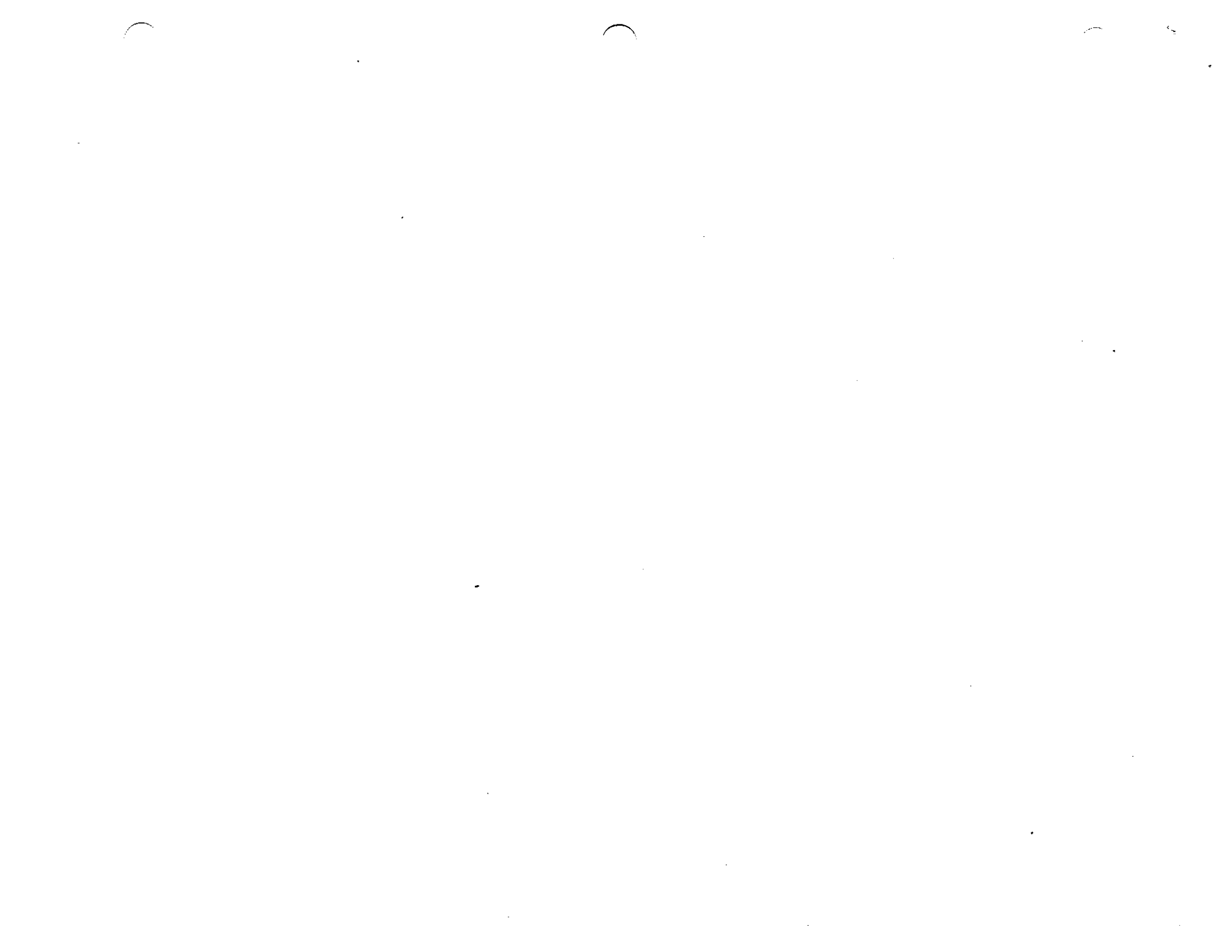
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Sincerely,

*Cris Takudin*



Written Statement of  
**Scott R. Gregory**  
Program Manager  
Oceanit

before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Scott R. Gregory

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

Scott  
Gregory

Digitally signed by Scott Gregory  
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ou=ECA, ou=VeriSign, Inc.,  
ou=Oceanit Laboratories, Inc.,  
cn=Scott Gregory  
Date: 2011.02.15 09:21:54 -10'00'





Written Statement of  
**Jonathan Levy**  
**Geographic Information Systems Analyst**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: INSERT YOUR NAME HERE, YOUR TITLE

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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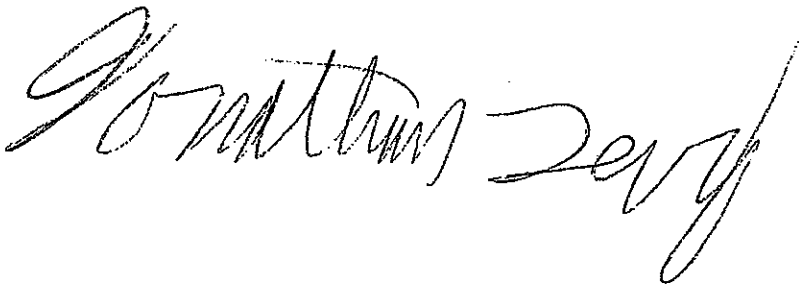
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Sincerely,





Written Statement of  
**MISIPATI S. MULIPOLA**  
**ACCOUNTANT**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: MISIPATI S. MULIPOLA, ACCOUNTANT

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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Sincerely,

~~Validity unknown~~

Digitally signed by MISIPATI MULIOLA  
Date: 2011.02.15 09:16:45 HST  
Reason: I agree to the terms defined by the placement of my signature on this document  
Location: HONOLULU, HAWAII - OCEANIT HQ



Written Statement of  
**Sophie Isobe**  
Corporate Office Manager  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Sophie Isobe, Corporate Office Manager

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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Sincerely,





Written Statement of  
**Edmund Dana**  
**Sr. Database Architect**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: INSERT YOUR NAME HERE, YOUR TITLE

Re: Testimony in Opposition of HB529

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Sincerely,

Edmund  
Dana

Digitally signed by Edmund Dana  
DN: CN = Edmund Dana, C =  
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Written Statement of  
**Karlton Kau**  
**Administrative Assistant**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

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Sincerely,

Karlton Kau

Administrative Assistant





Written Statement of  
**L.P. Neenz Faleafine**  
**Community Developer**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: L.P. Neenz Faleafine, Community Developer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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Sincerely,

L.P. Neenz Faleafine



**oceanit.**



Written Statement of  
**Donald Harbin**  
Senior R&D Engineer  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Donald Harbin, Senior R&D Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529.**

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

At Oceanit, we regularly employ over a dozen summer interns, host labs and facilities tours for public and charter school kids, mentor and judge robotics programs throughout Hawaii, raise money for education programs on Maui and Kauai, support the Women in Technology program, and so on. For the last three years, we have produced over 130 episodes of "Weird Science with Dr. V" every Tuesday morning on Hawaii News Now. These programs are supported in part by the State's R&D tax credit, which this bill would negate.

We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

A few additional points to consider:

- The bill may affect anyone receiving Federal funding.
- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
- The federal tax code IRC 41(d) already limits R&D tax credits to research that is both unfunded and has intellectual property rights. Thus only research that has risk to the company can be claimed for tax credits. This bill could create confusion with already defined restrictions.

We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

Donald Harbin





Written Statement of  
**Andrew Keane**  
**Civil Engineer**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Andrew Keane, Civil Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?



A few additional points to consider:

- The bill may affect anyone receiving Federal funding.
- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,



Andrew P. Keane, P.E.  
Civil Engineer



Written Statement of  
**Cherilyn Faylogna**  
System Integration Engineer  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Cherilyn Faylogna, System Integration Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529.**

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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A few additional points to consider:

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- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

A handwritten signature in black ink, appearing to be "Chris Johnson", written over the word "Sincerely,".



Written Statement of  
**Linda Y. Kawamura, Human Resources Manager, Oceanit**  
before the **HOUSE COMMITTEE ON FINANCE**  
February 15, 2011, 3:30 PM, State Capitol, Conference Room 308

In Opposition of  
**HB 529 RELATING TO TAXATION**

To: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Linda Y. Kawamura, Human Resources Manager

Re: Testimony in Opposition of HB529

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Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars. By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

A few additional points to consider:

- The bill may affect anyone receiving Federal funding.
- The risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
- The federal tax code IRC 41(d) already limits R&D tax credits to research that is both unfunded and has intellectual property rights. Thus only research that has risk to the company can be claimed for tax credits. This bill could create confusion with already defined restrictions.

We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.



Written Statement of  
**CINDY MATSUKI**  
**DEPUTY MARKETING MANAGER**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: CINDY MATSUKI, Deputy Marketing Manager

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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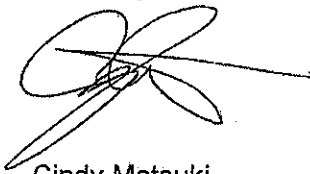
We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

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- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,



Cindy Matsuki



Written Statement of  
**Jean C. Wu**  
Accounting Manager  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Support of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: INSERT YOUR NAME HERE, YOUR TITLE

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

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We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

A few additional points to consider:

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,







Written Statement of  
**Curt Leonard**  
**Project Manager**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Curt Leonard, Project Manager

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony in **opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,



Curt Leonard  
Project Manager  
590 Lipoa Parkway, Suite 159  
Kihei, HI 96753  
808-875-2385



**oceanit.**



Written Statement of  
**Sharyn Sharp**  
Assistant Network Administrator  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Sharyn Sharp, Assistant Network Administrator

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529.**

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

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As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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We are exciting Hawaii kids to become scientists and engineers, but where will they go, who will they work for when there is no industry because of this bill?

A few additional points to consider:

- The bill may affect anyone receiving Federal funding.
- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

A handwritten signature in black ink, consisting of several overlapping loops and curves, positioned below the word "Sincerely,".



Written Statement of  
**Brooke Gibson**  
Scientist  
Oceanit  
Before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Brooke Gibson, Scientist

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529.**

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advanced research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before the gunshot is heard. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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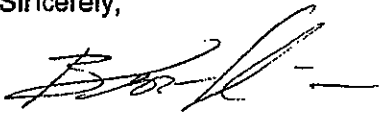
We are exciting Hawaiian kids who are now wanting to become scientists and engineers, but where will they go, and who will they work for when there is no industry because of this bill?

A few additional points to consider:

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- The purpose of a State R&D tax credit is to share the risks and rewards by creating an incentive for companies to setup or stay in a region, attract outside capital (Federal, Private, etc), and for these companies to build valuable enterprises that become economic engines of prosperity.
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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,

A handwritten signature in black ink, appearing to be "Bob", with a horizontal line extending to the right.



Written Statement of  
**Shu Ki Tsang**  
Civil Engineer  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: INSERT YOUR NAME HERE, YOUR TITLE

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529.**

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,







Written Statement of  
**Robert Mon**  
**Proposal Administrator**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Robert Mon, Proposal Administrator

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529**.

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

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We strongly urge you to vote in opposition of HB529 and appreciate your continued support of the technology industry.

Sincerely,





Written Statement of  
**Julie Higa**  
Executive Assistant  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Support of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Julie Higa, Executive Assistant

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

Thank you for the opportunity to submit testimony **in opposition of HB529.**

Oceanit currently employs about 160 scientists, engineers and support staff. We compete nationally for federal funding to conduct advance research and development (R&D) in Hawaii. For example, we are developing revolutionary technologies like pressure sensitive concrete and sniper detection systems that see the shooter before you hear the gunshot. On average, we write ten proposals to win two. But during the last two years, federal funding is down, and the competition is up. This has reduced the incentive for us and other Hawaii companies to bear the risk and expense to compete for these federal dollars.

By supporting this bill, you will further reduce the incentive to compete, which works counter to the "Hawaii Fair Share Initiative" to bring more Federal funding to Hawaii, but you will also affect industry support of STEM education and outreach, because companies will have to cut back on staff and resources.

As an industry, about \$11 million in R&D is claimed per year, but in exchange, the State gets an injection of \$55 million into the economy before one dollar of credits is claimed, and that's only for qualified research, as millions more flow into the economy that don't qualify but still benefit Hawaii.

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Chair Oshiro, Vice Chair Lee, and Members of the Committee  
Testimony in Opposition of HB529  
Page 2

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Sincerely,

  
Julie Higa



Written Statement of  
**Judi E. Morris**  
**Contracting and Business Analyst**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Judi E. Morris, Contracting and Business Analyst

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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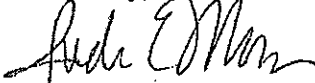
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Judi E. Morris



**oceanit.**



Written Statement of  
**Michele Caberto**  
**Administrative Coordinator**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: Michele Caberto, Administrative Coordinator

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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Written Statement of  
**VENKAT KAMAVARAM**  
**Sr. Materials Engineer**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: VENKAT KAMAVARAM, Sr. Materials Engineer

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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Venkat Kamavaram



Written Statement of  
**David Takeyama**  
IT Director  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Support of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: David Takeyama, IT Director

Re: Testimony in Opposition of HB529

Honorable Chair, Vice-Chair and Committee Members:

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David Y. Takeyama



Written Statement of  
**Yuko Nakayama**  
**Senior Accountant**  
Oceanit  
before the  
**HOUSE COMMITTEE ON FINANCE**  
February 15, 2011  
3:30 PM  
State Capitol, Conference Room 308  
In Opposition of  
**HB 529 RELATING TO TAXATION**

TO: Chair Oshiro, Vice Chair Lee, and Members of the Committee

From: YUKO NAKAYAMA, Senior Accountant

Re: Testimony in Opposition of HB529

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Sincerely,



Yuko Nakayama

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 15, 2011 10:26 AM  
**To:** FINTestimony  
**Cc:** rcognion@oceanit.com  
**Subject:** Testimony for HB529 on 2/15/2011 3:30:00 PM

Testimony for FIN 2/15/2011 3:30:00 PM HB529

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Rita L. Cognion  
Organization: Individual  
Address:  
Phone:  
E-mail: [rcognion@oceanit.com](mailto:rcognion@oceanit.com)  
Submitted on: 2/15/2011

Comments:

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Tuesday, February 15, 2011 10:47 AM  
**To:** FINTestimony  
**Cc:** Lge@oceanit.com  
**Subject:** Testimony for HB529 on 2/15/2011 3:30:00 PM

Testimony for FIN 2/15/2011 3:30:00 PM HB529

Conference room: 308  
Testifier position:  
Testifier will be present: No  
Submitted by: Liang Ge  
Organization: Individual  
Address:  
Phone:  
E-mail: [Lge@oceanit.com](mailto:Lge@oceanit.com)  
Submitted on: 2/15/2011

Comments: