HOUSE OF REPRESENTATIVES THE THIRTY-FIRST LEGISLATURE REGULAR SESSION OF 2021

COMMITTEE ON ECONOMIC DEVELOPMENT

Rep. Sean Quinlan, Chair Rep. Daniel Holt, Vice Chair

Rep. Della Au Belatti Rep. Jackson D. Sayama Rep. Dale T. Kobayashi Rep. Gregg Takayama Rep. Richard H.K. Onishi Rep. Val Okimoto

NOTICE OF HEARING

DATE: Wednesday, February 10, 2021

TIME: 9:30 AM

PLACE: VIA VIDEOCONFERENCE

Conference Room 312

State Capitol

415 South Beretania Street

THE STATE CAPITOL IS CLOSED TO THE PUBLIC DURING THE ONGOING COVID-19 PANDEMIC

Please note that the committee members will participate remotely via videoconference.

Click here to submit testimony and to testify remotely.

A live stream link of all House Standing Committee meetings will be available online shortly before the scheduled start time.

Click <u>here</u> for the live stream of this meeting via YouTube.

Click <u>here</u> for select hearings broadcast live on 'Ōlelo Community Media for cable TV.

AGENDA

HB 383 Status	RELATING TO A STATE POKER COMMISSION. Establishes a state poker commission to oversee the licensing and operation of specified gaming activities in the State, including live poker rooms. Designates as commissioners the respective directors of business, economic development, and tourism; commerce and consumer affairs; and taxation; or their designees. Appropriates funds.	ECD, CPC/JHA, FIN
HB 772 Status	RELATING TO CASINO GAMING. Grants 10-year license for 1 stand-alone, members-only casino in Waikiki, not in a hotel. Allows guests 21 years of age or older who register to stay 1 day and night at a hotel on Oahu for each day of admission at \$20-per-day pass. Establishes the Hawaii gaming control commission. Imposes wagering tax on gross receipts. Creates the state gaming fund and compulsive gambler program.	ECD, CPC/JHA, FIN

HB 736 Status RELATING TO SPORTS BETTING.

ECD, CPC/JHA,

Amends the definition of gambling to exclude digital sports betting on FIN

a platform licensed pursuant to state law. Requires the department of business, economic development, and tourism, to develop a pilot program to license businesses in the State to operate digital sports betting platforms. Provides an amended definition of gambling to be

enacted when the pilot program ceases to exist.

HB 1041 Status RELATING TO CONFORMITY TO THE INTERNAL REVENUE

ECD, FIN

CODE.

Conforms Hawaii income and estate and generation-skipping transfer tax laws to the Internal Revenue Code of 1986, as amended as of

December 31, 2020.

HB 1049 Status RELATING TO TITLE 14, HAWAII REVISED STATUTES.
Amends title 14, Hawaii Revised Statutes, to make nonsubstantive

changes for clarity and to delete obsolete provisions.

HB 1044 Status RELATING TO TAX ADMINISTRATION.

ECD, FIN

ECD, FIN

Allows the Department of Taxation to mandate the electronic filing of partnership and S-corporation returns if the taxpayer's gross receipts exceed \$250,000 and individual tax returns if the federal adjusted gross income as shown on the taxpayer's Hawaii return exceeds \$100,000. Requires certain tax return preparers to file returns electronically. Amends the rules for electronic funds transfer to remove the authorization to require electronic funds transfer or electronic filing if the federal government required that person to file or pay electronically and requires electronic funds transfers for tax return preparers and any

and requires electronic funds transfers for tax return preparers and any person subject to mandatory electronic filing. Removes the timeliness requirement from the electronic funds transfer penalty. Removes the authority of the department to charge for certified copies of tax clearances. Amends the statute that mandates tax clearances for liquor license holders. Clarifies the interest rate for payments made to

taxpayers out of the litigated claims fund.

HB 1045 Status RELATING TO TAX REPORTING.

ECD, FIN

Revises the manner in which person authorized to collect rent provides information to the Department of Taxation and requires (as opposed to permits) them to report the total amount of rent collected under sections 237-30.5 and 237D-8.5, Hawaii Revised Statutes.

HB 1047 Status RELATING TO GENERAL EXCISE TAX LICENSES.

ECD, FIN

Requires that any license issued under section 237-9, Hawaii Revised Statutes, be renewed biennially; permits the department to charge a fee for biennial renewals; and permits the department to require biennial

renewals be applied for electronically.

HB 1048 Status RELATING TO TAXATION.

ECD, CPC, FIN

Makes various technical amendments to chapters 243, 244D, and 245,

Hawaii Revised Statutes.

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- *HEARING ECD 02-10-21 *

PROPOSING AN AMENDMENT TO ARTICLE VIII, SECTION 3 HB 1208 Status

OF THE HAWAII CONSTITUTION RELATING TO THE FUNCTIONS, POWERS, AND DUTIES OF REAL PROPERTY ECD, JHA, FIN

ECD, JHA, FIN

ECD, JHA, FIN

ECD, CPC, FIN

TAXATION.

Proposes an amendment to the Hawaii State Constitution to repeal the exclusive power of the counties as to the functions, powers, and duties relating to the taxation of real property and authorize the State to also

exercise those functions, powers, and duties.

RELATING TO TAXATION. HB 1209

Status

By 1/1/2026, requires the department of taxation to suspend and

refunds certain income tax amounts received or withheld upon the enactment of a state law specifying real property tax amounts. Takes effect upon the ratification of a constitutional amendment authorizing

the State to have additional real property taxing authority.

HB 1314 RELATING TO TAXATION.

Status Authorizes each county to levy a county surcharge on transient

> accommodations tax if the county satisfies certain real property tax requirements. Repeals the allocation of transient accommodations tax

revenue to the counties and makes conforming amendments. Establishes a residential property owner tax credit and a residential circuit breaker tax credit. Beginning with taxable years after 12/31/2021, gradually implements new individual income tax and

corporation income tax brackets and rates in three-year intervals.

RELATING TO REAL ESTATE INVESTMENT TRUSTS. HB 286 Status

Requires real estate investment trusts to notify the department of taxation of its presence within the State and to report the assets and

revenues generated annually. Imposes a daily monetary fine for noncompliance.

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least 24 hours prior to the hearing. While every effort will be made to incorporate all testimony received, materials received on the day of the hearing or improperly identified or directed, may not be processed.

Testimony submitted will be placed on the legislative website. This public posting of testimony on the website should be considered when including personal information in your testimony.

The chair may institute a per-testifier time limit.

Committees meeting in the morning must adjourn prior to the day's Floor Session. Therefore, due to time constraints, not all testifiers may be able to testify. However, all written submissions will be considered by the committee.

Please refrain from profanity or uncivil behavior. Violations may result in ejection from the hearing without the ability to

The House will not be responsible for bad connections on the testifier's end.

The cable TV broadcast and/or live stream of this meeting will include closed captioning. If you require other auxiliary aids or services to participate in the public hearing process (i.e. interpretive services (oral or written) or ASL interpreter) or are

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unable to submit testimony via the website due to a disability, please contact the committee clerk at least 24 hours prior to the hearing so that arrangements can be made.

Click **here** for a complete list of House Guidelines for public testimony.

FOR AMENDED NOTICES: Measures that have been deleted are stricken through and measures that have been added are bolded.

For more information, please contact the Committee Clerk at 586-6380

Rep. Sean Quinlan Chair