

STAND. COM. REP. NO.

527

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 182
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 182, H.D. 1, entitled:

"A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLES VII AND X OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO ESTABLISH A SURCHARGE ON RESIDENTIAL INVESTMENT PROPERTY AND VISITOR ACCOMMODATIONS TO INCREASE FUNDING FOR PUBLIC EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to advance the State's goal of providing public education for the children of Hawaii by proposing amendments to the Hawaii State Constitution that would authorize the Legislature to establish a surcharge on residential investment property and visitor accommodations to fund quality public education for all of Hawaii's children.

Hawaii State Teachers Association, Democratic Party of Hawaii, Special Education Advisory Council, IMUAlliance, Parents for Public Schools of Hawaii, Hui for Excellence in Education, Hawaii Public Charter Schools Network, Special Education Advisory Council, Hawaii Alliance for Progressive Action, Hawaii Children's Action Network, and numerous individuals testified in support of this measure. The Hawaii County Office of the Mayor, Rental by Owner Awareness Association, Hawaii Association of Realtors, American Resort Development Association, Wyndham Vacation

HB182 HD2 HSCR JUD HMS 2017-2299



Ownership, Coalition for Equal Taxation, The Chamber of Commerce Hawaii, Hawaii Lodging & Tourism Association, Maui Hotel & Lodging Association, Kohala Coast Resort Association, Building Industry Association of Hawaii, Outrigger Hotels Hawaii, and several individuals testified in opposition. The Department of the Attorney General, Department of Education, City and County of Honolulu, Tax Foundation of Hawaii, League of Women Voters of Hawaii, and Grassroot Institute of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Adopting the Department of the Attorney General's recommendation to amend Article VII of the Constitution to authorize the State to establish a surcharge on residential investment property pursuant to Section 1 of Article X of the Constitution; 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 Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 182, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 182, H.D. 2.

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



SCOTT Y. NISHIMOTO, Chair



