STAND. COM. REP. NO. 725

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 803 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 803 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to temporarily:

- (1) Repeal the requirement that \$2,000,000 of tax revenues from the banking industry be deposited into the Compliance Resolution Fund; and
- (2) Authorize the Commissioner of Financial Institutions to adopt rules to impose fees charged to banks and other financial institutions without regard to certain public notice and regulatory review requirements.

The Department of Commerce and Consumer Affairs, USAA, Hawaii Financial Services Association, and the Hawaii Bankers Association opposed this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

(1) Removing provisions that temporarily authorize the Commissioner of Financial Institutions to adopt rules to impose fees charged to banks and other financial

institutions without regard to certain public notice and regulatory review requirements; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 803, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 803, H.D. 1.

Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date:	2/2/	,,
HB 803	CPC, FIN		2/26/	//
☐ 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	V			
2. LEE, Marilyn B. (VC)	\(\bullet \)			
3. CHONG, Pono	L			
4. CHOY, Isaac W.	L			
5. COFFMAN, Denny				
6. CULLEN, Ty				
7. HAR, Sharon E.	<i>\\\</i>			
8. HASHEM, Mark J.				<u></u>
9. ICHIYAMA, Linda	レ レ レ			
10. JORDAN, Jo	~			
11. LEE, Chris	V			
12. MORIKAWA, Dee	<u>~</u>			
13. TOKIOKA, James Kunane				<i>i</i>
14. YAMASHITA, Kyle T.				
15. MARUMOTO, Barbara C.	<u></u>			
16. RIVIERE, Gil				
17. WARD, Gene		V		
4.50				
-				
554 <u></u>				
TOTAL (17)	14		0	2
The recommendation is: If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Many 3dec				
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