

Honolulu, Hawaii

FEB 17 2015

RE: S.B. No. 721

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committees on Tourism and International Affairs and
Economic Development and Technology, to which was referred S.B.
No. 721 entitled:

"A BILL FOR AN ACT RELATING TO INNOVATIVE BUSINESS
INTERACTION, "

beg leave to report as follows:

The purpose and intent of this measure is to promote economic
development. More specifically, this Act:

- (1) Establishes an innovative business interaction program
under the Department of Business, Economic Development,
and Tourism to increase the opportunity for interaction
between innovative business investors and innovative
business talent from out-of-state and in-state; and
- (2) Increases the transient accommodations tax revenues
deposited into the tourism special fund to provide funds
for the program.

Your Committees received testimony in support of this measure
from the Department of Business, Economic Development, and
Tourism; High Technology Development Corporation; and Hawaii
Tourism Authority. Your Committees received testimony in
opposition to this measure from the State Procurement Office.
Your Committees received comments on this measure from the Tax
Foundation of Hawaii and Department of Budget and Finance.



Your Committees find that innovative business growth in Hawaii requires relationships to be established between investors and innovative talent through opportunities that allow for capital and talent to interact. Opportunities need not occur at trade, scientific, commercial, or technology-focused events, and Hawaii has hosted events that may serve as the foundation for innovative business interaction. Your Committees further find that the State should contract with the organizer of an annual event in Hawaii to add a component that encourages the interaction of innovative business investors and talent.

Your Committees also find that, as raised in testimony, some of the proposed statutory language in section 2 of this measure may be unnecessarily restrictive of competition and contrary to the Hawaii Administrative Rules.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language in section 2 that established minimum qualification criteria for the event organizer, and thereby requiring the contract to be awarded in accordance with chapter 103D, Hawaii Revised Statutes, without further restrictions; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 721, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 721, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Tourism and
International Affairs and
Economic Development and
Technology,



GLENN WAKAI, Chair



GILBERT KAHELE, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Tourism and International Affairs
TSI

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 721</div>	Committee Referral: <i>no</i> <div style="font-size: 1.2em; font-family: cursive;">EDT/TSI, Wam TSI/EDT</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">02/09/15</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KAHELE, Gilbert (C)	✓			
ENGLISH, J. Kalani (VC)	✓			
TANIGUCHI, Brian T.	✓			
TOKUDA, Jill N.				✓
SLOM, Sam	✓			
TOTAL	4			1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;">J. Kalani English</div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em; margin-top: 5px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes

The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Economic Development and Technology
EDT

Bill / Resolution No.:* SB 721	Committee Referral: TSI/EDT, WAM	Date: 2/6/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	X			
SLOM, Sam (VC)	X			
BAKER, Rosalyn H.	X			
CHUN OAKLAND, Suzanne	X			
DELA CRUZ, Donovan M.	X			
ESPERO, Will				X
HARIMOTO, Breene	X			
TOTAL	6	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: _____				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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