

STAND. COM. REP. NO.

2399

Honolulu, Hawaii

FEB 07 2020

RE: S.B. No. 2331
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 2331 entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST KEAHOLE FBO I LLC,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Keahole FBO I LLC with planning, designing, constructing, equipping, and operating facilities for aviation services and aviation-related services at Ellison Onizuka Kona International Airport at Keahole.

Your Committee received testimony in support of this measure from Keahole FBO I LLC and Isemoto Contracting Co., Ltd. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Keahole FBO I LLC is an aviation company that has a lease with the Department of Transportation, of approximately 15.94 acres at the Ellison Onizuka Kona International Airport. Your Committee finds that Keahole FBO I LLC intends to develop a fixed-base hanger facility to support its general, commercial, and public aviation operations, including hangers, fuel farm, and aviation infrastructure for aviation and aviation related services mainly for private jets. Keahole FBO I LLC's work will also include development of infrastructure for the



Department of Transportation in order to provide utility services for other Department of Transportation sites. Your Committee further finds that in addition to taxes, fuel sales, and lease rent, Keahole FBO I LLC's project is expected to generate substantial economic growth for the State and the Kona region with increased revenue through the creation of more jobs and enhanced the visitor experiences. This measure will aid Keahole FBO I LLC in accomplishing these goals.

Your Committee has amended this measure by:

- (1) Setting the special purpose revenue bonds not to exceed \$50,000,000; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2331, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2331, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,


LORRAINE R. INOUE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:*	Committee Referral:	Date:		
SB2331	TRS, WAM	01/29/20		
<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
INOUE, Lorraine R. (C)	/			
HARIMOTO, Breene (VC)				/
ENGLISH, J. Kalani	/			
SHIMABUKURO, Maile S.L.	/			
FEVELLA, Kurt	/			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted				
<input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes