STAND. COM. REP. NO. 325 Honolulu, Hawaii

**~18**, 2009 RE: H.B. No. 884 H.D. 1

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. 884 entitled:

"A BILL FOR AN ACT RELATING TO CHILD DEVELOPMENT ACCOUNT,"

begs leave to report as follows:

The purpose of this bill is to encourage Hawaii's residents to develop the habit of saving by creating a child development account requiring an initial state contribution from general funds upon specified provisions, and upon the enactment of an amendment to the Hawaii Constitution to amend the disposition of excess revenues.

The Representative from the 38<sup>th</sup> District testified in support of this bill. The Hawaii Alliance for Community-Based Economic Development supported the intent of this measure. The Department of Budget and Finance testified in opposition to this bill. The Department of Taxation (DOTAX) provided comments.

Your Committee notes that DOTAX opposed the tax provision in this bill, which does not factor the cost of the measure into the budget. In addition, DOTAX stated that issues of applicable federal tax are unaddressed.



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Upon further consideration, your Committee has amended this bill by:

- Changing the effective date to January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 884, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 884, H.D. 1, and be referred to the Committee on Finance.

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





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

## **Record of Votes of the Committee on Human Services**

Bill/Resolution No.: HB 884	Committee Referral: HUS, FIN		Date: 02   05   09	
□ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>				
HUS Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)	/			
2 PROWER Tom (VC)				
2. BROWER, Tom (VC)				
3. BELATTI, Della Au				/
4. BERTRAM, Joe, III				
CARROLL M.L				/
5. CARROLL, Mele	a and the second second			
6. NISHIMOTO, Scott Y.				
7. SHIMABUKURO, Maile S.L.				
O MAMANE D. I				
8. YAMANE, Ryan I.				
9. WARD, Gene				/
			-	
TOTAL (9)	6	0	0	3
The recommendation is:       Adopted       Not Adopted         If joint referral,				
Vice Chair's or designee's signature: Tom Brown				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				