

Honolulu, Hawaii

FEB 16 2021

RE: S.B. No. 932  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism,  
to which was referred S.B. No. 932 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT, AND TOURISM,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the clean energy and energy efficiency revolving loan fund;
- (2) Repeal the building energy efficiency revolving loan fund;
- (3) Authorize monies in the green infrastructure special fund to be used to finance the option to purchase solar systems and other clean energy equipment, including the purchase or lease of electric vehicles;
- (4) Appropriate funds out of the clean energy and energy efficiency revolving loan fund; and
- (5) Replace the Department of Business, Economic Development, and Tourism with the Hawaii Green Infrastructure Authority as the administering agency for



the motion picture, digital media, and film production income tax credit (motion picture income tax credit).

Your Committee received testimony in support of this measure from Hawaii State Energy Office, Hawaii Green Infrastructure Authority, and Climate Protectors Coalition. Your Committee received comments on this measure from the Department of Energy, Economic Development, and Tourism; Department of Budget and Finance; Department of Commerce and Consumer Affairs; Public Utilities Commission; and Tax Foundation of Hawaii.

Your Committee finds that it is important to strengthen the Hawaii green infrastructure authority's ability to support investment in clean energy technology, including electric vehicles and electric charging vehicle systems and infrastructure.

Your Committee also finds that while financial expertise is important in the administration of the motion picture income tax credit, sufficient industry experience is also necessary in order to pass on the reasonableness of production costs, to negotiate with industry members regarding qualified Hawaii promotions, efforts to hire local talent and crew, and competition from other jurisdictions seeking to land production work.

Your Committee heard the testimony from the Department of Business, Economic Development, and Tourism that it is currently taking steps to address both the financial expertise and industry knowledge in the administration of the tax credit. Therefore, your Committee believes it is unnecessary, at this time, to replace the Department of Business, Economic Development, and Tourism with the Hawaii Green Infrastructure Authority as the administering agency for the income tax credit.

Your Committee has amended this measure by:

- (1) Removing part II pertaining to the administration of the motion picture income tax credit; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is



attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 932, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 932, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

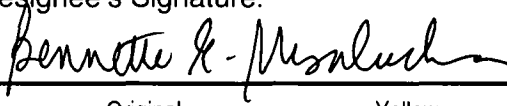
Respectfully submitted on  
behalf of the members of the  
Committee on Energy, Economic  
Development, and Tourism,

  
\_\_\_\_\_  
GLENN WAKAI, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Energy, Economic Development, and Tourism**  
**EET**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 932	EET, JDC/WAM	2/5/21		
<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
WAKAI, Glenn (C)	/			
MISALUCHA, Bennette E. (VC)	/			
LEE, Chris	/			
RIVIERE, Gil	/			
FEVELLA, Kurt	/			
<b>TOTAL</b>				
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes