

JAN 27 2010

S.B. NO. 2868

A BILL FOR AN ACT

RELATING TO CORPORATE TRANSPARENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that, although the State
2 and its local government units have granted numerous economic
3 development subsidies, awarded several public contracts and
4 distributed enormous tax breaks in the last twenty five years,
5 the real wage levels and health care coverage of working
6 families have declined.

7 Some programs providing economic development subsidies lack
8 measurable job creation goals, and in some cases, businesses
9 have closed, relocated, or outsourced facilities or jobs for
10 which subsidies were provided to sites outside of the State.

11 Also, some contractors do not fulfill intended savings
12 goals, which places a great burden on taxpayers. Citizen
13 participation in economic development and the contracting
14 process have been impeded by a lack of readily accessible
15 information regarding expenditures and outcomes.

16 Data collected by the federal government indicate that
17 state corporate income taxes represent a declining share of



1 state tax revenue and that the effective rate at which states
2 are taxing corporate profits has fallen sharply in recent
3 decades. Studies by numerous states find that a majority of
4 corporations filing income tax returns have zero liability, even
5 in years in which the economy is growing and corporate profits
6 are healthy.

7 Research conducted by leading academics suggests that the
8 causes of state corporate tax base erosion include such factors
9 as greater corporate aggressiveness and sophistication in
10 exploiting loopholes and structural weaknesses in state
11 corporate income tax laws, state conformity to federal tax law
12 changes, the enactment of tax cuts and special credits aimed at
13 stimulating in-state job creation and other desired corporate
14 behavior, and the implementation of federal corporate income tax
15 shelters.

16 Data extracted from state corporate income tax returns and
17 then published in an aggregated form that averages results for
18 corporations falling within certain income or asset-size
19 categories are extremely limited in their capacity to illuminate
20 the source of state corporate income tax base erosion. Such
21 data does not, for example, permit an examination of whether



1 corporations that reported losses on their state income tax
2 returns reported profits to their shareholders in the same year.

3 In order to determine whether Hawaii's corporate income tax
4 is structured in such a way as to ensure that all corporations
5 doing business here are paying their fair share and whether tax
6 incentives enacted to encourage corporations to invest and
7 create jobs here are effective, it is necessary to require
8 corporations to publicly disclose the amount of corporate income
9 tax they pay to the State, the amount of economic development
10 tax incentives they receive, the number of employees they have
11 in the State, and additional information drawn from their tax
12 returns to understand the major factors that determine their
13 corporate income tax liability.

14 Therefore, in order to augment the effectiveness of
15 expenditures for economic development, ensure the State is
16 achieving savings when using contractors, and improve the
17 social, economic, and fiscal outcomes for taxpayers and working
18 families in the State, the legislature finds it necessary to
19 collect, analyze, and make publicly available information
20 regarding those expenditures and to enact certain safeguards for
21 their use. Furthermore, by providing concrete, real-world
22 examples of the operation of Hawaii's corporate income tax, such



1 company-specific disclosure will facilitate both understanding
 2 of and interest in critical corporate tax policy issues
 3 confronting the State on the part of policymakers and interested
 4 citizens alike.

5 The purpose of this Act is to promote corporate
 6 transparency within the State of Hawaii.

7 SECTION 2. The Hawaii Revised Statutes is amended by
 8 adding a new chapter to be appropriately designated and to read
 9 as follows:

10 "CHAPTER

11 CORPORATE TRANSPARENCY

12 PART I. GENERAL PROVISIONS

13 § -1 Definitions. For the purposes of this chapter:

14 "Consulting services" means work that a person other than a
 15 regular employee of an agency of the State or county does for or
 16 on behalf of the agency of the State or county in return for
 17 compensation provided under the terms of a public contract. The
 18 work may include, but is not limited to:

- 19 (1) Performing or providing research, analysis,
- 20 assessments, data processing or computer programming,
- 21 training or education, accounting, audits or
- 22 evaluations, or treatment or security;



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1 (2) Giving professional advice or recommendations;

2 (3) Designing business or communications processes,
3 procedures, methods, or strategies; or

4 (4) Other work related to the functions of the state
5 agency or county agency.

6 "Contract" means any expenditure of public funds of at
7 least \$25,000 for the purpose of establishing an agreement,
8 outlining a transaction between an entity and a government body
9 to perform a specific service for compensation.

10 "Contracting agency" means any agency of the State or its
11 political subdivisions that awards contracts.

12 "Contractor" means any person other than a regular employee
13 of a state or county agency who performs work for or on behalf
14 of the agency in return for compensation provided under the
15 terms of a public contract.

16 "Corporate parent" means any person, association,
17 corporation, joint venture, partnership, or other entity, that
18 owns or controls fifty per cent or more of a recipient
19 corporation.

20 "Corporation" means any entity subject to the tax levied by
21 the department of taxation and the department of commerce and
22 consumer affairs or by Section 11 of the Internal Revenue Code,



1 except that "qualified personal service corporations", as
2 defined in Section 448 of the Internal Revenue Code, shall be
3 exempt from this chapter.

4 "Date of subsidy" means the date that a granting body
5 provides the initial monetary value of a development subsidy to
6 a recipient corporation; provided, however, that where the
7 subsidy is for the installation of new equipment, the date shall
8 be the date the corporation puts the equipment into service;
9 provided further that where the subsidy is for improvements to
10 property, the date shall be the date the improvements are
11 finished, or the date the corporation occupies the property,
12 whichever is earlier.

13 "Development subsidy" means any expenditure of public funds
14 with a value of at least \$25,000 for the purpose of stimulating
15 economic development within the State, including but not limited
16 to bonds, grants, loans, loan guarantees, enterprise zones,
17 empowerment zones, tax increment financing, grants, fee waivers,
18 land price subsidies, matching funds, tax abatements, tax
19 exemptions, and tax credits.

20 "Doing business in the State" means owning or renting real
21 or tangible personal property physically located in the State;
22 having employees, agents, or representatives acting on the



1 corporation's behalf in the State; making sales of tangible
2 personal property to purchasers that take possession of the
3 property in the State; performing services for customers located
4 in the State; performing services in the State; earning income
5 from intangible property that has a business site in the State;
6 engaging in regular and systematic solicitation of sales in the
7 State; being a partner in a partnership engaged in any of the
8 preceding activities in the State; or being a member of a
9 limited liability company engaged in any of the preceding
10 activities in the State.

11 "Full-time job" means a job in which an individual is
12 employed by a recipient corporation for at least thirty-five
13 hours per week.

14 "Granting body" means any agency, board, office, public
15 benefit corporation, or authority of the State or county that
16 provides a development subsidy.

17 "LEED" means an internationally-recognized green building
18 certification system developed by the U.S. Green building
19 council that provides third-party verification that a building
20 or community was designed and built using strategies aimed at
21 improving performance across all the metrics that matter most:
22 energy savings, water efficiency, carbon dioxide emissions



1 reduction, improved indoor environmental quality, and
2 stewardship of resources and sensitivity to their impacts.

3 "LEED-certified" means a project means that meets the
4 requirements developed by the Leed system.

5 "Local government unit" means an agency, board, commission,
6 office, public benefit corporation, or public authority of a
7 political subdivision of the State.

8 "Part-time job" means a job in which an individual is
9 employed by a recipient corporation for less than thirty-five
10 hours per week.

11 "Project site" means the site of a project for which any
12 development subsidy is provided.

13 "Property-taxing entity" means any entity which levies
14 taxes upon real or personal property.

15 "Recipient contractor" means any person, association,
16 corporation, joint venture, partnership, or other entity that is
17 awarded a contract bid.

18 "Recipient corporation" means any person, association,
19 corporation, joint venture, partnership, or other entity that
20 receives a development subsidy.

21 "Small business" means a corporation whose corporate
22 parent, and all subsidiaries thereof, that employed fewer than



1 twenty full-time employees or had total gross receipts of less
2 than \$1,000,000 during the calendar year.

3 "State" means an agency, board, commission, office, public
4 benefit corporation or public benefit authority of the State.

5 "Subsidy value" means the face value of any and all
6 development subsidies provided to a recipient corporation.

7 "Tax expenditure" means a statutory provision, however
8 denominated, that exempts certain persons, property, goods, or
9 services, in whole or in part, from the operation of a tax.

10 "Tax expenditure budget" means a compilation of information
11 about the State's tax expenditures that includes data from the
12 previous, current, and upcoming fiscal year.

13 "Temporary job" means a job in which an individual is hired
14 for a season or for a limited period of time.

15 **PART II. APPLICANT AND RECIPIENT CORPORATION REPORTING**

16 **§ -21 Application for economic development subsidies.**

17 (a) Each granting body, together with the applicant for a
18 development subsidy, shall complete an application for the
19 subsidy on a form prepared by the department of business,
20 economic development and tourism. The information required on
21 the application shall include the following:



- 1 (1) An application tracking number for the granting agency
2 and the project;
- 3 (2) The name, street and mailing address, and phone number
4 of the chief officer of the granting body;
- 5 (3) The name, street and mailing address, and phone number
6 of the chief officer of the applicant's corporate
7 parent;
- 8 (4) The name, street and mailing address, and phone number
9 of the chief officer of the applicant;
- 10 (5) The name, street and mailing address, and phone number
11 of the granting agency official responsible for
12 monitoring the subsidy;
- 13 (6) The street address of the project site;
- 14 (7) The name, type, and description of the economic
15 development subsidy;
- 16 (8) The three-digit North American Industry Classification
17 System number of the project site;
- 18 (9) The total number of individuals employed by the
19 applicant at the project site on the date of the
20 application, broken down by full-time, part-time, and
21 temporary positions;



- 1 (10) The total number of individuals employed in the State
2 by the applicant's corporate parent, and all
3 subsidiaries thereof, as of December 31 of the prior
4 fiscal year, broken down by full-time, part-time, and
5 temporary positions;
- 6 (11) The development subsidy or subsidies being applied for
7 with the granting body, and the value of the subsidy
8 or subsidies; the name of any other granting body from
9 which development subsidies are sought or obtained,
10 and the aggregate value of all development subsidies
11 requested or received from all sources;
- 12 (12) The number of new jobs to be created by the applicant
13 at the project site, broken down by full-time, part-
14 time, and temporary positions;
- 15 (13) The average hourly wage to be paid to all current and
16 new employees at the project site, broken down by
17 full-time, part-time, and temporary positions, and
18 further broken down by wage groups as follows: \$6.00
19 or less an hour, \$6.01 to \$7.00 an hour, \$7.01 to
20 \$8.00 an hour, \$8.01 to \$9.00 an hour, \$9.01 to \$10.00
21 an hour, \$10.01 to \$11.00 an hour, \$11.01 to \$12.00 an



1 hour, \$12.01 to \$13.00 an hour, \$13.01 to \$14.00 an
2 hour, and \$14.01 or more per hour;

3 (14) The type and amount of health care coverage to be
4 provided by the applicant within ninety days of
5 commencement of employment at the project site,
6 including any costs to be borne by the employees;

7 (15) The number of current employees provided health
8 benefits;

9 (16) The number of current employees and anticipated new
10 employees represented by a collective bargaining unit;

11 (17) For project sites located in a metropolitan
12 statistical area, as defined by the federal Office of
13 Management and Budget, the average hourly wage paid to
14 non-managerial employees in the State for the
15 industries involved at the project, as established by
16 the United States Bureau of Labor Statistics;

17 (18) For project sites located outside of metropolitan
18 statistical areas, the average weekly wage paid to
19 non-managerial employees in the county for industries
20 involved at the project, as established by the United
21 States Department of Commerce;



- 1 (19) Whether or not the project will be LEED-certified and
2 if so, provide the rating;
- 3 (20) The start and end dates for the economic development
4 subsidy;
- 5 (21) The project site's proximity to mass transit, a
6 regional rail line, or a major highway off-ramp;
- 7 (22) A statement as to whether the development subsidy may
8 reduce employment at any other site controlled by the
9 applicant or its corporate parent, within or without
10 of the State, resulting from automation, merger,
11 acquisition, corporate restructuring, or other
12 business activity;
- 13 (23) A statement confirming the subsidy applicant's past
14 legal compliance, including minimum wage, employee
15 rights, and affirmative action laws;
- 16 (24) A statement as to whether or not the project involves
17 the relocation of work from another address and if so,
18 the number of jobs to be relocated and the address
19 from which they are to be taken from and the address
20 where they are sent;



1 (25) The projected net tax revenue accruing to the local
2 agency as a result of the economic development
3 subsidy;

4 (26) Inclusion of any material documents, such as insurance
5 policies, rating agency reports, or other pertinent
6 documents, that are necessary to ensure the subsidy is
7 reasonably crafted and geared towards its public
8 interest within a co-financed or leveraged project;

9 (27) Projected subsidy value; and

10 (28) A certification by the chief officer of the applicant
11 as to the accuracy of the application.

12 (b) If the granting body approves the application, it
13 shall send a copy to the department of business, economic
14 development and tourism within fifteen days of the approval. If
15 the application is not approved, the granting body shall retain
16 the application in its records.

17 (c) Before granting an economic development subsidy, each
18 local agency shall provide public notice and a hearing regarding
19 the economic development subsidy. A public hearing and notice
20 under this subsection is not required if a hearing and notice
21 regarding the economic development subsidy is otherwise required
22 by law.



1 § -22 Application for contract bid. (a) Each
2 contracting agency, together with the applicant for a contract
3 bid, shall complete an application for the contract on a form
4 prepared by the department of budget and finance. The
5 information required on the application shall include the
6 following:

7 (1) An application tracking number for the contracting
8 agency and the contract;

9 (2) The name, street and mailing address, and phone number
10 of the chief officer of the contracting agency;

11 (3) The name, street and mailing address, and phone number
12 of the chief officer of the applicant's corporate
13 parent;

14 (4) The name, street and mailing address, and phone number
15 of the chief officer of the applicant;

16 (5) The name, street and mailing address, employer and
17 employment category or job description of each person
18 that will provide consulting services under the
19 contract, including subcontractors;

20 (6) The name, street and mailing address, and phone number
21 of the contracting agency official responsible for
22 monitoring the contract;

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- 1 (7) The three-digit North American Industry Classification
2 System number of the entity applying for a bid;
- 3 (8) Type of service required by contract;
- 4 (9) The total number of individuals employed by the
5 applicant on the date of the application, broken down
6 by full-time, part-time, and temporary positions;
- 7 (10) The total number of individuals employed in the State
8 by the applicant's corporate parent, and all
9 subsidiaries thereof, as of December 31 of the prior
10 fiscal year, broken down by full-time, part-time, and
11 temporary positions;
- 12 (11) The bids being applied for with the contracting
13 agency, and the value of the contract or contracts;
14 the name of any other contracting agencies from which
15 bids are sought or obtained, and the aggregate value
16 of all bids requested or received from all sources;
- 17 (12) The number of contractors or subcontractors needed to
18 perform required services, broken down by full-time,
19 part-time, and temporary positions;
- 20 (13) The types of services the contractor, subcontractor,
21 and any contract employees provide;



1 (14) The average hourly wage to be paid to each contractor,
2 subcontractor, and contract employee, broken down by
3 full-time, part-time, and temporary positions, and
4 further broken down by wage groups as follows: \$6.00
5 or less an hour, \$6.01 to \$7.00 an hour, \$7.01 to
6 \$8.00 an hour, \$8.01 to \$9.00 an hour, \$9.01 to \$10.00
7 an hour, \$10.01 to \$11.00 an hour, \$11.01 to \$12.00 an
8 hour, \$12.01 to \$13.00 an hour, \$13.01 to \$14.00 an
9 hour, and \$14.01 or more per hour;

10 (15) The number of hours each person, including each
11 subcontractor and contract employees, is expected to
12 work in providing consulting services to the agency
13 under the terms of the contract;

14 (16) The total compensation of each contractor and
15 subcontractor;

16 (17) The type and amount of health care coverage to be
17 provided by the applicant within ninety days of
18 commencement of the contract, including any costs to
19 be borne by the employees;

20 (18) The number of contractors or subcontractors associated
21 with the contract represented by a collective
22 bargaining unit;



- 1 (19) For applicants based in a metropolitan statistical
2 area, as defined by the federal Office of Management
3 and Budget, the average hourly wage paid to non-
4 managerial employees in the State for the industries
5 involved at the project, as established by the United
6 States Bureau of Labor Statistics;
- 7 (20) For applicants based outside of metropolitan
8 statistical areas, the average weekly wage paid to
9 non-managerial employees in the county for industries
10 involved at the project, as established by the United
11 States Department of Commerce;
- 12 (21) The start and end dates for the contract;
- 13 (22) A statement confirming the applicant's past legal
14 compliance, including minimum wage, employee rights,
15 and affirmative action laws;
- 16 (23) Projected savings accruing to the contracting agency;
- 17 (24) Projected total cost of contract; and
- 18 (25) A certification by the chief officer of the applicant
19 as to the accuracy of the application.
- 20 (b) If the contracting agency approves the bid, it shall
21 send a copy to the State department of budget and finance within
22 fifteen days of the approval. If the application is not



1 approved, the granting body shall retain the application in its
2 records.

3 (c) Before approving a contract bid, each contracting
4 agency shall provide public notice and a hearing regarding the
5 contract bid. A public hearing and notice under this
6 subdivision is not required if a hearing and notice regarding
7 the contract bid is otherwise required by law.

8 **PART III. REPORTS ON SUBSIDIES AND CONTRACTS**

9 **§ -31 Establishment of measurable standards. (a)**

10 Before entering into a public contract, a contracting agency
11 shall establish measurable standards for assessing the quality
12 of the goods or services, personal services, personal property,
13 public improvements or public works, alterations, repairs or
14 maintenance that a contractor will provide or perform under the
15 contract. The contracting agency may develop the quality
16 standards applicable to the public contract in cooperation with
17 or as a result of negotiations with the contractor to which the
18 contracting agency has awarded the public contract. Unless the
19 contracting agency for good cause specifies otherwise, the
20 quality standards may not be less than the highest standards
21 prevalent in the industry or business most closely involved in
22 providing the appropriate goods or services, personal services,



1 personal property, public improvements, public works,
2 alterations, repairs, or maintenance.

3 (b) If a contracting agency performs a cost analysis
4 before a procurement for goods or services with an estimated
5 contract price that exceeds \$25,000, that analysis shall be
6 subject to disclosure under chapter 92F. The contracting agency
7 shall provide a comparison of the findings of the cost analysis
8 with the actual cost of the contract in its annual and biannual
9 report described in section -22.

10 § -32 Report on economic development subsidies. (a)

11 Annual reporting requirements shall be as follows:

12 (1) Each granting body, together with the recipient of the
13 subsidy, shall complete a report for the subsidy on a
14 form prepared by the department of business, economic
15 development and tourism no later than thirty days
16 after the start of the fiscal year. The report shall
17 include the following information:

18 (A) The application tracking number;

19 (B) The name, street and mailing addresses, phone
20 number and chief officer of the granting body;



- 1 (C) The name, street and mailing addresses, phone
2 number, and chief officer of the recipient
3 corporation;
- 4 (D) The name, street and mailing address, and phone
5 number of the contracting agency official
6 responsible for monitoring the subsidy;
- 7 (E) A summary of the number of jobs required, created
8 and lost, broken down by full-time, part-time,
9 and temporary positions;
- 10 (F) The name, type, and description of the economic
11 development subsidy;
- 12 (G) The average hourly wage to be paid to all current
13 and new employees at the project site, broken
14 down by full-time, part-time and temporary
15 positions, and further broken down by wage groups
16 as follows: \$6.00 or less an hour, \$6.01 to
17 \$7.00 an hour, \$7.01 to \$8.00 an hour, \$8.01 to
18 \$9.00 an hour, \$9.01 to \$10.00 an hour, \$10.01 to
19 \$11.00 an hour, \$11.01 to \$12.00 an hour, \$12.01
20 to \$13.00 an hour, \$13.01 to \$14.00 an hour, and
21 \$14.01 or more per hour;
- 22 (H) Location of employees by zip code;



- 1 (I) The type and amount of health care coverage
- 2 provided to the employees at the project site,
- 3 including any costs borne by the employees;
- 4 (J) The number of current employees represented by a
- 5 collective bargaining;
- 6 (K) Whether or not the project will be LEED-certified
- 7 and if so, provide the rating;
- 8 (L) The start and end dates and schedule for the
- 9 economic development subsidy;
- 10 (M) The project site's proximity to mass transit, a
- 11 regional rail line, or a major highway off-ramp;
- 12 (N) The comparison of the total employment in the
- 13 State by the recipient's corporate parent on the
- 14 date of the application and the date of the
- 15 report, broken down by full-time, part-time and
- 16 temporary positions;
- 17 (O) A statement as to whether the use of the
- 18 development subsidy during the previous fiscal
- 19 year has reduced employment at any other site
- 20 controlled by the recipient corporation or its
- 21 corporate parent, within or without of the State
- 22 as a result of automation, merger, acquisition,



- 1 corporate restructuring or other business
- 2 activity;
- 3 (P) A statement as to whether any affordable housing
- 4 has been displaced by the project;
- 5 (Q) A statement as to whether or not the project has
- 6 involved the relocation of work from another
- 7 address and if so, the number of jobs relocated
- 8 and the address from which they were taken from
- 9 and the address they were moved to;
- 10 (R) Identification of all sources of public and
- 11 private financing in relation to the project;
- 12 (S) Inclusion of any cost analysis or feasibility
- 13 study that may have been conducted by the State
- 14 or granting agency before the subsidy was
- 15 awarded;
- 16 (T) Inclusion of any material documents, such as
- 17 insurance policies, rating agency reports, or
- 18 other pertinent documents, that are necessary to
- 19 ensure the subsidy is reasonably crafted and
- 20 geared towards its public interest within a co-
- 21 financed or leveraged project;



- 1 (U) The net tax revenue accruing to the local agency
- 2 as a result of the economic development subsidy;
- 3 (V) Total subsidy value;
- 4 (W) Record action, if any, the granting agency has
- 5 taken against potential non-compliance; and
- 6 (X) A signed certification by the chief officer of
- 7 the recipient corporation as to the accuracy of
- 8 the progress report;

9 (2) The granting body shall then compile the data
10 specified in paragraph (1) and file a progress report
11 with department of business, economic development and
12 tourism for each project for which a development
13 subsidy has been granted, no later than sixty days
14 after the start of the fiscal year;

15 (3) On all subsequent annual progress reports, the
16 granting body shall indicate whether the recipient
17 corporation is still in compliance with its job
18 creation, wage and benefit goals, and whether the
19 corporate parent is still in compliance with its state
20 employment requirement; and

21 (4) Granting bodies and recipient corporations shall file
22 annual progress reports for the duration of the



1 subsidy, or not less than five years, whichever period
2 is greater.

3 (b) Two-year reporting requirements shall be as follows:

4 (1) No later than fifteen days after the second
5 anniversary of the date of subsidy, the granting body
6 shall file with department of business, economic
7 development and tourism a two-year progress report
8 including the same information as required under
9 subsection (a) of this section. The recipient
10 corporation shall certify as to the accuracy of the
11 report; and

12 (2) The granting body shall state in the two-year report
13 whether the recipient corporation has achieved its job
14 creation, wage, and benefit goals, and whether the
15 corporate parent has maintained ninety per cent of its
16 employment in the State.

17 (c) The department of business, economic development and
18 tourism shall compile and publish all data from the progress
19 reports in both written and electronic form, including the
20 department of business, economic development and tourism's
21 website. The department of business, economic development and



1 tourism's website shall provide an easily accessible, searchable
2 database of the specified data.

3 (d) The county agency shall provide a final report at the
4 conclusion of each economic development subsidy that shall
5 contain the information described in subsection (a), in written
6 form available to the public, and through its website. The
7 local agency's website shall provide an easily accessible,
8 searchable database of the specified data.

9 (e) The granting body and department of business, economic
10 development and tourism shall have access at all reasonable
11 times to the project site and the records of the recipient
12 corporation in order to monitor the project and to prepare
13 progress reports.

14 (f) A recipient corporation that fails to provide the
15 granting body with the information or access required under
16 subsections (a) and (b) of this section shall be subject to a
17 fine of not less than \$500 per day, the recipient corporation
18 has not provided the agency with necessary information thirty
19 days after the start of each fiscal year.

20 § -33 Report on contracts. (a) Annual reporting
21 requirements shall be as follows:



- 1 (1) Each contracting agency, together with the contract
2 recipient, shall complete a report for the contract on
3 a form prepared by the department of budget and
4 finance no later than thirty days after the start of
5 the fiscal year. The report shall include the
6 following information:
- 7 (A) An application tracking number for the
8 contracting agency for the service;
- 9 (B) The name, street and mailing address, and phone
10 number of the chief officer of the contracting
11 agency;
- 12 (C) The name, street and mailing address, and phone
13 number of the chief officer of the applicant's
14 corporate parent;
- 15 (D) The name, street and mailing address, and phone
16 number of the chief officer of the applicant;
- 17 (E) The name, street and mailing address, employer
18 and employment category or job description of
19 each person that provided consulting services
20 under the contract, including subcontractors.



- 1 (F) The name, street and mailing address, and phone
2 number of the contracting agency official
3 responsible for monitoring the contract;
- 4 (G) The three-digit North American Industry
5 Classification System number of the entity
6 applying for a bid;
- 7 (H) The procedure the agency used to solicit and
8 award the contract. The record should note
9 whether the procedure involved competitive
10 bidding or competitive proposals and summarize
11 the extent to which the procedure sought to and
12 succeeded in soliciting bids or proposals from
13 minorities, women or emerging small businesses;
- 14 (I) Type of service required by contract;
- 15 (J) The total number of individuals employed by the
16 applicant on the date of the application and the
17 date of the report, broken down by full-time,
18 part-time, and temporary positions;
- 19 (K) The total number of individuals employed in the
20 State by the applicant's corporate parent, and
21 all subsidiaries thereof, as of December 31 of



- 1 the prior fiscal year, broken down by full-time,
2 part-time, and temporary positions;
- 3 (L) The bids applied for with the contracting agency,
4 and the value of such contract or contracts; the
5 name of any other contracting agencies from which
6 bids were sought or obtained, and the aggregate
7 value of all bids requested or received from all
8 sources;
- 9 (M) The number of contractors, subcontractors, and
10 contract employees who performed required
11 services, broken down by full-time, part-time and
12 temporary positions;
- 13 (N) The types of services the contractor,
14 subcontractor, and any contract employees
15 provide;
- 16 (O) The average hourly wage paid to each contractor,
17 subcontractor, and contract employee, broken down
18 by full-time, part-time and temporary positions,
19 and further broken down by wage groups as
20 follows: \$6.00 or less an hour, \$6.01 to \$7.00
21 an hour, \$7.01 to \$8.00 an hour, \$8.01 to \$9.00
22 an hour, \$9.01 to \$10.00 an hour, \$10.01 to



- 1 \$11.00 an hour, \$11.01 to \$12.00 an hour, \$12.01
- 2 to \$13.00 an hour, \$13.01 to \$14.00 an hour, and
- 3 \$14.01 or more per hour;
- 4 (P) The number of hours each person, including each
- 5 subcontractor, works in providing consulting
- 6 services to the agency under the terms of the
- 7 contract;
- 8 (Q) The total compensation of each contractor,
- 9 subcontractor, and any contract employees;
- 10 (R) A summary of each amendment to the contract that
- 11 changed the contract term, the contract price or
- 12 estimated total value, the nature of the
- 13 consulting services or the identity of a person
- 14 providing consulting services under the contract,
- 15 including the identity of subcontractors;
- 16 (S) The type and amount of health care coverage
- 17 provided by the applicant within ninety days of
- 18 commencement of the contract, including any costs
- 19 to be borne by the employees;
- 20 (T) The number of contractors or subcontractors
- 21 associated with the contract represented by a
- 22 collective bargaining unit;



- 1 (U) For applicants based in a metropolitan
- 2 statistical area, as defined by the federal
- 3 Office of Management and Budget, the average
- 4 hourly wage paid to non-managerial employees in
- 5 the State for the industries involved at the
- 6 project, as established by the United States
- 7 Bureau of Labor Statistics;
- 8 (V) For applicants based outside of metropolitan
- 9 statistical areas, the average weekly wage paid
- 10 to non-managerial employees in the county for
- 11 industries involved at the project, as
- 12 established by the United States Department of
- 13 Commerce;
- 14 (W) The start and end dates for the contract;
- 15 (X) A statement confirming the applicant's past legal
- 16 compliance, including minimum wage, employee
- 17 rights, and affirmative action laws;
- 18 (Y) The savings accrued to the contracting agency;
- 19 (Z) Total cost of contract;
- 20 (AA) Inclusion of cost analysis, if previously
- 21 conducted by a state or contracting agency;



- 1 (BB) A comparison of the actual cost with the findings
2 of a cost analysis, if previously conducted by
3 the contracting agency;
- 4 (CC) A copy of the actual contract and any revisions
5 or amendments; and
- 6 (DD) A certification by the chief officer of the
7 applicant as to the accuracy of the application.
- 8 (2) Each contracting agency shall compile the data
9 specified in paragraph (1) and file a progress report
10 with the state department of budget and finance for
11 each contract, no later than sixty days after the
12 start of each fiscal year;
- 13 (3) On all subsequent annual progress reports, the
14 contracting agency shall indicate whether the
15 recipient corporation is still in compliance with its
16 savings, wage, and benefit goals, and have met the
17 measurable standards set by the agency,
18 section -21; and
- 19 (4) Contracting agency and recipient contractors shall
20 file annual progress reports for the duration of the
21 contract, or not less than five years, whichever
22 period is greater.



1 (b) Two-year reporting requirements shall be as follows:

2 (1) No later than fifteen days after the second
3 anniversary of the date of contract, the contracting
4 agency shall file with the department of business,
5 economic development and tourism a two-year progress
6 report including the same information as required
7 under subsection (a). The recipient contractor shall
8 certify as to the accuracy of the report; and

9 (2) The contracting agency shall state in the two-year
10 report whether the recipient contractor has achieved
11 its savings, wage, and benefit goals, and have met the
12 measurable standards set by the agency section -21.

13 (c) The department of business, economic development and
14 tourism shall compile and publish all data from the progress
15 reports in both written and electronic form, including the
16 department of business, economic development and tourism's
17 website. The department of business, economic development and
18 tourism's website shall provide an easily accessible, searchable
19 database of the specified data.

20 (d) The contracting county agency shall provide a final
21 report at the conclusion of each economic development subsidy
22 that shall contain the information described in subsection (a)



1 of this section, in written form available to the public, and
2 through its website. The county agency's website shall provide
3 an easily accessible, searchable database of the specified data.

4 (e) The contracting agency and department of business,
5 economic development and tourism shall have access at all
6 reasonable times to the project site and the records of the
7 recipient corporation in order to monitor the project and to
8 prepare progress reports.

9 (f) A recipient contractor that fails to provide the
10 contracting agency with the information or access required under
11 subsections (a) and (b) shall be subject to a fine of not less
12 than \$500 per day, if the recipient corporation has not provided
13 the agency with necessary information thirty days after the
14 start of each fiscal year.

15 § -34 **Contract audits.** (a) The comptroller may audit a
16 contractor's performance under a public contract into which a
17 state contracting agency enters. The audit shall use generally
18 accepted accounting principles and may:

19 (1) Examine the contractor's books, papers, correspondence
20 and other records related to the public contract;



1 (2) Assess whether the contractor has met the quality
2 standards set forth in the public contract under
3 section -21.

4 (3) Determine whether the contractor has met commercial
5 standards of good faith and fair dealing in the
6 contractor's course of dealing with the contracting
7 agency; and

8 (4) Examine other issues that the comptroller deems
9 germane to assessing the contractor's performance
10 under the public contract.

11 (b) A state contracting agency may request the comptroller
12 to audit a contractor's performance under a public contract for
13 any reason and at any point during that the public contract is
14 in effect or for a period of six years after the date on which
15 the public contract terminates.

16 (c) The terms of a public contract shall require a
17 contractor to keep books, papers, and other records and to
18 document the contractor's performance under the terms of the
19 public contract, with particular reference to the contractor's
20 compliance with the quality standards set forth in the public
21 contract, in as much detail as will enable the comptroller to
22 conduct an audit under this section. The contractor shall keep



1 the records described in this subsection for a minimum period of
2 six years after the date on which the public contract
3 terminates.

4 (d) A local contracting agency shall designate a person
5 that shall have the authority to audit contractor performance
6 under a public contract into which the county agency enters.
7 The person the county agency authorizes to conduct the audit
8 shall do so in accordance with the standards prescribed in this
9 section and shall follow as closely as practicable the
10 procedures employed by the comptroller.

11 (e) The contracting agency and the contractor shall
12 cooperate with the auditing agency in all respects and shall
13 permit full access to all information that the auditing agency
14 deems necessary for a true and complete review.

15 **PART IV. UNIFIED REPORTING**

16 § -41 **Unified tax expenditure budget.** (a) No later
17 than sixty days after the end of the fiscal year, the department
18 of budget and finance shall compile a tax expenditure budget for
19 the previous fiscal year and present the tax expenditure budget,
20 including an analysis of tax expenditures, to the governor and
21 the legislature. The tax expenditure budget shall report on tax
22 expenditures with revenue impacts equal to or greater than



1 \$5,000 in the aggregate for a specific tax expenditure, and
2 shall include:

3 (1) The amount of uncollected state tax revenues resulting
4 from every tax credit, abatement, exemption and
5 reduction provided by the State or a political
6 subdivision including but not limited to gross
7 receipts, income, sales, use, raw materials, excise,
8 property, utility, and inventory taxes;

9 (2) The name of each corporate taxpayer that claimed any
10 tax credit, abatement, exemption, or reduction under
11 paragraph (1) of any value equal to or greater than
12 \$5,000, together with the dollar amount received by
13 each the corporation;

14 (3) A projection of the costs of tax expenditures for all
15 significant general fund revenue sources;

16 (4) Identification of each tax expenditure and its
17 statutory basis, purpose, year of enactment, and date
18 of repeal, if any;

19 (5) Identification, to the extent possible, of the
20 beneficiaries of each tax expenditure, including the
21 number of businesses that used the tax expenditure and



- 1 the number of businesses that potentially qualified
2 for but failed to use the tax expenditure;
- 3 (6) Identification of any unintended consequences of the
4 tax expenditure that have come to the attention of the
5 department;
- 6 (7) Provide an estimate of total state revenue distributed
7 for tax expenditures in the current fiscal year;
- 8 (8) Provide an estimate of total state revenue to be
9 distributed for tax expenditures in the upcoming
10 fiscal year; and
- 11 (9) All state-appropriated expenditures for economic
12 development, including line-item budgets for every
13 state-funded entity concerned with economic
14 development, including but not limited to department
15 of commerce and consumer affairs, employment and
16 training programs, vocational education programs,
17 University of Hawaii research programs, manufacturing
18 extension service, workforce investment boards,
19 economic development commissions, industrial
20 development authorities, regional development
21 authorities, and finance authorities. The department
22 of budget and finance shall additionally include a



1 comprehensive presentation of the costs of all
2 development subsidies to the State during the prior
3 fiscal year, an estimate of the anticipated costs of
4 development subsidies for the current fiscal year and
5 an estimate of the costs of all development subsidies
6 for the fiscal year of the requested budget,
7 including:

8 (A) The total cost to the State of tax expenditures
9 resulting from the development subsidies, the
10 costs for each category of tax expenditure, and
11 the amounts of tax expenditures by geographical
12 area; and

13 (B) The cost to the State of all appropriated
14 expenditures for development subsidies, including
15 line-item budgets for every State funded entity
16 concerned with economic development.

17 (b) Any tax credit, abatement, exemption, or reduction
18 received by a corporation of less than \$5,000 each shall not be
19 itemized. The department of budget and finance shall report an
20 aggregate dollar amount of such expenditures and the number of
21 companies so aggregated for each tax expenditure.



1 (c) The department of business, economic development and
2 tourism is authorized to request from a state agency or a county
3 agency official information necessary to complete the tax
4 expenditure budget required by this section. An agency or
5 official shall comply with a request made pursuant to this
6 section by the department.

7 (d) Before the conclusion of any tax expenditure under
8 subsection (a) (1) of any value equal to or greater than \$5,000,
9 the department of business, economic development and tourism
10 shall submit a report to the legislature and governor to assess
11 whether or not to reappraise the particular tax credit,
12 abatement, exemption, or reduction, which includes:

- 13 (1) A statement of the purpose served by the tax
14 expenditure;
- 15 (2) An appraisal of the tax expenditure's effectiveness in
16 serving its purpose;
- 17 (3) An evaluation of whether the tax expenditure serves a
18 public need;
- 19 (4) An evaluation of whether other statutes have enhanced
20 or impeded the tax expenditure's effectiveness in
21 serving its purpose;



- 1 (5) An appraisal of whether the tax expenditure promotes
2 economic growth and development;
- 3 (6) An estimate of the amount of revenue lost each fiscal
4 year because of the tax expenditure;
- 5 (7) A recommendation as to whether the tax expenditure
6 should be allowed to expire or be renewed; and
- 7 (8) Any other relevant information.
- 8 (e) The department of business, economic development and
9 tourism shall compile and publish all data from the report in
10 both written and electronic form, including the department of
11 business, economic development and tourism's website. The
12 department of business, economic development and tourism's
13 website shall provide an easily accessible, searchable database
14 of the specified data.

15 § -42 **Unified reporting of contracts.** (a) For the
16 aggregated total of public contracts, each contracting agency
17 shall provide a comprehensive report to the department of budget
18 and finance, no later than three months after the end of the
19 fiscal year detailing:

- 20 (1) The total number of contracts that the local
21 contracting agency or each state contracting agency
22 awarded in the previous fiscal year, along with the



- 1 total expenditures for all contracts up until the date
2 on which the agency produced the report, including:
- 3 (A) Consulting;
 - 4 (B) Construction;
 - 5 (C) Equipment;
 - 6 (D) Grants;
 - 7 (E) Leases;
 - 8 (F) Miscellaneous services;
 - 9 (G) Printing;
 - 10 (H) Repayment agreements;
 - 11 (I) Intergovernmental agreements; and
 - 12 (J) Goods;
- 13 (2) The total workforce of the agency;
- 14 (3) The total number of persons, including subcontractors
15 that provided consulting services to the agency;
- 16 (4) A calculation of contractors as a percentage of total
17 agency workforce;
- 18 (5) The total number of minorities, women or emerging
19 small businesses that provided consulting services to
20 the agency;
- 21 (6) The total number of bids or proposals the agency
22 received in connection with each contract;



- 1 (7) Description of the types of contracts the agency
2 awarded;
- 3 (8) The frequency of contracts awarded during the previous
4 fiscal year arranged by the number of bids or
5 proposals and the source selection method;
- 6 (9) The number of contracts disapproved by the agency
7 during the previous fiscal year and the reasons for
8 disapproval arranged by state agency and source
9 selection method, and the number and outcome of bid
10 protests;
- 11 (10) The total compensation the agency paid to each person,
12 including subcontractors that provided consulting
13 services to the agency under all contracts the agency
14 awarded to the person;
- 15 (11) Average wages paid;
- 16 (12) Total savings agency accrued from using contractors;
- 17 (13) Estimated number and costs of contracts to be awarded
18 in the following fiscal year;
- 19 (14) The total cost of all contracts awarded; and
- 20 (15) A comparison of the number of contracts the agency
21 solicited and awarded independently to the number of
22 contracts the agency solicited and awarded in



1 connection with a cooperative procurement process.

2 This shall also show the sum of the contract prices or
3 estimated dollar values of the contracts solicited and
4 awarded independently, together with the sum of the
5 agency's expenditures for the contracts up until the
6 date on which the agency produced the report, compared
7 to the corresponding sums for contracts solicited and
8 awarded in connection with cooperative procurements.

9 (b) The department of budget and finance shall compile the
10 data in subsection (a) and provide to the Legislature and
11 governor, a comprehensive presentation of the data in subsection
12 (a) as well as the costs of all contracts to the State during
13 the prior fiscal year, an estimate of the anticipated costs of
14 contracts for the then current fiscal year, and an estimate of
15 the costs of all contracts for the fiscal year of the requested
16 budget.

17 (c) The department of budget and finance shall compile and
18 publish all data from the report in both written and electronic
19 form, including the department of budget and finance's website.
20 The department of budget and finance's website shall provide an
21 easily accessible, searchable database of the specified data.



1 § -43 Unified reporting of property tax reductions and

2 **abatements.** (a) Each property-taxing entity shall annually

3 submit a report to department of budget and finance regarding

4 any real property in the entity's jurisdiction that has received

5 a property tax abatement or reduction during the fiscal year.

6 The report shall contain information including:

7 (1) The name of the property owner;

8 (2) The address of the property;

9 (3) The start and end dates of the property tax reduction
10 or abatement;

11 (4) The schedule of the tax reduction;

12 (5) Each tax abatement, reduction, and exemption for the
13 property; and

14 (6) The amount of property tax revenue not paid to the
15 taxing entity as a result of the reduction or
16 abatement.

17 (b) Each property-taxing entity shall also submit a report
18 to the department of budget and finance setting forth the total
19 property tax revenue not paid to the entity during the fiscal
20 year as a result of all property tax reductions and abatements
21 in the entity's jurisdiction.



1 (c) The reports required under subsections (a) and (b)
2 shall be prepared on two forms prepared by the department of
3 budget and finance, and shall be submitted to the department of
4 budget and finance by the property-taxing entity no later than
5 three months after the end of the fiscal year.

6 (d) The department of budget and finance shall annually
7 compile and publish all of the data contained in the reports
8 required under subsections (a) and (b) in both written and
9 electronic form, including department of budget and finance's
10 website. The department of budget and finance's website shall
11 provide an easily accessible, searchable database of the
12 specified data.

13 (e) If a property-taxing entity fails to submit its
14 reports to the department of budget and finance within the
15 prescribed time, the department of budget and finance shall
16 notify the comptroller, whereupon the comptroller shall withhold
17 further tax reductions or abatements to the delinquent entity
18 until the entity files its reports with the department of budget
19 and finance.

20 **PART V. CORPORATE TAX DISCLOSURE**



1 § -51 **Tax disclosure statement required.** The following
2 corporations, if doing business in this State, shall file with
3 the comptroller the statement described by section -21:

- 4 (1) All publicly traded corporations, including
5 corporations traded on foreign stock exchanges; and
6 (2) All corporations fifty per cent or more of the voting
7 stock of which is owned, directly or indirectly, by a
8 publicly traded corporation.

9 § -52 **Content of tax disclosure statement.** (a) The
10 statement required by section -51 shall be filed annually in
11 an electronic format specified by the comptroller no more than
12 thirty days following the filing of the tax return required by
13 chapter 414, or, in the case of a corporation not required to
14 file such a tax return, within ninety days of the filing of such
15 corporation's federal tax return, including such corporation's
16 inclusion in a federal consolidated return. The statement shall
17 contain the following information:

- 18 (1) The name of the corporation and the street address of
19 its principal executive office;
20 (2) If different from paragraph (1), the name of any
21 corporation that owns, directly or indirectly, fifty
22 per cent or more of the voting stock of the



1 corporation and the street address of the former
2 corporation's principal executive office;

3 (3) The corporation's 4-digit North American Industry
4 Classification System code number; and

5 (4) A unique code number, assigned by the Secretary of
6 State, to identify the corporation, which code number
7 will remain constant from year to year.

8 (b) The following information reported on or used in
9 preparing the corporation's tax return filed under the
10 requirements of chapter 414, or, in the case of a corporation
11 not required to file a tax return under the requirements of
12 chapter 414, the information that would be required to be
13 reported on or used in preparing the tax return were the
14 corporation required to file such a return:

15 (1) Total gross receipts of the unitary group of which the
16 corporation is a member;

17 (2) Total cost-of-goods-sold claimed as a deduction from
18 gross income by the unitary group of which the
19 corporation is a member;

20 (3) Taxable income of the unitary group of which the
21 corporation is a member prior to net operating loss
22 deductions or apportionment;



- 1 (4) Property, payroll, and sales apportionment factors of
- 2 the corporation as calculated on the combined report;
- 3 (5) Calculated overall apportionment factor in the State
- 4 for the corporation as calculated on the combined
- 5 report;
- 6 (6) Total business income of the corporation apportioned
- 7 to the State;
- 8 (7) Net operating loss deduction, if any, of the
- 9 corporation apportioned to the State;
- 10 (8) Total non-business income of the corporation and the
- 11 amount of non-business income allocated to the State;
- 12 (9) Total taxable income of the corporation;
- 13 (10) Total tax before credits;
- 14 (11) Tax credits claimed, each credit individually
- 15 enumerated;
- 16 (12) Alternative minimum tax, if applicable;
- 17 (13) Tax due;
- 18 (14) Tax paid; and
- 19 (15) Amount of tax due paid under protest, if applicable.
- 20 (c) The following is additional information:
- 21 (1) Total deductions for management services fees, for
- 22 rent, and for royalty, interest, license fee, and



1 similar payments for the use of intangible property
2 paid to any affiliated entity that is not included in
3 the unitary combined group that includes the
4 corporation and the names and principal office
5 addresses of the entities to which the payments were
6 made;

7 (2) A description of the source of any non-business income
8 reported on the return and the identification of the
9 state to which the income was reported;

10 (3) A listing of all corporations included in the unitary
11 group that includes the corporation, their state
12 identification numbers assigned under the provisions
13 of this section, if applicable, and a listing of all
14 variations in the unitary group that includes the
15 corporation used in filing corporate income or
16 franchise tax returns in any of the following states:
17 Alaska, Arizona, California, Colorado, Hawaii, Idaho,
18 Illinois, Kansas, Maine, Minnesota, Montana, Nebraska,
19 New Hampshire, North Dakota, Oregon, Utah, and
20 Vermont;

21 (4) Full-time-equivalent employment of the corporation in
22 the State on the last day of the tax year for which



1 the return is being filed and for the three previous
2 tax years;

3 (5) In the case of a publicly-traded corporation
4 incorporated in the United States or the affiliate of
5 such a publicly-traded corporation, profits before tax
6 reported on the Securities and Exchange Commission
7 Form 10-K for the corporation or the consolidated
8 group of which the corporation is a member for the
9 corporate fiscal year that contains the last day of
10 the tax year for which the return is filed; and

11 (6) Accumulated tax credit carryovers, enumerated by
12 credit.

13 § -53 **Alternative statement option for corporations not**
14 **required to file tax return.** (a) In lieu of the statement
15 described in, section -52, a corporation doing business in
16 this State but not required to file a tax return under the
17 requirements of chapter 414 may elect to file a statement with
18 the comptroller containing the following information:

19 (1) The information specified in subsection (a) of
20 section -52(a)(1) to (4);

21 (2) An explanation of why the corporation is not required
22 to file a corporate income tax return in this State,



1 which explanation may take the form of checking one or
2 more possible explanations drafted by the comptroller;

3 (3) Identification of which of the following ranges the
4 corporation's total gross receipts from sales to
5 purchasers in this State fell into the tax year for
6 which this statement is filed:

7 (A) Less than \$10,000,000;

8 (B) \$10,000,000 to \$50,000,000;

9 (C) More than \$50,000,000 to \$100,000,000;

10 (D) More than \$100,000,000 to \$250,000,000; or

11 (E) More than \$250,000,000.

12 § -54 **Supplemental information permitted.** Any

13 corporation submitting a statement required by this chapter
14 shall be permitted to submit supplemental information that, in
15 its sole judgment, could facilitate proper interpretation of the
16 information included in the statement. The mechanisms of public
17 dissemination of the information contained in the statements
18 described in section -33 shall ensure that any supplemental
19 information be publicly available and that notification of its
20 availability shall be made to any person seeking information
21 contained in a statement.



1 § -55 **Amended tax disclosure statements required.** If a
2 corporation files an amended tax return, the corporation shall
3 file a revised statement under this section within sixty
4 calendar days after the amended return is filed. If a
5 corporation's tax liability for a tax year is changed as the
6 result of an uncontested audit adjustment or final determination
7 of liability by the board of review as provided for in section
8 232-17 or by a court of law as provided for in section 415-140,
9 the corporation shall file a revised statement under this
10 section within sixty calendar days of the final determination of
11 liability.

12 § -56 **Public access to tax disclosure statements.** The
13 statements required under this chapter shall be a public record.
14 The comptroller shall make all information contained in the
15 statements required under this chapter for all filing
16 corporations available to the public on an ongoing basis in the
17 form of a searchable database accessible through the Internet.
18 The comptroller shall make available and set charges that cover
19 the cost to the state of providing copies on appropriate
20 computer-readable media of the entire database for statements
21 filed during each calendar year as well as hard copies of an
22 individual annual statement for a specific corporation. No



1 statement for any corporation for a particular tax year shall be
2 publicly available until the first day of the third calendar
3 year that follows the calendar year in which the particular tax
4 year ends.

5 § -57 **Enforcing compliance.** The accuracy of the
6 statements required under this chapter shall be attested to in
7 writing by the chief operating officer of the corporation and
8 shall be subject to audit by the department of budget and
9 finance as the agent of the comptroller in the course of and
10 under the normal procedures applicable to corporate income tax
11 return audits. The comptroller shall develop and implement an
12 oversight and penalty system applicable to both the chief
13 operating officer of the corporation and the corporation itself
14 to ensure that corporations doing business in this State,
15 including those not required to file a return under the
16 requirements of chapter 414 shall provide the required
17 attestation and disclosure statements, respectively, in a timely
18 and accurate manner. The comptroller shall publish the name and
19 penalty imposed upon any corporation subject to a penalty for
20 failing to file the required statement or filing an inaccurate
21 statement. The comptroller shall adopt appropriate rules to



1 implement this chapter under the rulemaking procedures described
2 in chapter 91.

3 § -58 **Private enforcement action.** If a granting body or
4 contracting agency fails to enforce any provision of this
5 chapter, any individual who paid personal income taxes to the
6 State in the calendar year prior to the year in dispute, or any
7 organization representing such taxpayers, shall be entitled to
8 bring a civil action in state court to compel enforcement under
9 this statute. The court shall award reasonable attorney's fees
10 and costs to such prevailing taxpayer or organization.

11 § -59 **Public record disclosure.** All records required to
12 be prepared or maintained under this chapter, including but not
13 limited to applications, cost analyses, audits, progress
14 reports, and any other records or proceedings relating thereto,
15 shall be subject to disclosure under chapter 92F.

16 § -60 **Preemption.** Nothing in this chapter shall be
17 construed to require or authorize any recipient corporation to
18 reduce wages or benefits established under any collective
19 bargaining agreement or state or federal prevailing wage law."

20 SECTION 3. If any provision of this Act, or the
21 application thereof to any person or circumstance is held
22 invalid, the invalidity does not affect other provisions or



1 applications of the Act, which can be given effect without the
2 invalid provision or application, and to this end the provisions
3 of this Act are severable.

4 SECTION 4. This Act shall take effect upon its approval.

5

INTRODUCED BY:



By Request



Report Title:

Corporate Transparency; Reporting Requirements

Description:

Requiring extensive reporting and evaluation of corporations to promote transparency.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

