Honolulu, Hawaii

Fely 5, 2008

RE: H.B. No. 2458 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

## Sir:

Your Committee on Higher Education, to which was referred H.B. No. 2458 entitled:

"A BILL FOR AN ACT RELATING TO COLLEGE SAVINGS PROGRAMS," begs leave to report as follows:

The purpose of this bill is to increase the participation of Hawaii taxpayers in the State's college savings program and to increase the program's assets to enable the State to obtain a lower program management fee, by providing a state income tax deduction for contributions made to the program in taxable years beginning after December 31, 2007.

The Department of Taxation and a concerned individual testified in support of this bill. The Department of Budget and Finance supported the intent of this measure. The Tax Foundation of Hawaii offered comments.

Your Committee has amended this bill by:

- (1) Specifying that married couples filing separate returns may claim an annual deduction of \$10,000, rather than \$20,000, from gross income for contributions to a college account in the College Savings Program Trust Fund; and
- (2) Changing the effective date to July 1, 2020, to encourage further discussion; and

HB2458 HD1 HSCR HED HMS 2008-1689

(3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2458, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2458, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Higher Education,

JERRY L. CHANG, Chai:

## State of Hawaii House of Representatives The Twenty-fourth Legislature

## HSCR 135-08

## **Record of Votes of the Committee on Higher Education**

HB 2458	Committee Referral:	r.a/	1/31/08	
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☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: ☐ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold ☐ Pass short form bill with HD to recommit for future public hearing (recommit)				
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HED Members	Ayes	Ayes (WR)	Nays	Excused
1. CHANG, Jerry L. (C)	V			
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2. BERTRAM, Joe, III (VC)			o toka da masa 111 sanga	esupportur i oraște a se a cultural de la companii
3. BERG, Lyla B., Ph.D.				/
4. CABANILLA, Rida T.R.	V			
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5. NISHIMOTO, Scott Y.				
C SAIVI S. M.V.				
6. SAIKI, Scott K.				V
7. SHIMABUKURO, Maile S. L.				
	ENGER LANCE	ingical and a second second	has a strike a	
8. TAKAI, K. Mark	V			
	A THE PARTY OF THE		A STATE OF THE STA	
9. TAKAMINE, Dwight Y.				
10. TAKUMI, Roy M.	V			
11 WAKAI Clare		etala (1997) Perintana		
11. WAKAI, Glenn				V
12. CHING, Corinne W.L.				
322110, 00121110 11121				
13. FINNEGAN, Lynn	V			
TOTAL (13)	9			H
The recommendation is:  Adopted				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				