

Honolulu, Hawaii

Feb 29, 2008

RE: H.B. No. 2047
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2047, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INDIVIDUAL DEVELOPMENT ACCOUNTS,"

begs leave to report as follows:

The purpose of this bill is to support low- and moderate-income families by, among other things:

- (1) Clarifying guidelines pertaining to individual development accounts (IDAs);
- (2) Designating the Department of Human Services (DHS) to administer IDAs;
- (3) Allowing IDAs to be used for the purchase of a motor vehicle used for school or work transportation;
- (4) Requiring DHS to determine income limits;
- (5) Designating and allowing DHS to contract with fiduciary organizations;
- (6) Requiring fiduciary organizations to submit an annual report to DHS instead of the Legislature;



- (7) Repealing the cap on state funds that can be used by selected fiduciary organizations for administrative costs; and
- (8) Appropriating \$400,000 in general or federal funds to operate IDAs.


The Legal Aid Society of Hawaii and Aloha United Way testified in support of this bill. DHS commented on this measure.

Your Committee has amended this bill by:

- (1) Changing the appropriations for the operation of IDAs to unspecified amounts to encourage further discussion;
- (2) Changing the effective date of the appropriation provision to July 1, 2020; 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2047, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2047, H.D. 2.

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


MARCUS R. OSHIRO, Chair



