STAND. COM. REP. NO.

Honolulu, Hawaii

March 2

, 2017

RE: H.B. No. 670

H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 670 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to create a Hawaii Working Family Tax Credit, set at ten percent of the federal Earned Income Tax Credit, to help thousands of families in the State.

The Office of Hawaiian Affairs, IMUAlliance, Hawaii Alliance for Community-Based Economic Development, Americans for Democratic Action Hawaii, Parents and Children Together, Early Childhood Action Strategy, Catholic Charities Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Women's Coalition, and several concerned individuals supported this measure. The Department of Taxation, Department of the Attorney General, and Tax Foundation of Hawaii provided comments.

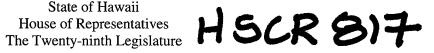
Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 670, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 670, H.D. 1, and be placed on the calendar for Third Reading.

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

State of Hawaii



Record of Votes of the Committee on Finance

| Bill/Resolution No.: HB 670 | Committee Referral: | Date | : 2-9-2 | 2017 |
|--|---------------------|--|------------|---------|
| θ The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: θ Pass, unamended (as is) Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| FIN Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. LUKE, Sylvia (C) | | | | |
| 2. CULLEN, Ty J.K. (VC) | | | | |
| 3. CACHOLA, Romy M. | | | | |
| 4. CHOY, Isaac W. | | | | |
| 5. DeCOITE, Lynn | | | | |
| 6. GATES, Cedric Asuega | | | | |
| 7. HOLT, Daniel | | | | |
| 8. KEOHOKALOLE, Jarrett | | | | |
| 9. KOBAYASHI, Bertrand | | | | |
| 10. LoPRESTI, Matthew S. | | | | |
| 11. LOWEN, Nicole E. | | 10 10 10 10 10 10 10 10 10 10 10 10 10 1 | | |
| 12. NAKAMURA, Nadine K. | V | | | |
| 13. TOKIOKA, James Kunane | | | | |
| 14. QUINLAN, Sean | | | | |
| 15. YAMASHITA, Kyle T. | | | | |
| 16. TUPOLA, Andria P.L. | | | | |
| 17. WARD, Gene | | | | |
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| TOTAL (17) | 17 | Ø | Ø | Ø |
| The recommendation is: β Adopted If joint referral, did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |