STAND. COM. REP. NO. 1486

Honolulu, Hawaii

Monh 23, 2007

RE:

S.B. No. 798

S.D. 3 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Public Safety & Military Affairs, to which was referred S.B. No. 798, S.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO DISASTER RELIEF,"

begs leave to report as follows:

The purpose of this measure is to grant taxpayers a one-time earthquake victim tax credit equal to the costs of damages to real or personal property caused by the October 15, 2006 earthquakes.

Your Committee received comments on the measure from the Department of Defense and the Tax Foundation of Hawaii. The Department of Taxation submitted testimony expressing strong concerns with this measure.

Your Committee finds that this measure will provide some level of financial relief to victims of the earthquakes because many victims did not carry earthquake insurance on their real property.

Your Committee has amended this measure by making emergency appropriations out of the emergency and budget reserve fund for the current fiscal year 2006-2007 for emergency repairs to facilities and fixtures damaged by the earthquakes, specifically, Hulihe'e Palace in Kailua-Kona and the deep water pipelines of the Natural Energy Laboratory of Hawaii Authority, and by including

SB798 HD1 HSCR LRB 07-3621.doc



the required declarations of findings and the purposes for such appropriations.

Your Committee finds that these amendments to provide financial relief to the executive branch are appropriate to cover the sustained earthquake damages to described facilities and fixtures. Furthermore, your Committee notes that although the emergency appropriations being added to this measure are for fiscal year 2006-2007, your Committee has left the effective date of this measure as is to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 798, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 798, S.D. 3, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Public Safety & Military Affairs,

CINDY EVANS, Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Public Safety & Military Affairs

| Bill/Resolution No.: | Date: | | | |
|--|--|-----------|------|--------------|
| SB 798 SD3 | Thursday, March 22, 2007 | | | |
| Committee Referral: PSM, FIN | ☐ The committee is reconsidering its previous decision on the measure. | | | |
| The recommendation is to: Pass, unamended | Pass, with amendments | | | |
| ☐ Hold | Pass, with amendments, for recommittal for further consideration | | | |
| PSM Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. EVANS, Cindy (C) | / | | | Strike entre |
| 2. HAR, Sharon E. (VC) | / | | | |
| 3. LEE, Marilyn B. | / | | | |
| 4. LUKE, Sylvia | | | | |
| 5. McKELVEY, Angus L.K. | V | | | |
| 6. NAKASONE, Bob | V | | | |
| 7. NISHIMOTO, Scott Y. | ✓ | | 4,34 | Ale Region |
| 8. SONSON, Alex M. | | | | ~ |
| 9. SOUKI, Joseph M. | | | | |
| 10. TAKAMINE, Dwight Y. | | | | |
| 11. TAKUMI, Roy M. | V | | | |
| 12. FINNEGAN, Lynn | | | | |
| 13. PINE, Kymberly Marcos | | | | V |
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| TOTAL | 9 | / | | 4 |
| The recommendation is: Adopted | | | | |
| ☐ Not Adopted | | | | |
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| If joint referral, did not support recommendation. committee acronym(s) | | | | |
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| Vice Chair's or designee's signature: | | | | |
| orhum 9 00 | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office | | | | |