STAND. COM. REP. NO. 255

Honolulu, Hawaii

FE 513, 2009

RE: H.B. No. 736

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 736 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to provide a refundable state earned income tax credit to qualified Hawaii taxpayers.

The tax credit would be equal to twenty per cent of the federal earned income tax credit and the refundable portion of the earned income tax credit would be reimbursed with temporary assistance for needy families funds.

Your Committee received testimony in support of the measure from the Hawaii Alliance for Community-Based Economic Development. The Department of Human Services submitted testimony opposed to this measure and the Department of Taxation submitted comments.

Your Committee finds that a state earned income tax credit is an important economic development tool for families that allows them to use the credit to purchase basic needs and build assets. Building assets fosters financial independence and encourages families to save and to ultimately attain financial success.

Your Committee also finds that utilizing temporary assistance for needy families funds to pay for the refundable portion of the tax credit will allow the State to maximize the use of such funds while supporting those most in need of financial assistance.

HB736 HSCR LRB 09-2007.doc

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 736 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Human Services,

odhn M. MIZUNØ, Chair

State of Hawaii House of Representatives The Twenty-fifth Legislature



Record of Votes of the Committee on Human Services

Bill/Resolution No.: HB 736	Committee Referral: HUS, FIN	Date	O2/05/09	
☐ 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)				
HUS Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)				
2 PROWED Tom (VC)				
2. BROWER, Tom (VC)				
3. BELATTI, Della Au				
4. BERTRAM, Joe, III				
5. CARROLL, Mele				/
				# P
6. NISHIMOTO, Scott Y.				
7. SHIMABUKURO, Maile S.L.		1		
7. GITWARDORORO, WARING SEE				
8. YAMANE, Ryan I.				
				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
9. WARD, Gene				
			·	
			www.	
TOTAL (9)	6	0	0	3
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: TomBrown				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				