STAND. COM. REP. NO. 1645 -12

Honolulu, Hawaii

April 5 , 2012

RE: S.B. No. 745

S.D. 2 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 745, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING,"

begs leave to report as follows:

The purpose of this measure is to reduce Hawaii's reliance on fossil fuels and support alternative energy systems by including the production of air conditioning from a seawater air conditioning district cooling system within the definition of "eligible business activity" under the State's Enterprise Zone program. This bill also stipulates that gross proceeds received by a contractor in connection with the construction of a seawater air conditioning district cooling system shall not be exempt from the general excise tax.

Honolulu Seawater Air Conditioning, LLC, and an individual supported the measure.

Your Committee has amended this measure by:

(1) Deleting the contents of this measure and replacing same with provisions that extend the lapsing date of the special purpose revenue bonds to assist Honolulu Seawater Air Conditioning, LLC, pursuant to Act 165, Session Laws of Hawaii 2007, to build a seawater air conditioning district cooling system on Oahu; and

(2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 745, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 745, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Finance

	e Referral: EEP FIN	Date:	4/41	12
☐ 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	V			-
2. LEE, Marilyn B. (VC)				
3. CHOY, Isaac W.	1			
4. CULLEN, Ty				
5. GIUGNI, Heather	V			
6. HAR, Sharon E.				
7. HASHEM, Mark J.				
8. ICHIYAMA, Linda				
9. JORDAN, Jo	V/			
10. KAWAKAMI, Derek S.K.				
11. LEE, Chris				~
12. MORIKAWA, Dee				-
13. TOKIOKA, James Kunane				
14. YAMASHITA, Kyle T.				
15. MARUMOTO, Barbara C.				
16. RIVIERE, Gil				
17. WARD, Gene				
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TOTAL (17)	16	0	0	/
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Marily B. Lee				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				