1 ATE OF HAA 1959 : 195

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt

Statement of LUIS P. SALAVERIA Director Department of Business, Economic Development, and Tourism before the

HOUSE COMMITTEE ON FINANCE

Tuesday, March 1, 2016 1:00 pm State Capitol, Conference Room 308

in consideration of HB 2486, HD2 RELATING TO ECONOMIC DEVELOPMENT.

Chair Luke, Vice Chair Nishimoto, and Members of the Committee on Finance. The Department of Business, Economic Development, and Tourism (DBEDT) offers comments on HB 2486, HD2. DBEDT understands that the goal of this measure is to encourage the development of jobs in Kapolei for Kapolei residents, who will then not need to commute into urban Honolulu.

The EZ program has proven to be an effective job creation program. In 2014, certified EZ program companies reported 1,387 new or maintained jobs statewide. We have identified 14 currently enrolled companies with Kapolei addresses out of a total of 132 currently enrolled EZ companies for Oahu. These companies with Kapolei addresses are located either in the Pearl City-Ewa-Central Oahu or the Leeward Enterprise Zones, both of which include parts of Kapolei.

We defer to the Department of Taxation on the fiscal impact of this bill. Thank you for the opportunity to provide this written testimony. DAVID Y. IGE GOVERNOR

LUIS P. SALAVERIA DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377 SHAN TSUTSUI LT. GOVERNOR



MARIA E. ZIELINSKI DIRECTOR OF TAXATION

JOSEPH K. KIM DEPUTY DIRECTOR

STATE OF HAWAII **DEPARTMENT OF TAXATION** P.O. BOX 259 HONOLULU, HAWAII 96809 PHONE NO: (808) 587-1540 FAX NO: (808) 587-1560

To: The Honorable Sylvia Luke, Chair and Members of the House Committee on Finance

Date:March 1, 2016Time:1:00 P.M.Place:Conference Room 308, State Capitol

From: Maria E. Zielinski, Director Department of Taxation

Re: H.B. 2486, H.D. 2, Relating to Economic Development.

The Department of Taxation (Department) appreciates the intent of H.B. 2486, H.D. 2, and offers the following comments regarding Section 3 for your consideration.

H.B. 2486, H.D. 2, creates an income tax credit for businesses that establish themselves in, or relocate to, the Kapolei area and participate in the Enterprise Zone program. The tax credit is subject to an aggregate cap of an unspecified amount. H.B. 2486, H.D. 2, has a defective effective date of February 19, 2022, applies to taxable years beginning after December 31, 2016, and is repealed December 31, 2027.

First, the Department notes that the Kapolei job initiative program is created within the Department of Business, Economic Development, and Tourism (DBEDT). However, the tax credit certification found beginning at line 10 of page 3 rests with the Department. The Department believes that the certification should be done by DBEDT for the purposes of administering the aggregate cap in subsection (c) of the Section 3 of this measure and to prevent taxpayer confusion regarding the difference between a tax credit certification and whether the Department accepts the tax credit claim as filed by the taxpayer. Taxpayers often mistakenly believe that a certification of a tax credit means that the Department may not audit and ultimately adjust the tax credit.

Second, the Department notes that subsection (b) is unclear. The Department suggests adopting language similar to that found in section 209E-10, HRS, in order to carry out the bill's intent of creating a nonrefundable tax credit equal to a percentage of income tax owed and unemployment insurance paid that may be carried forward into future tax years.

Third, the Department appreciates the inclusion of subsection (c) in H.D.2, which prevents taxpayers who only relocate a portion of their business to Kapolei from claiming the credit on their

Department of Taxation Testimony FIN HB 2486 HD2 March 1, 2016 Page 2 of 2

entire amount of tax owed. However, the Department suggests amending this subsection to also require such an allocation with respect to the unemployment insurance paid.

Fourth, the Department notes that while H.B. 2486, H.D. 2, requires the business remain in Kapolei in order to qualify as an eligible business for the credit, there is no penalty for businesses who relocate to Kapolei temporarily, and then leave before the program ends. The Department suggests adding a new subsection with a recapture provision requiring taxpayers to repay the tax credit if they leave the Kapolei area before the end of the program's duration.

Finally, the Department suggests the effective date be amended. The Department suggests making the tax credit effective for tax years beginning after December 31, 2016, but not for tax years beginning after December 31, 2027. The current effective date would provide a shorter period of eligibility for taxpayers whose tax years start on a day other than January 1. For example, a taxpayer with an October 1 start to its taxable year would only be eligible for this credit on tax owed and unemployment insurance paid beginning on October 1, 2017, while a calendar year taxpayer would be eligible beginning January 1, 2017. In 2027, the calendar year taxpayer would be able to claim the credit on all tax owed and unemployment insurance paid during 2027, but the October 1 taxpayer would only be able to claim the credit for tax owe and unemployment insurance paid from October 1, 2027 until December 31, 2027. Effectively, the October 1 taxpayer receives eight fewer months of the tax benefit as an otherwise identically situated taxpayer who files on a calendar year basis.

Thank you for the opportunity to provide comments.

SHAN S. TSUTSUI LIEUTENANT GOVERNOR



STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS 830 PUNCHBOWL STREET, ROOM 321

> HONOLULU, HAWAII 96813 www.labor.hawaii.gov Phone: (808) 586-8844 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

February 29, 2016

- To: The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair, and Members of the House Committee on Finance
- Date: Tuesday, March 1, 2016

Time: 1:00 p.m.

- Place: Conference Room 308, State Capitol
- From: Linda Chu Takayama, Director Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 2486 Relating Economic Development

H.B. 2486 proposed to amend Chapter 383, Hawaii Revised Statutes (HRS) by adding a new section to provide for a tax credit to be applied against UI contributions by a qualified business that establishes or relocates itself within the Kapolei region. The department opposed the bill as it created issues with Federal Unemployment Compensation law.

Although HD1 and HD2 addressed the department's objection, by deleting the Kapolei Jobs Initiative Unemployment Tax Credit, the department suggests a technical amendment be made to HD2 to delete the term "Unemployment Tax Credit" in the Report Title.



February 26, 2016

Representative Sylvia Luke, Chair Representative Scott Y. Nishimoto, Vice Chair House Committee on Finance

Strong support of HB 2486, HD2 - Relating to Economic Development. (Establishes a Kapolei Jobs Initiative Program that offers tax incentives to increase the number of businesses willing to establish or relocate themselves in the Kapolei region.)

FIN hearing: Tuesday, March 1, 2016, at 1:00 p.m., Conference Room 308

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its strong support of HB 2486, HD2.

HB 2486, HD2. This bill proposes to establish a Kapolei Jobs Initiative Program that offers tax incentives to increase the number of businesses willing to establish or relocate themselves in the Kapolei region and tax incentives for existing Kapolei businesses that add ten or more employees.

LURF's Position. HB 2486, HD2 is necessary, because Kapolei has been designated as Oahu's "Second City," however, jobs in the area have not kept pace with the increase in population. LURF understands that, unfortunately, the State's enterprise zone program includes requirements and restrictions on the types of qualified businesses, which are believed to have limited the participation in the Leeward enterprise zone. The "Kapolei Jobs Initiative" proposed by this bill will be a win-win for the State and the Kapolei area, and will contribute to building communities that can live, work and play in the same neighborhoods.

For the above reasons, LURF <u>strongly supports</u> **HB 2486**, **HD2** and respectfully urges your favorable consideration.

Thank you for the opportunity to present testimony regarding this matter.

LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, UNEMPLOYMENT, Kapolei jobs initiative program

BILL NUMBER: HB 2486, HD-2

INTRODUCED BY: House Committee on Labor and Public Employment

EXECUTIVE SUMMARY: Enacts a Kapolei jobs initiative similar to the current Enterprise Zone program under chapter 209E, but layered on top of it. The current bill may result in multiple incentives such as an income tax credit 160% of liability.

BRIEF SUMMARY: Adds a new HRS chapter called Kapolei Jobs Initiative. Defines a "fulltime employee" as any employee, including a leased employee and an employee under a joint employment arrangement, for whom the employer is legally required to provide employee fringe benefits. Defines a "qualified business" as a business that: (1) establishes or relocates itself by 12/31/2020 within the designated geographic area (defined as the zip codes 96706, 96707, and 96709); (2) has a minimum net gain of ten full-time employees; (3) is participating in the state enterprise zone program pursuant to chapter 209E; and (4) has an establishment that remains in the designated geographic area for the duration of the program.

Adds a new section in HRS chapter 235 that provides for an income tax credit equal to 80% of the taxpayer's net income tax liability (not restricted to liability attributable to activity in Kapolei) in the year of qualification, and a credit of 8% less for each of the subsequent ten years for any income tax due. Provides for an additional credit equal to 80% of the taxpayer's unemployment insurance contributions (not restricted to those attributable to activity in Kapolei) in the year of qualification, and a credit of 8% less for each of the subsequent ten years. Provides that the credit is not refundable, but may be carried forward a maximum of ten consecutive years. Establishes an aggregate maximum of \$_____ per year that may be used by all eligible taxpayers. States that all credit claims, including amended claims, shall be filed on or before the end of the twelfth month following the close of the taxable year for which the tax credit.

In the case of a partnership, S corporation, estate, or trust, the tax credit allowable is for the qualified costs incurred by the entity for the taxable year. The cost upon which the tax credit is computed shall be determined at the entity level. Distribution and share of the tax credit shall be determined pursuant to section 704(b) (with respect to partner's distributive share) of the Internal Revenue Code.

Provides that the director of taxation shall prepare any forms that may be necessary to claim a credit under this section, may require the taxpayer to furnish information to ascertain the validity of the claim for the tax credit made, and may adopt rules under chapter 91.

EFFECTIVE DATE: Effective on Feb. 19, 2022; shall apply to taxable years beginning after December 31, 2016; and shall be repealed on June 30, 2027.

HB 2486 Page 2

STAFF COMMENTS: The enterprise zone program in chapter 209E, HRS, was enacted as a cooperative program between the state and the counties to promote jobs in areas of high unemployment. Certain areas are designated as enterprise zones through joint action of the state and counties. In a zone, the state offers an income tax credit for the tax attributable to the eligible business conducted in the zone, which is normally applied on a sliding scale – 80% for the first year, 70% for the second, and so on until the credit is 20% for the seventh and last year in the program. It also offers an unemployment tax credit for the tax attributable to employees doing the eligible business in the zone, on the same sliding scale. Finally, the state offers a general excise tax exemption for the eligible business attributed to the zone. The counties also offer incentives, which vary by county. In return, the business commits to either maintain or increase the number of employees in the zone doing the eligible activity, depending on whether it was already in the zone upon designation or moved to the zone.

As business incentives go, the enterprise zone program is better than most. The incentive applies to a specific activity (here, creating and maintaining employment) targeted to the problem the program seeks to address. The incentive tapers off over time and then stops. It requires accountability, namely required reports to DBEDT, for a business to retain its eligibility. The business itself may need a different kind of assistance, such as financing, but the state is focusing on creating and maintaining jobs in areas that need them.

The program established by this bill is apparently layered on top of the enterprise zone program. As such, it would appear to defeat the purpose of the bill's proponents that this program be easier to qualify for. In addition, the combined incentives provided by this program and the enterprise zone program may be quite substantial (possibly 80% of net income tax liability under the enterprise zone program plus another 80% under the program in this bill, totaling 160%).

Digested 2/27/2016

February 29, 2016

The Honorable Representative Sylvia Luke, Chair The Honorable Representative Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813



Working together for Kapolei

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486, HD2 – RELATING TO ECONOMIC DEVELOPMENT Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

The Kapolei Chamber of Commerce respectfully submits this testimony **in support_**of HB2486, HD2 with the following comment:

HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated.

The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth

It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike.

We respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei.

Sincerely.

Kicań Polk Executive Director

1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707

Hawah Operating Engineers Industry Stabilization Fund





for it. Further transmission

Affiliated APL-CFO OPEIU - S - AFL-CFO (S)

February 29, 2016

Honorable Sylvia Luke, Chair Honorable Scott Y. Nishimoto, Vice Chair And Members of the Committee on Finance Hawaii State Capitol Honolulu, HI

> RE: Support of HB 2486 HD2 - Relating to Economic Development Establishing a Kapolei Jobs Initiative to Increase the Number of Jobs for <u>Business to Establish Themselves or Relocate to the Kapolei Region</u>

Chair Luke and Members of the Committee,

John R. Monis, representing the Hawaii Operating Engineers Industry Stabilization Fund (HOEISF), a labor management fund representing 300 general contractors in the heavy civil engineering and 4000 members in the construction industry.

HOEISF supports the intent of House Bill 2486 HD2 to increase the number of jobs and businesses to establish themselves and relocate to the second city of Kapolei. This will fall in line with the mission of establishing a true second city of Kapolei by providing all the benefits.

Thank you for your support in allowing this to happen.

Sincerely, our R Morus

JOHN R. MONIS Executive Director Hawaii Operating Engineers Industry Stabilization Fund



Testimony to the House Committee on Finance Tuesday, March 1, 2016 at 1:00 P.M. Conference Room 308, State Capitol

RE: HOUSE BILL 2486 HD 2 RELATING TO ECONOMIC DEVELOPMENT

Chair Luke, Vice Chair Nishimoto, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports the intent** of HB 2486 HD2, which establishes a Kapolei jobs initiative program that offers tax incentives to increase the number of businesses willing to establish or relocate themselves in the Kapolei region.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Job growth in Kapolei appears to be lagging behind population growth. The purpose of this new legislation is to increase the number of jobs in Kapolei, reduce traffic congestion, and realize the State's policy of directing growth to Kapolei. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike as households in the Kapolei region continue to grow.

Thank you for the opportunity to testify.

Testimony of Pacific Resource Partnership

State of Hawaii House Committee on Finance Representative Sylvia Luke, Chair Representative Scott Nishimoto, Vice Chair

HB 2486, HD2 – Economic Development Tuesday, March 1, 2016 1:00 P.M. State Capitol – Room 308

Aloha Chair Luke, Vice Chair Nishimoto and members of the Committee:

We support HB2486, HD2 which will establish a Kapolei jobs initiative program that offers tax incentives to increase the number of businesses willing to establish or relocate themselves in the Kapolei region. This proposed measure will promote and redirect growth to the "second city", reducing traffic congestion by creating jobs in the Kapolei region.

Currently, the job growth in Kapolei is not keeping up to pace with its population growth. The projected population growth in the Kapolei region is expected to grow to 170,000 in the next 20 years and thus, this job initiative will alleviate some of the traffic congestion coming from the Kapolei Region and the surrounding areas. The Kapolei Jobs Initiative program will improve the quality-of-life for the community as well as for the thousands who sit in traffic every day.

Thank you for the opportunity to share our views with you.

About PRP

Pacific Resource Partnership (PRP) is a not-for-profit organization that represents the Hawaii Regional Council of Carpenters, the largest construction union in the state, and more than 240 of Hawaii's top contractors. Through this unique partnership, PRP has become an influential voice for responsible construction and an advocate for creating a stronger, more sustainable Hawaii in a way that promotes a vibrant economy, creates jobs and enhances the quality of life for all residents.



W W W . P R P - H A W A I I . C O M

PHONE → 808.528.5557

1100 ALAKEA STREET / 4TH FLOOR HONOLULU / HL96813



February 29, 2016

The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol, Room 308 415 South Beretania Street Honolulu, HI 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

Testimony in Support of HB 2486 HD2 – Relating to Economic Development

The James Campbell Company LLC <u>supports</u> HB 2486 HD2. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs in the Kapolei region by creating incentives for businesses to be formed or relocate to Kapolei.

The Kapolei Jobs Initiative within the Kapolei Region geographic area will help realize the State's longstanding policy to redirect growth to the secondary urban center, create jobs in the Kapolei region and reduce traffic congestion island-wide. More jobs in the Kapolei Region are needed to keep pace with Kapolei's and Oahu's population growth. HB 2486 HD2 states that a business qualifying for the Kapolei Jobs Initiative must be a participant in the State Enterprise Zone Program. This provision negates the intent of the Initiative.

The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants and other necessary, but burdensome facilities that serve all of Oahu. Residents of West Oahu endure hours of traffic congestion because job growth is still maturing after only 25 years since Kapolei's groundbreaking. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employees and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region.

Sincerely,

Stinh

Stephen H. Kelly Vice President, Development

ga:04001300\K10434

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 8:00 AM
То:	FINTestimony
Cc:	mikegolojuch808@gmail.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch	Palehua Townhouse Association	Support	No

Comments: Our Palehua Townhouse Association strongly supports HB2486 to improve the quality of life for all in the Kapolei area.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



Queen's Court 800 Bethel Street, Suite 501 Honolulu HI 96813

Phone 808.587.7770 Fax 808.587.7769 www.avalonhi.com

February 29, 2016

The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT:

Establishing a Kapolei Jobs Initiative to Increase the number of businesses willing to establish or relocate themselves or relocate to the Kapolei region

Avalon Group <u>supports</u> the intent of HB2486 HD2 to increase the number of jobs in the Kapolei region, redirect the flow of traffic and provide relief to the long-suffering residents of West Oahu. We respectfully ask that the committee consider amending the definition of a qualified business to remove the requirement that the business be an enterprise zone participant because we believe it defeats the intent of the bill.

When you consider the high costs of building highways and mass transit, we believe this bill offers a very <u>cost-effective solution</u> to address the traffic congestion that really affects everyone who has to go into Honolulu to work—whether they live in Leeward, Central, Windward or East Oahu. The jobs that will be created by this bill will act as a catalyst for more businesses and more jobs to be created in West Oahu so that we can take more cars off the road and alleviate congestion even in downtown Honolulu.

<u>This is really an issue of equity</u>. If those of us who live <u>outside</u> of Kapolei expect Kapolei to absorb the growth we cannot accommodate in our towns, take the landfill we do not want in our towns, take the power plants we do not want but need, and take the industrial facilities we do not want in our backyards—then we should help them mitigate the negative results of the policy to direct growth to Kapolei.

Thank you very much for your kind consideration.

Sincerely,

THERESIA C. MCMURDO Vice President The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

On behalf of Chuck E. Cheese's Pizza, I am writing in **<u>support</u>** of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region.

I would like to offer the following comment for consideration:

HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program.

It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei.

> Sincerely, Jodie Hasche Chuck E. Cheese

> > Owner

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 8:45 AM
То:	FINTestimony
Cc:	rathbunk001@hawaii.rr.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Rathbun	Individual	Support	No

Comments: Dear Chair Luke, Vice Chair Nishimoto and Committee Members: RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region On behalf of myself, I am writing in support of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region. I would like to offer the following comment for consideration: HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a gualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program. It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a guality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei. Sincerely, Kevin Rathbun Leeward Oahu Resident

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 8:36 AM
То:	FINTestimony
Cc:	lwong96822@gmail.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Laurel Wong	Individual	Support	No

Comments: I support HB2486 HD2 with amendments as proposed by the Kapolei Chamber of Commerce. I would like to support bringing jobs and reducing the traffic in West Oahu.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 8:31 AM
То:	FINTestimony
Cc:	aw@avalonhi.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Alyssa Wailehua	Individual	Support	No

Comments: I support HB2486 HD2 with amendments as proposed by the Kapolei Chamber of Commerce. It is time for equity for the West Oahu.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 7:09 AM
То:	FINTestimony
Cc:	laurieannchan@yahoo.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Ann Chan	Individual	Support	No

Comments: I support HB2486 HD2 with amendments as proposed by the Kapolei Chamber of Commerce. It is time for equity for West Oahu.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Sunday, February 28, 2016 9:02 AM
То:	FINTestimony
Cc:	Susan.Hullerman@gmail.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/28/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Hullerman	Individual	Support	No

Comments: I am a single mom with a 4 year old daughter and lives in Waianae. I struggle to find work with decent pay close to home. The commute to Town is unbearable and a waste of precious time with my baby. The demand for jobs on the Leeward side is high and companies take advantage of this and pay low. My quality of life spiraled downwards and I also struggle to buy a home for a better life for me and my daughter. Please help with the Leeward jobs initiative. Mahalo, Susan Hullerman

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Pat Lee & Associates, LLC

45-248 A Pahikaua Place Kaneohe, Hawaii 96744 Phone/Fax: (808) 247-2889 E-mail: patlee @ hawaii.rr.com Mobile: (808) 223-9670

- To: The Honorable Sylvia Luke, Chair The Honorable Scott Nishimoto, Vice Chair, and Members of the House Committee on Finance
- Date: Tuesday March 1, 2016

Time: 1:00 P.M.

Place: House Conference Room 308 State Capitol

From: Pat Lee

Re: H.B. 2486, HD2 Relating to Economic Development: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

Chair Kawakami, Vice Chair Kong and members of the Economic Development and Business Committee,

I am writing you in **SUPPORT** of **HB2486**, **HD2** which will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region.

As a consultant working on land use projects and policy issues, I have spent much time in West Oahu over the past decade. I often drive out to the Kapolei area for meetings at different times of the day. It can take me an hour or more to do so. I feel for the residents of Kapolei and the leeward area who have to commute daily to and from work in these horrible traffic conditions.

More jobs in Kapolei are needed to keep pace with the area's population growth, the fastest growing region in the State. Creating more jobs in Kapolei would give area residents the opportunity to live and work in their area, and more free time to spend with their families rather than being stuck in traffic.

Each new job created could potentially take one car off the road, who would otherwise be driving to and from urban Honolulu for work. Job creation in the Kapolei region is a quality of life issue affecting both employers and employees, and their families.

For these reasons, I respectfully request that your committee approve HB 2486.

Mahalo,

Jut Lee

Pat Lee & Associates, LLC

From:	mailinglist@capitol.hawaii.gov	
Sent:	Monday, February 29, 2016 9:43 AM	
То:	FINTestimony	
Cc:	mom4drugfreehi@gmail.com	
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM	

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
lolita takeda	Individual	Support	No

Comments: Dear Chair Luke, Vice Chair Nishimoto and Committee Members: RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region I am writing in support of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region. I would like to offer the following comment for consideration: HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program. It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei. Thank you for your time & consideration.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

On behalf of, Susan Rathbun I am writing in <u>support</u> of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region.

I would like to offer the following comment for consideration:

HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program.

It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei.

> Sincerely, Susan Rathbun

Thank you for your support in promoting business growth and job creation in Kapolei by sending in your testimony to support this measure.

Sincerely,

Kiran Polk Executive Director Kapolei Chamber of Commerce <u>www.kapoleichamber.com</u>



Working together for Kapolei

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 10:47 AM
То:	FINTestimony
Cc:	johnwilliamson@hawaii.rr.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
John Williamson	Individual	Support	No

Comments: I strongly support this job-creation measure, which will help not only in Kapolei but also throughout Leeward and West Oahu. Thank you for the opportunity to testify.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

On behalf of myself and my family, I am writing in <u>support</u> of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for new businesses or businesses that wish to relocate to the Kapolei region.

I would like to offer the following comment for consideration:

When we moved to Kapolei in 2003 I worked downtown for a bank. It would sometimes take me about an hour to get to work. Now, in 2016, I work at Leeward Community College in Pearl City and it often takes me an hour to get to work, just 11 miles from home. In fact 45 minutes is the norm with all of the rail and road construction. This is the sad situation that Kapolei residents are faced with.

Like the rail project, which is an ongoing investment, the investment in Kapolei which began decades ago should be optimized. Now is the time for change

HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region (hopefully better paying jobs) and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program.

It is a matter of equity. The Kapolei Region carries the burdens of undesirable facilities that other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei.

Sincerely, Cynthia L. J. Spencer Instructor in Management, Leeward CC

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 10:41 AM
То:	FINTestimony
Cc:	georgette.stevens@gmail.com
Subject:	*Submitted testimony for HB2486 on Mar 1, 2016 13:00PM*

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Georgette Stevens	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 11:33 AM
То:	FINTestimony
Cc:	bito@kraftfoods.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Bruce Ito	Individual	Support	No

Comments: The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813 Dear Chair Luke, Vice Chair Nishimoto and Committee Members: RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region I am writing in support of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region. I would like to offer the following comment for consideration: HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program. It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a guality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei. Sincerely, Bruce Ito

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
and Members of the Committee on Finance
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT:

Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

On behalf of the Kapolei Chamber of Commerce, I am writing in support of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region.

I would like to offer the following comment for consideration:

HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program.

It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei.

Sincerely,

Joann Kealiinohomoku

Kapolei Chamber of Commerce

The Honorable Sylvia Luke, Chair The Honorable Scott Y. Nishimoto, Vice Chair and Members of the Committee on Finance Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486 HD2 - RELATING TO ECONOMIC DEVELOPMENT: Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

I am writing in <u>support</u> of HB2486 HD2 with comment. This bill will establish a Kapolei Jobs Initiative to increase the number of jobs for businesses to establish themselves or relocate to the Kapolei region.

I would like to offer the following comment for consideration:

HB2486 HD2 states that a qualified business of the Kapolei Jobs Initiative must be participating in the State Enterprise Zone Program. The Kapolei Jobs Initiative established with its own geographic area in the Kapolei Region will realize the State's long standing policy of redirecting growth to the second urban core, creating jobs in the Kapolei region and reducing traffic congestion. More jobs in the Kapolei Region are needed to keep pace with Kapolei's population growth. If a qualified business must be participating in the Enterprise Zone, the intent of the Initiative to be designated in the Kapolei Region to accomplish this objective would be negated. Kapolei Jobs Initiative participants should not be participating in the Statewide Enterprise Zone Program.

It is a matter of equity. The Kapolei Region carries the burdens of a landfill, industrial facilities and power generation plants in their backyard, all burdens other areas are not eager to have. Residents of West Oahu endure hours of traffic congestion caused by the number of people who still have to commute to downtown Honolulu for work every day. Job creation in the Kapolei region is a quality-of-life, community-building concern affecting employers and employees alike. I respectfully ask you to support this bill that will bring jobs to the Kapolei region affecting the lives of many and will mitigate the negative results of the policy growth to Kapolei.

Sincerely

Alex J Bresslauer Resident of Ewa Beach



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST

LATE

650 Iwilei Road, Suite 285 • Honolulu, Hawaii 96817 • (808) 84LECET (845-3238) • Fax: (808) 845-8300

TESTIMONY OF HAWAII LECET CLYDE T. HAYASHI – DIRECTOR

HOUSE OF REPRESENTATIVES THE TWENTY-EIGHTH LEGISLATURE REGULAR SESSION OF 2016

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair Rep. Scott Y. Nishimoto, Vice Chair

Rep. Romy M. Cachola Rep. Ty J.K. Cullen Rep. Lynn DeCoite Rep. Aaron Ling Johanson Rep. Jo Jordan Rep. Jarrett Keohokalole Rep. Bertrand Kobayashi Rep. Matthew S. LoPresti Rep. Nicole E. Lowen Rep. Richard H.K. Onishi Rep. James Kunane Tokioka Rep. Kyle T. Yamashita Rep. Feki Pouha Rep. Gene Ward

NOTICE OF HEARING

DATE: Tuesday, March 1, 2016 TIME: 1:00 P.M. PLACE: Conference Room 308 State Capitol 415 South Beretania Street

TESTIMONY ON HOSUE BILL NO. 2486 HD2, RELATING TO ECONOMIC DEVELOPMENT

TO THE HONORABLE SYLVIA LUKE, FINANCE COMMITTEE CHAIR, SCOTT NISHIMOTO, FINANCE COMMITTEE VICE CHAIR; AND MEMBERS OF THE COMMITTEE:

My name is Clyde T. Hayashi, and I am the Director of Hawaii LECET. Hawaii LECET is a labormanagement partnership between the Hawaii Laborers Union, Local 368, and its unionized contractors.

Mahalo for the opportunity to testify in <u>SUPPORT</u> of House Bill No. 2486 HD2, which establishes the Kapolei Jobs Initiative Program. Hawaii LECET supports the intent of this bill, which would offer incentives as a means to increase the number of businesses willing to establish and relocate to the Kapolei region. Kapolei has been designated as Oahu's "Second City," however, jobs in the area have not kept pace with the increase in population.

Hawaii LECET believes that the idea of a Kapolei Jobs Initiative Program is a good starting point to increase the number of businesses in Kapolei and fulfill its designation as Oahu's "Second City". The presence of UH West Oahu, the construction of the Kamakana Ali'I Shopping Center, construction of DHHL housing and the potential for more businesses, will transform Kapolei into a mixed-use district with commercial, industrial, retail, education, government and housing, to become a true "live, work, play" community. With the construction of the Honolulu Rail and the increase of jobs in the area, quality of life for many people will improve. For these reasons, Hawaii LECET <u>supports the intent of HB 2486 HD2.</u>

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 29, 2016 4:48 PM
To:	FINTestimony
Cc:	junebiz@hotmail.com
Subject:	Submitted testimony for HB2486 on Mar 1, 2016 13:00PM



HB2486

Submitted on: 2/29/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
June Freundschuh	Individual	Support	No

Comments: "I support HB2486 HD2 with amendments as proposed by the Kapolei Chamber of Commerce. It is time for equity for the West Oahu."

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

HAWAII CARPENTERS APPRENTICESHIP AND TRAINING FUND

February 29, 2016



HOUSE OF REPRESENTATIVES THE TWENTY-EIGHTH LEGISLATURE REGULAR SESSION OF 2016

<u>COMMITTEE ON FINANCE</u> Representative Sylvia Luke, Chair Representative Scott Y. Nishimoto, Vice Chair

<u>RE: HB2486, HD2 - RELATING TO ECONOMIC DEVELOPMENT</u> Establishes a Kapolei Jobs Initiative Program that offers tax incentives to increase the number of businesses willing to establish or relocate themselves in the Kapolei region.

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

We <u>support</u> the intent of HB2486, HD2, to grow the number of jobs in the Kapolei region, so that more people can work where they live to ease the ever increasing rate of traffic congestion. We respectfully ask that the committee consider amending the definition of a qualified business, to remove the requirement that the business be an enterprise zone participant, because we believe it defeats the purpose of the bill.

When you consider the high costs of building highways and mass transit, we believe this bill offers a very <u>cost-effective solution</u>, to address the traffic congestion that really affects everyone who has to go into Honolulu to work—whether they live in Leeward, Central, Windward or East Oahu. The jobs that will be created by this bill, will act as a catalyst for more businesses and more jobs to be created in West Oahu; so that we can take more cars off the road and alleviate congestion even in downtown Honolulu.

<u>This is also a matter of equity</u>. West Oahu has had to carry a greater burden for the entire island in terms of accommodating future growth, so that the country can remain country. Beyond the issue of traffic, this means that West Oahu hosts the island's landfill, power generation facilities, industrial facilities and many other services that other communities do not want in their backyard. This bill simply asks for a relatively small investment to seed jobs so that more people can work where they live.

We respectfully ask for your support of this bill.

Sincerely,

Elmund C. algow Edmund C. Aczon

Executive Director

OAHU: 1311 Houghtailing St, Suite 201, Honolulu, Hawaii 96817-2759 • Ph. (808) 847-5761, Ext. 5 Fax (808) 440-9194

FINTestimony

LATE

From:
Sent:
To:
Cc:
Subject:

mailinglist@capitol.hawaii.gov Tuesday, March 01, 2016 11:22 AM FINTestimony rustonu@gmail.com *Submitted testimony for HB2486 on Mar 1, 2016 13:00PM*

<u>HB2486</u>

Submitted on: 3/1/2016 Testimony for FIN on Mar 1, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing	
Ruston Utu	Individual	Support	No	

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



February 29, 2016

The Honorable Representative Sylvia Luke, Chair The Honorable Representative Scott Y. Nishimoto, Vice Chair and Members of the Committee on Labor and Public Employment Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto and Committee Members:

RE: HB2486, HD2 – RELATING TO ECONOMIC DEVELOPMENT

Establishing a Kapolei Jobs Initiative to Increase the number of Jobs for businesses to establish themselves or relocate to the Kapolei region

The Kapolei Chamber stands on its testimony submitted February 29, 2016. WeRespectfully submit the proposed amendment to address our comment regarding the definition of a qualified business:

For the purposes of this chapter, a "qualified business" means a business that:

- (1) Establishes or relocates itself within the designated geographic area;
- (2) Has a minimum of 10 full-time employees (if locating from outside the designated geographic area) working at the establishment in the designated geographic area; or has a net gain of 10 full-time employees (if already established in the designated geographic area and is expanding or building a new establishment in the same area)
- (3) Provides gross annual salaries of \$25,000 or more to at least half of its employees in that establishment.
- (4) Earns at least half of its gross annual revenue from its establishment in the designated geographic area
- (5) Is not participating in the state enterprise zone program pursuant to chapter 209E
- (6) Excludes retail, except when greater than 50% of sales are to Hawaii general excise tax licensees (i.e. business-to-business).

Respectfully,

Kiran Polk Executive Director



Working together for Kapolei

1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707