

STAND. COM. REP. NO.

754

Honolulu, Hawaii

MAR 01 2013

RE: S.B. No. 301
S.D. 2

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 S.B. No. 301, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ASSET BUILDING,"

begs leave to report as follows:

The purpose and intent of this measure is to implement recommendations submitted by the Hawaii State Asset Building and Financial Education task force.

More specifically, this measure:

- (1) Establishes a state refundable earned income tax credit; and
- (2) Appropriates moneys for grants to provide financial education and tax workshops.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; Aloha United Way; Catholic Charities Hawaii; Goodwill Industries of Hawaii, Inc.; Hawaii Alliance for Community-Based Economic Development; Hawaii Catholic Conference; Hawaii Appleseed Center for Law and Economic Justice; Leeward Housing Coalition; Partners in Care; PHOCUSED; Papakolea Community Development Corporation; the Sovereign Councils of the Hawaiian Homelands Assembly; and six individuals.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii and Hawaiian Community Assets.

SB301 SD2 SSCR LRB 13-1991.doc



Your Committee finds that the Hawaii State Asset Building and Financial Education Task Force was charged with developing policy recommendations to implement various asset building strategies in the State. The task force's recommendations included implementing tax policies that make work pay, improving financial education, helping people start businesses, helping people become homeowners, and removing barriers to asset building. Your Committee further finds that the refundable state earned income tax credit established by this measure will serve to implement the tax policies recommended by the task force.

Your Committee has amended this measure by:

- (1) Deleting the appropriations for grants to the Hawaii Alliance for Community-Based Economic Development;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

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. 301, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 301, S.D. 2.

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:		
SB301 SD1	HMS, WAM	2-28-13		
<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	1	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: Michelle N. Kidani				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes