

Honolulu, Hawaii

MAR 25 2015

RE: H.B. No. 716
H.D. 2
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 H.B. No. 716, H.D. 2, 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 measure:

- (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 Strategic Development Corporation. Your Committees received comments on this measure from the 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 have the ability to 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 have amended this measure by:

- (1) Inserting language in section 2 to broaden the definition of "event organizer" or "organizer" to also include persons and entities that organize technology and interactive media events;
- (2) Inserting language in section 3 to authorize \$500,000 of transient accommodation tax revenues allocated to the tourism special fund to be used for the innovative business interaction program; and
- (3) 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 H.B. No. 716, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 716, H.D. 2, 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.:*	Committee Referral:	Date:		
<i>HB 716, HD 2</i>	<i>TSI/EDT, WAM</i>	<i>23 MAR 2015</i>		
<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
KAHELE, Gilbert (C)	<i>X</i>			
ENGLISH, J. Kalani (VC)	<i>X</i>			
TANIGUCHI, Brian T.				<i>X</i>
TOKUDA, Jill N.				<i>X</i>
SLOM, Sam	<i>X</i>			
TOTAL	<i>3</i>			<i>2</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>A. Kalani English</i>				
Distribution:				
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*Only one measure per Record of Votes

