

STAND. COM. REP. NO.

2532

Honolulu, Hawaii

FEB 15 2008

RE: S.B. No. 3251  
S.D. 2

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

Madam:

Your Committee on Economic Development and Taxation, to which was referred S.B. No. 3251, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to establish a task force to study the adequacy of funding for education in the State and to develop estimates and methods for meeting funding needs. This measure also establishes a tax credit for volunteer services performed for the public schools or the University of Hawaii.

Testimony in support of this measure was submitted by the Hawaii Association of Independent Schools, the Hawai'i Business Roundtable, the Hawai'i Alliance for Community-Based Economic Development, the Hawaii State Teachers Association, and Imperium Renewables. Testimony in opposition of this measure was submitted by the Department of Education and the Department of Taxation. Comments on the measure were submitted by the Tax Foundation of Hawaii.

Your Committee finds that permitting some taxpayers to interpret whether their voluntary services are eligible for the tax credit would likely be problematic. The Department of Taxation raised additional concerns over implementation of the tax credit.



Accordingly, your Committee does not support providing a tax credit for volunteer services performed by taxpayers for public schools or the University of Hawaii.

Your Committee has amended this measure by:

- (1) Deleting the tax credit for volunteer services performed at a public school or the University of Hawaii; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3251, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.B. No. 3251, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development and Taxation,



CAROL FUKUNAGA, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Economic Development and Taxation**  
**EDT**

Bill / Resolution No.:*	Committee Referral:	Date:
<i>SB 3251, SDI</i>	<i>EDM, EDT, WAM</i>	<i>2/12/08</i>

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
FUKUNAGA, Carol (C)	/			
ESPERO, Will (VC)	/			
BAKER, Rosalyn H.	/			
ENGLISH, J. Kalani				/
IGE, David Y.	/			
SLOM, Sam	/			
<b>TOTAL</b>	<i>5</i>			<i>1</i>

Recommendation:  Adopted     Not Adopted

Chair's or Designee's Signature: *Will Espero*

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\*Only one measure per Record of Votes