

STAND. COM. REP. NO.

1776

Honolulu, Hawaii

APR 06 2023

RE: H.B. No. 1327
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1327, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAX CREDITS,"

begs leave to report as follows:

The purpose and intent of this measure is to provide financial support to teachers.

Specifically, this measure establishes a state income tax credit for qualified expenses incurred by certain individuals employed by the Department of Education, the Hawaii State Public Library System, or as part of a Head Start program in a school.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, Hawaii State Teachers Association-Retired, and seven individuals.

Your Committee received comments on this measure from the Department of Education and Department of Taxation.

Your Committee finds that, in a recent survey to its members across the islands, the Hawaii State Teachers Association found that survey respondents reported spending an average of \$953 of their own money each year to purchase various classroom supplies. Your Committee also finds that, according to numerous studies of



teacher compensation, Hawaii's public school teachers receive the lowest salaries in the nation when adjusted for cost of living. As a result, your Committee further finds that when Hawaii public school teachers are forced to purchase classroom supplies with their personal funds because of inadequate school funding, they face a disproportionately adverse financial impact in comparison to their national peers.

Your Committee has amended this measure by clarifying that the measure shall apply to taxable years beginning after December 31, 2022.

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. 1327, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1327, H.D. 2, 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,

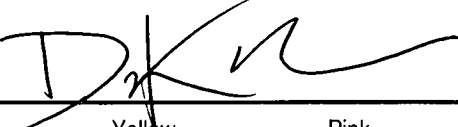


DONOVAN M. DELA CRUZ, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB1327.HD2	Committee Referral: WAM	Date: 4/5/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	✓			
KEITH-AGARAN, Gilbert S.C. (VC)				✓
AQUINO, Henry J.C.	✓			
DECOITE, Lynn	✓			
INOUE, Lorraine R.	✓			
KANUHA, Dru Mamo	✓			
KIDANI, Michelle N.	✓			
KIM, Donna Mercado	✓			
LEE, Chris	✓			
MORIWAKI, Sharon Y.				✓
SHIMABUKURO, Maile S.L.	WAM			✓
WAKAI, Glenn	✓			
FEVELLA, Kurt	✓			
TOTAL	10			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes