HOUSE OF REPRESENTATIVES THE THIRTY-FIRST LEGISLATURE REGULAR SESSION OF 2022

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, March 16, 2022

TIME: 10:00 AM

PLACE: VIA VIDEOCONFERENCE

Conference Room 312

State Capitol

415 South Beretania Street

Click <u>here</u> to submit testimony and to testify remotely or in person.

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.

<u>A G E N D A</u>

SB 2331 (SSCR2736) Status	RELATING TO ALCOHOL. Expands the definition of "beer" to specify an alcohol by volume of no less than 0.5 per cent and to include alcohol seltzer beverages. Takes effect 1/1/2023.	ECD, CPC, FIN
SB 2863, SD2 (SSCR2779) Status	RELATING TO FEMININE HYGIENE PRODUCTS. Exempts amounts received from the sale of feminine hygiene products from the general excise tax. Effective 7/1/2050. (SD2)	ECD, JHA, FIN
SB 2378, SD1 (SSCR3181) Status	RELATING TO THE TAXATION BOARD OF REVIEW. Adjusts membership of the State Taxation Board of Review to 3 paid, full-time members, and sets a 2-member quorum. Establishes a compensation schedule for board members. Authorizes board members to validate board actions by a majority of the members who heard the appeal. Clarifies that board meetings are contested case hearings and provides notice requirements. Clarifies the legal and evidentiary framework the board may use in reaching its decisions. Effective 7/1/2050. (SD1)	ECD, JHA, FIN

SB 3201, SD1 (SSCR3105) Status	RELATING TO NONPROFIT ORGANIZATIONS. Clarifies the application of the general excise tax law with regard to gross income derived from unrelated trade or business activities of nonprofit organizations. (SD1)	ECD, CPC, FIN
SB 2805, SD2 (SSCR3077) Status	RELATING TO SMALL BUSINESS LOANS. Creates the Hawaii Start-Up Business Loan Program to be administered by the Business Development and Support Division of the Department of Business, Economic Development, and Tourism, in coordination with the Hawaii Technology Development Corporation. Establishes the Hawaii Start-up Business Loan Program Revolving Fund. Requires DBEDT to submit an annual report to the Legislature on the program's utilization and administration. Appropriates moneys. Effective 7/1/2050. (SD2)	ECD, FIN
SB 2020, SD1 (SSCR2818) Status	RELATING TO THE GENERAL EXCISE TAX. Clarifies that, under the general excise tax law, sales to a licensed retail merchant, jobber, or other licensed seller for resale are only eligible for the wholesale tax rate if the resale is subject to the highest general excise tax rate. Adds a similar requirement for sales of tangible personal property to a service provider or for the purpose of providing transient accommodations. (SD1)	ECD, FIN
SB 2167, SD2 (SSCR3007) Status	RELATING TO FILM INFRASTRUCTURE TAX CREDIT. Establishes a film infrastructure income tax credit. Requires that the film infrastructure project spend at least \$3,000,000 on buildings, facilities, or installations. Sets an aggregate cap amount for the credit of \$10,000,000 per year. Appropriates moneys to the Department of Business, Economic Development, and Tourism's Creative Industries Division for two full-time equivalent (2.0 FTE) positions. Effective 7/1/2050. (SD2)	ECD, FIN
<u>SB 2303</u> (SSCR2823) <u>Status</u>	RELATING TO THE GENERAL EXCISE TAX. Authorizes the Director of Taxation to exempt a taxpayer whose annual general excise tax liability does not exceed \$100 from monthly, quarterly, or semiannual general excise tax filing requirements; provided that the taxpayer files an annual return. Applies to taxable years beginning after 12/31/2022.	ECD, FIN
SB 2376, SD1 (SSCR2751) Status	RELATING TO TOBACCO TAXES. Repeals and eliminates the deferred payment purchase option for cigarette tax stamps. Requires licensees to pay for stamps at the time of purchase using cash, certified check, or bank transfer. Effective 1/1/2023. (SD1)	ECD, FIN

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least <u>24 hours</u> prior to the hearing. Testimony received after this time will be stamped late and left to the discretion of the chair to consider. 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.

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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 provided an opportunity to offer verbal comments. However, 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 rejoin.

For remote testifiers, the House will not be responsible for bad connections on the testifier's end.

For general help navigating the committee hearing process, please contact the Public Access Room at (808) 587-0478 or par@capitol.hawaii.gov.

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 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 <u>here</u> for a complete list of House Guidelines for remote 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 Chair's Committee Clerk at (808) 586-6485. For information or questions regarding testimony submissions, please contact the Vice Chair's office at 808-586-6180.

Rep. Sean Quinlan Chair

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