

STAND. COM. REP. NO. **668**

Honolulu, Hawaii

FEB 17, 2023

RE: H.B. No. 74

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
H.B. No. 74, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to establish a five-year
general excise tax exemption, beginning January 1, 2024, for
amounts received from:

- (1) The servicing and maintenance of helicopters in an
aircraft service and maintenance facility; or
- (2) The construction of a facility that services and
maintains helicopters where at least seventy-five
percent of the helicopters serviced and maintained
annually in the facility are equipped with quiet
technology.

Your Committee received testimony in support of this measure
from the Department of Transportation, Blue Hawaiian, and Aircraft
Owners and Pilots Association. Your Committee received testimony
in opposition to this measure from Jack Harter Helicopters. Your
Committee received comments on this measure from the Department of
Taxation and Tax Foundation of Hawaii.

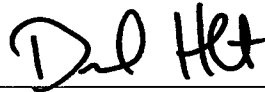
2023-1777 HB74 HD1 HSCR HMSO



Your Committee finds that this measure will provide tax parity for smaller aviation operators and support the aviation maintenance workforce in the State. This measure also seeks to reduce aviation noise in communities by incentivizing aircraft service and maintenance facilities to service and maintain more helicopters that are equipped with quiet technology.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 74, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



DANIEL HOLT, Chair



Record of Votes of the Committee on Economic Development

Bill/Resolution No.: HB74, HD1	Committee Referral: TRN, ECD, FIN	Date: 2/14⁵ 2023		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. HOLT, Daniel (C)	/			
2. LAMOSAO, Rachele F. (VC)	/			
3. HUSSEY-BURDICK, Natalia				/
4. KONG, Sam Satoru	/			
5. NAKAMURA, Nadine K.	/			
6. QUINLAN, Sean				/
7. PIERICK, Elijah	/			
TOTAL (7)	5	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <u><i>Rachel Lamosao</i></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				