STAND. COM. REP. NO.

Honolulu, Hawaii

## APR 0 3 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

## The Senate Thirtieth Legislature State of Hawai'i

## Record of Votes Committee on Ways and Means WAM

	Committee Referral: Date:			,
HB 1394, HD1 WA/	M 3/28/19			
The Committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	Y			
KAHELE, Kaialiʻi	X		• .	
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.			Х	
RIVIERE, Gil			X	
SHIMABUKURO, Maile S.L.			•	X
TANIGUCHI, Brian T.	: " X			
FEVELLA, Kurt	X			
	<del> </del>			
TOTAL	10		2	l
Recommendation:  X Adopted Not Adopted				
Chair's or Designee's Signature:				
as scriptions				
Distribution: Origina Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

\*Only one measure per Record of Votes