

STAND. COM. REP. NO.

1164

Honolulu, Hawaii

MAR 01 , 2019

RE: H.B. No. 1394
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1394 entitled:

"A BILL FOR AN ACT RELATING TO THE COUNTY SURCHARGE ON STATE TAX,"

begs leave to report as follows:

The purpose of this measure is to expand the acceptable uses of revenue generated from a county surcharge for counties with a population of 500,000 or less to include spending on infrastructure and public safety.

The Mayor of the County of Hawai'i, Mayor of the County of Kaua'i, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i testified in support of this measure. The Hawai'i Association of REALTORS testified in opposition to this measure. The Tax Foundation of Hawaii and League of Women Voters provided comments.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to promote further discussion.


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. 1394, as amended herein, and recommends that it pass Second

HB1394 HD1 HSCR FIN HMS 2019-2571



Reading in the form attached hereto as H.B. No. 1394, H.D. 1, and
be placed on the calendar for Third Reading.

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



SYLVIA LUKE, Chair



