

Honolulu, Hawaii  
**March 21**, 2014

RE: S.B. No. 3081  
S.D. 1  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committees on Tourism and Economic Development &  
Business, to which was referred S.B. No. 3081, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose of this measure is to promote economic development by facilitating the interaction of local and out-of-state businesses and investors through an organized interaction program held in conjunction with a larger event. This measure establishes an innovative business interaction program under the Hawaii Tourism Authority and increases the transient accommodations tax revenues deposited into the tourism special fund by an unspecified amount to provide funds for the program.

The Hawaii Tourism Authority, Hawaii Strategic Development Corporation, and The Chamber of Commerce of Hawaii supported this measure. The Department of Business, Economic Development, and Tourism; Department of Budget and Finance; and Tax Foundation of Hawaii offered comments on this measure.

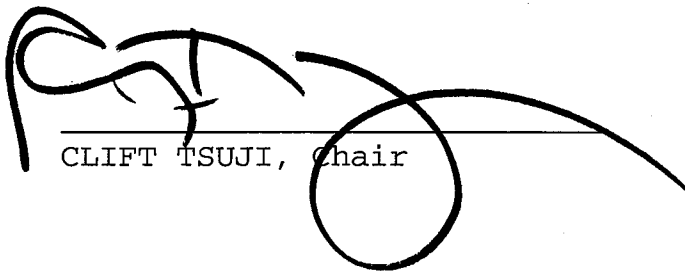
Your Committees have amended this measure by making technical, nonsubstantive amendments, including placing the Hawaii Tourism Authority's expenditure authority in the proper statutory section.



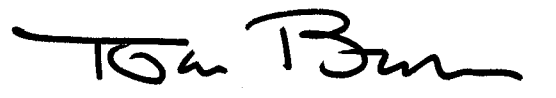
Your Committees respectfully note that the Department of Budget and Finance expressed concerns that this measure may negatively impact the general fund by reducing the Transient Accommodations Tax revenues deposited in the general fund and thereby affecting the total amount of general funds available for other public services and programs. Your Committees understand this concern but feel that the potential additional revenue generation represented by this measure is worth further investigation.

As affirmed by the records of votes of the members of your Committees on Tourism and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3081, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3081, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Tourism and  
Economic Development &  
Business,



CLIFT TSUJI, Chair



TOM BROWER, Chair



HSCR 1140-14

Bill/Resolution No.: SB 3081 SD1		Committee Referral: TOU/EDB, FIN		Date: 3/17/14	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)					
TOU Members		Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)		✓			
2. CACHOLA, Romy M. (VC)		✓			
3. AWANA, Karen					✓
4. CHOY, Isaac W.					✓
5. OHNO, Takashi		✓			
6. ONISHI, Richard H.K.		✓			
7. TAKAI, K. Mark					✓
8. TOKIOKA, James Kunane		✓			
9. TSUJI, Clift		✓			
10. WARD, Gene		✓			
TOTAL (10)		7	0	0	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: <i>Romy M. Cachola</i>					
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO					

State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR 1140-14

**Record of Votes of the Committee on Economic Development & Business**

<b>Bill/Resolution No.:</b> SB3081, SD1	<b>Committee Referral:</b> TDB/EDB, FIN	<b>Date:</b> 3/17/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. TSUJI, Clift (C)	/			
2. WARD, Gene (VC)	/			
3. AWANA, Karen				/
4. BROWER, Tom	/			
5. CACHOLA, Romy M.	/			
6. ITO, Ken				/
7. CHOY, Isaac W.				/
8. OHNO, Takashi	/			
9. ONISHI, Richard H.K.	/			
10. TOKIOKA, James Kunane	/			
11. WOOLEY, Jessica	/			
<b>TOTAL (11)</b>	8 <del>7</del>	0	0	3
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> _____				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				