

Honolulu, Hawaii

APR 24 2014

RE: S.B. No. 2877  
S.D. 1  
H.D. 1  
C.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

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

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2877, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO USE PERMITS FOR SMALL BOAT HARBOR FACILITIES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to clarify that no use permit issued to a corporation or other business entity for a state small boat harbor facility may be transferred unless specifically provided by law. This measure also exempts transfers of stock or interest in a corporation or other business entity between immediate family members solely for the purpose of estate planning purposes from paying the passenger-carrying capacity business transfer fee to the Department of Land and Natural Resources.

Your Committee on Conference finds that this measure seeks to clarify that use permits issued to a corporation or other business



entity for a state small boat harbor facility may only be transferred if the corporation or other business entity holds a valid commercial use permit. This measure prevents people from bypassing the waitlist for a regular mooring permit by acquiring a corporation or other business entity holding a regular mooring permit.

Your Committee on Conference has amended this measure by:

- (1) Upon the recommendation of the Attorney General, clarifying the definition of "controlled group" to mean parent-subsidiary corporations, brother-sister corporations, or constructive owner; and
- (2) Changing the effective date to July 1, 2014.

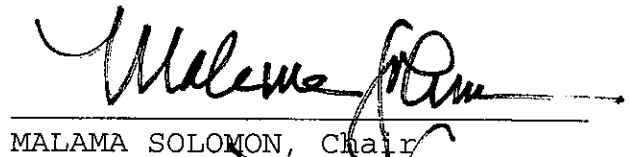
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2877, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2877, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
CINDY EVANS, Co-Chair

  
MALAMA SOLOMON, Chair

  
NICOLE E. LOWEN, Co-Chair

  
DONOVAN M. DELA CRUZ, Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>SB 2877, SD 1, HD 1</b>	Date/Time: <b>4/22/14</b> <span style="float:right; font-size: 1.5em;">225p</span>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
SOLOMON, Malama, Chr.	✓				EVANS, Cindy, Co-Chr.	✓			
DELA CRUZ, Donovan M., Co-Chr.	✓				LOWEN, Nicole E., Co-Chr.	✓			
GALUTERIA, Brickwood	✓				HANOHANO, Faye P.	✓			
TANIGUCHI, Brian T.	✓				SAY, Calvin K.Y.				✓
SLOM, Sam	✓				FALE, Richard Lee	✓			
<b>TOTAL</b>	<b>5</b>				<b>TOTAL</b>	<b>4</b>			<b>1</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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