

STAND. COM. REP. NO. 1771

Honolulu, Hawaii

APR 03 2019

RE: H.B. No. 1394  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1394, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE COUNTY SURCHARGE ON STATE TAX,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize any county with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax ordinance to expend the surcharge revenues to address infrastructure and public safety needs.

Your Committee received testimony in support of this measure from the County of Hawaii, Office of the Mayor of the County of Hawaii, Hawaii County Council, Office of the Mayor of the County of Kauai, and Building Industry Association of Hawaii.

Your Committee received testimony in opposition to this measure from the Hawaii Association of REALTORS.

Your Committee received comments on this measure from the League of Women Voters of Hawaii and Tax Foundation of Hawaii.

Your Committee finds that this measure would provide more flexibility to counties with smaller populations in the use of

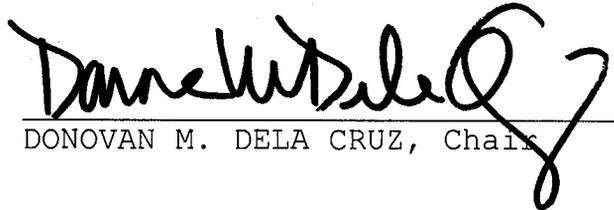


revenues generated from their surcharges on the state general excise tax and use tax.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1394, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1394, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



DONOVAN M. DELA CRUZ, Chair



