

STAND. COM. REP. NO.

2601

Honolulu, Hawaii

FEB 28 2008

RE: S.B. No. 2660  
S.D. 3

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2660, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO COLLEGE SAVINGS PROGRAMS,"

begs leave to report as follows:

The purpose of this measure is to provide a state tax deduction for contributions to a 529 plan college tuition program.

Your Committee received testimony in support of the measure from the Securities Industry and Financial Market Association. Your Committee received comments on the measure from the Department of Taxation, the Department of Budget and Finance, the Hawaii Association of Independent Schools, Upromise Investments, Inc., and the Tax Foundation of Hawaii.

Your Committee finds that federal tax-deferred college savings plans or "529 plans" allow the states to establish savings programs to assist and encourage families to set aside funds for future higher education expenses.

The tax deduction under this measure provides an additional tax benefit and incentive for college-bound students and their families to prepare financially for the cost of a college education.

Your Committee has amended the measure by:

SB2660 SD3 SSCR LRB 08-2202.doc



- (1) Underscoring appropriate provisions of the measure to comply with Ramseyer bill drafting requirements;
- (2) Adding an effective date for the measure of "upon approval"; and
- (3) Making technical amendments that have no substantive effect.

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 S.B. No. 2660, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2660, S.D. 3.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:
SB2660, SD2	EDU, EDT, WAM	2/22/08

The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312      Pass, with amendments 2311      Hold 2310      Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.				/
INOUYE, Lorraine R.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul	/			
<b>TOTAL</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>1</b>

Recommendation:      Adopted      Not Adopted

Chair's or Designee's Signature:  


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\*Only one measure per Record of Votes