

STAND. COM. REP. NO.

1265

Honolulu, Hawaii

APR 04 2013

RE: H.B. No. 385
H.D. 2
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 385, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HUMAN SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to implement two of the recommendations made by the Hawaii State Asset Building and Financial Education Task Force:

Specifically, this measure:

- (1) Establishes a state earned income tax credit to assist low-income workers;
- (2) Requires the Department of Human Services to offer financial education to applicants and recipients of temporary assistance for needy families; and
- (3) Appropriates funds for financial education.

Your Committee received written comments in support of this measure from Catholic Charities Hawaii; Community Alliance on Prisons; Goodwill Industries of Hawaii; Hawaii Alliance for Community-Based Economic Development; Hawaii Catholic Conference; Hawaii Women's Coalition; Kokua Kalihi Valley; National Community Tax Coalition; PHOCUSED; and two individuals. One individual submitted written comments in opposition to this measure. Your

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Committee received written comments on this measure from the Department of Human Services and Tax Foundation of Hawaii.

Your Committee finds that at least twenty-five states have enacted a state earned income tax credit. Establishing an earned income tax credit in Hawaii will provide an incentive for low-income households to remain in the workforce while providing them with meaningful support to escape from poverty. Your Committee further finds that offering financial education for families receiving temporary assistance for needy families will help them understand the financial concepts necessary to become self-sufficient.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

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 H.B. No. 385, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 385, H.D. 2, S.D. 1.

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



DAVID Y. IGE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 385, HD 2	HMS, WAM	3-27-13		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani				✓
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam			✓	
TOTAL	11	0	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kalani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes