

STAND. COM. REP. NO. 168

Honolulu, Hawaii

February 8, 2019

RE: H.B. No. 342
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 342 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII STRATEGIC DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit the Hawaii Strategic Development Corporation (Corporation) from investing in fossil fuel or firearm companies;
- (2) Require the Corporation to divest all fossil fuel and firearm investments by December 31, 2024; and
- (3) Earmark a portion of the Corporation's profits to the Department of Education.

The O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and several concerned individuals testified in support of this measure. Hawaii Firearms Coalition and a concerned individual testified in opposition to this measure. The Corporation provided comments on this measure.

HB342 HD1 HSCR EDB HMS 2019-1657-1



Should the Committee on Judiciary deliberate on this measure further, your Committee on Economic Development & Business respectfully requests that it examine criteria to determine what constitutes a fossil fuel company.

Your Committee further notes that the Corporation does not currently have any investments in firearm or fossil fuel companies. Accordingly, it is not necessary to require the Corporation to identify and divest all holdings in fossil fuel and firearm companies. Rather, it is more appropriate to require the Corporation to refrain from any future investments of this nature.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Corporation identify and divest all holdings in fossil fuel and firearm companies;
- (2) Deleting the requirement that a portion of the Corporation's profits be annually transferred to the Department of Education;
- (3) Changing its effective date to July 1, 2112; and
- (4) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 342, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 342, H.D. 1, and be referred to your Committee on Judiciary.

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

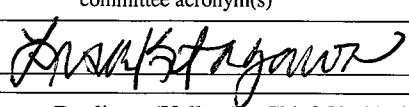


ANGUS L.K. MCKELVEY, Chair



State of Hawaii
 House of Representatives
 The THIRTIETH Legislature **HSCR 168**

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 342	Committee Referral: EDB, JUD, FIN	Date: 2-1-19		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. ELI, Stacelynn K.M.	✓			
4. ICHIYAMA, Linda				✓
5. JOHANSON, Aaron Ling	✓			
6. QUINLAN, Sean				✓
7. YAMASHITA, Kyle T.	✓			
8. MATSUMOTO, Lauren	✓			
TOTAL (8)	6	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____ <div style="text-align: center;"></div>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				