Honolulu, Hawaii

Fe 4 16, 2007

RE: H.B. No. 882 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 Higher Education, to which was referred H.B. No. 882 entitled:

"A BILL FOR AN ACT RELATING TO THE COLLEGE SAVINGS ACCOUNT PROGRAM,"

begs leave to report as follows:

The purpose of this bill is to encourage savings and investment for post-secondary educational purposes by:

- (1) Establishing a tax deduction for contributions to a college savings account under the College Savings Account Program (Program); and
- (2) Requiring the State to provide an initial investment in a college savings account with the issuance of each birth certificate for a child born in the state, and periodic investments thereafter.

The University of Hawaii, 3Point, and a concerned individual supported the intent of this bill. The Hawaii Alliance for Community-Based Economic Development supported this measure with amendments.

Your Committee has amended this bill by:

- (1) Requiring and appropriating funds for the Department of Health to issue a \$1,000 voucher to open a college account under the Program, with the issuance of each birth certificate for a child born in the state;
- (2) Deleting the specific amount that the State must transfer from the College Savings Program Trust Fund to the account owner's college account when the designated beneficiary of the account reaches certain ages; and
- (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. 882, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 882, 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 Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature

HSCR 562

Record of Votes of the Committee on Higher Education

Bill/Resolution No.: HB 862	Date:	2/13/07	***************************************	
Committee Referral: HED 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				
HED Members	Ayes	Ayes (WR)	Nays	Excused
1. CHANG, Jerry L. (C)	$\sim \nu$			
2. BERTRAM, Joe, III (VC)	V			
3. BERG, Lyla B., Ph.D.				V
4. CABANILLA, Rida T.R.	V			
5. NISHIMOTO, Scott Y.	V	11.50		
6. SAIKI, Scott K.	V			
7. SHIMABUKURO, Maile S. L.	V			
8. TAKAI, K. Mark	V			
9. TAKAMINE, Dwight Y.	V,			
10. TAKUMI, Roy M.	V			
11. WAKAI, Glenn	V,			
12. CHING, Corinne W.L.	V			WS
13. FINNEGAN, Lynn	V			-
TOTAL	12			J
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature: Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				