

STAND. COM. REP. NO.

688

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 769
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 769, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to create jobs in the construction industry and improve the tourism industry in the State by establishing a hotel and resort property construction and renovation tax credit.

Your Committee received comments in support of this measure from Mike McCartney, President and Chief Executive Officer, Hawaii Tourism Authority; Land Use Research Foundation of Hawaii; and C. Mike Kido, External Affairs, The Pacific Resource Partnership.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the measure establishes a tiered, nonrefundable tax credit against a taxpayer's income tax liability for costs incurred on qualified hotel and resort property construction projects in the State. The percentages and qualifying monetary thresholds and ceilings are unspecified.

Your Committee believes that this measure has the potential to create new jobs in the construction industry and improve the tourism industry if private developers are committed to fully utilizing the tax credit as proposed.

SB769 SD1 SSCR LRB 11-2196.doc



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As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 769, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

David Y. Ige

DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 769, SD1	TSM, WAM	2-25-11		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani				✓
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.				✓
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	12	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes