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FREDERICK D. PABLO

DIRECTOR OF TAXATION

To: The Honorable David Y. Ige, Chair and Members of the Senate Committee on Ways and Means

Date:Thursday, March 28, 2013Time:9:05 A.M.Place:Conference Room 211, State Capitol

From: Frederick D. Pablo, Director Department of Taxation

Re: H.B. 473 H.D. 1, S.D. 1, Relating to the Natural Energy Laboratory of Hawaii Authority

The Department of Taxation ("Department") provides the following information and comments for your consideration with regard to H.B. 473 H.D. 1 S.D. 1.

This measure allows the Natural Energy Laboratory of Hawaii Authority to enter into inter-agency agreements, memoranda of agreement or memoranda of understanding with the Hawaii Strategic Development Corporation.

The Department notes that, in contrast to the H.D. 1 version, this measure does not have a revenue impact for any of the State's funds.

Thank you for the opportunity to provide comments.



NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

An Authority of the State of Hawaii attached to the Department of Business, Economic Development & Tourism

Statement of

Gregory P. Barbour Executive Director

Natural Energy Laboratory of Hawaii Authority

before the

SENATE COMMITTEE ON WAYS AND MEANS

Thursday, March 28, 2013 9:05 am State Capitol, Conference Room 211

in consideration of

HB 473 H.D. 1 S.D 1 RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

The Natural Energy Laboratory of Hawaii Authority (NELHA) supports H.B. 473 H.D. 1

S.D. 1 with amendments which changes Chapter 227D with relationship to inter-agency

agreements and working closely with the Department of Business, Economic Development and

Tourism.

We have worked closely with DBEDT and other economic development agencies over the years to grow Hawaii's economy especially in the area of renewable energy and ocean science and technology that is central to our mission. Growth of the technology sector remains a high priority still today in the State of Hawaii's overall economic development strategy. We recognize that inter-agency cooperation is important and will continue to collaborate further to assist in growing the technology sector.

It is important to note that the language in HB 473 H.D. 1 which would make the businesses at NELHA eligible for consideration of Enterprise Zone credits is also very important us. We respectfully request that this language be strongly considered for re-insertion into this measure as well. We support limiting the eligibility to those new businesses involved in renewable energy only.

Thank you for the opportunity to offer these comments.