

STAND. COM. REP. NO. 790

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 382
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 382, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE AUDITOR,"

begs leave to report as follows:

The purpose of this bill is to provide the Auditor with the tools necessary to conduct the Auditor's statutory and constitutional responsibilities. Specifically, this measure:

- (1) Provides explicit authority to the Auditor to inspect all accounts, books, records, files, papers, and documents and all financial affairs of the Department of Taxation (DOTAX);
- (2) Requires the Auditor to implement internal policies to protect the confidentiality of private personal information contained in tax returns; and
- (3) Provides identical penalty provisions applicable to employees of DOTAX for disclosure of tax information to the Auditor or Auditor's agent.

The Auditor testified in support of this bill. DOTAX and the Tax Foundation of Hawaii provided comments.

HB382 HD2 HSCR FIN HMS 2011-2554

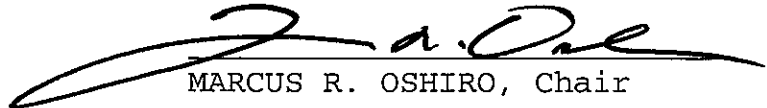


Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) 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. 382, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 382, H.D. 2.

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


MARCUS R. OSHIRO, Chair



