

STAND. COM. REP. NO.

374

Honolulu, Hawaii

MAR 21 2024

RE: H.B. No. 2570
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2570, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ATTORNEYS,"

begs leave to report as follows:

The purpose and intent of this measure is to require petitions or motions for a pro hac vice appearance for a court or arbitration proceeding to be supported by certain evidence to ensure that both the applicant and local counsel will pay all state income tax due for Hawaii business activities as well as any other information or documentation required by the Rules of the Hawaii Supreme Court.

Your Committee received testimony in support of this measure from the Hawaii Association of Public Accountants.

Your Committee received testimony in opposition to this measure from the Judiciary and one individual.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that out-of-state attorneys who practice in the State's courts pro hac vice may be unaware that they owe the State general excise taxes. Unlike the general excise tax in



most states, Hawai'i's tax applies to both gross rental income and gross service income. This measure will help inform out-of-state attorneys practicing in the State pro hac vice of their state tax obligations by amending the process by which the attorneys are admitted to practice law in the State's courts.

Your Committee has amended this measure by inserting an effective date of April 14, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2570, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2570, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:* HB 2570 HD1	Committee Referral: JDC, WAM	Date: 03/15/24		
<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
RHOADS, Karl (C)	✓			
GABBARD, Mike (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
SAN BUENAVENTURA, Joy A.	✓			
AWA, Brenton				✓
TOTAL	4	—	—	1
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**