

RE: S.B. No. 652

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii
Sir:

Your Committee on Transportation, to which was referred S.B. No. 652 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 the Department of Transportation; Keahole FBO I LLC; Isemoto Contracting Co., Ltd.; Kohala Coast Resort Association; Sinclair Range Inc.; Ho'omanopono Political Action Committee; and two individuals.

Your Committee finds that Keahole FBO I LLC currently has a lease with the Department of Transportation for 15.15 acres at Ellison Onizuka Kona International Airport. Your Committee further finds that there are plans to develop hangars, a fuel farm, and aviation infrastructure for aviation and aviation-related services. This project will contract services from various local Hawaii contractors and consultants. Your Committee believes that this project will benefit the State by generating revenue through taxes, fees, and leases, and will also create jobs in various sectors for residents of Hawaii.

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. 652 and recommends that it pass Second Reading 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