

STAND. COM. REP. NO.

562

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 882
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred
H.B. No. 882 entitled:

"A BILL FOR AN ACT RELATING TO THE COLLEGE SAVINGS ACCOUNT
PROGRAM,"

begs leave to report as follows:

The purpose of this bill is to encourage savings and
investment for post-secondary educational purposes by:

- (1) Establishing a tax deduction for contributions to a
college savings account under the College Savings
Account Program (Program); and
- (2) Requiring the State to provide an initial investment in
a college savings account with the issuance of each
birth certificate for a child born in the state, and
periodic investments thereafter.

The University of Hawaii, 3Point, and a concerned individual
supported the intent of this bill. The Hawaii Alliance for
Community-Based Economic Development supported this measure with
amendments.

HB882 HD1 HSCR HED HMS 2007-2256

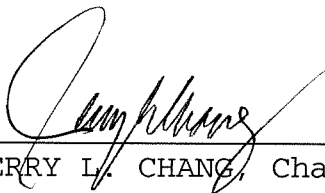


Your Committee has amended this bill by:

- (1) Requiring and appropriating funds for the Department of Health to issue a \$1,000 voucher to open a college account under the Program, with the issuance of each birth certificate for a child born in the state;
- (2) Deleting the specific amount that the State must transfer from the College Savings Program Trust Fund to the account owner's college account when the designated beneficiary of the account reaches certain ages; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 882, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 882, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Higher Education,



JERRY L. CHANG, Chair



