

HOUSE OF REPRESENTATIVES  
THE THIRTY-FIRST LEGISLATURE  
REGULAR SESSION OF 2021

COMMITTEE ON ECONOMIC DEVELOPMENT

Rep. Sean Quinlan, Chair  
Rep. Daniel Holt, Vice Chair

Rep. Della Au Belatti      Rep. Jackson D. Sayama  
Rep. Dale T. Kobayashi    Rep. Gregg Takayama  
Rep. Richard H.K. Onishi   Rep. Val Okimoto

NOTICE OF HEARING

DATE:      Wednesday, March 17, 2021  
TIME:      10:30AM  
PLACE:     VIA VIDEOCONFERENCE  
              Conference Room 312  
              State Capitol  
              415 South Beretania Street

**THE STATE CAPITOL IS CLOSED TO THE PUBLIC DURING THE ONGOING COVID-19 PANDEMIC**

Please note that the committee members will participate remotely via videoconference.  
Click [here](#) to submit testimony and to testify remotely.

A live stream link of all House Standing Committee meetings will be available online  
shortly before the scheduled start time.

Click [here](#) for the live stream of this meeting via YouTube.  
Click [here](#) for select hearings broadcast live on 'Ōlelo Community Media for cable TV.

A G E N D A

<a href="#">SB 509, SD2</a> <a href="#">(SSCR787)</a> <a href="#">Status</a>	RELATING TO EDUCATION. Establishes criteria for industry certification awards to public high schools to incentivize public high schools to encourage students to obtain industry-recognized certifications. Requires the department to submit an annual report containing specified information about the progress of the incentivization. (SD2)	ECD, EDN, FIN
<a href="#">SB 947, SD2</a> <a href="#">(SSCR773)</a> <a href="#">Status</a>	RELATING TO A BROADBAND AND DIGITAL EQUITY OFFICE. Establishes the Hawaii broadband and digital equity office within the department of business, economic development, and tourism. (SD2)	ECD, CPC, FIN

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<a href="#">SB 1204, SD2</a> <a href="#">(SSCR972)</a> <a href="#">Status</a>	<p>RELATING TO TAX APPEALS.</p> <p>Replaces the 4 district tax boards of review with a single statewide board of review appointed by the Governor, consisting of 10 members with 3 required for quorum. Authorizes taxpayers and others appearing before the board to participate using cost-efficient means such as teleconferencing. (SD2)</p>	<p>ECD, JHA, FIN</p>
<a href="#">SB 579, SD1</a> <a href="#">(SSCR855)</a> <a href="#">Status</a>	<p>RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST HOUSE OF ALOHA ENTERPRISES LLC.</p> <p>Authorizes the issuance of special purpose revenue bonds to assist the House of Aloha Enterprises LLC, with planning, designing, constructing, and equipping facilities in Hawaii for the manufacturing and processing of certain products. (SD1)</p>	<p>ECD, FIN</p>
<a href="#">SB 797, SD1</a> <a href="#">(SSCR960)</a> <a href="#">Status</a>	<p>RELATING TO THE OFFICE OF ENTERPRISE TECHNOLOGY SERVICES.</p> <p>Provides the chief information officer with the authority to approve, or expedite the approval process of, a state agency's management information system project that is budgeted at or more than \$1,000,000, or any other project the chief information officer deems necessary to expedite, by coordinating and focusing appropriate state personnel and resources. Requires the chief information officer to annually report the status of all pending or completed projects over \$1,000,000, including whether they are on time and on budget. (SD1)</p>	<p>ECD, FIN</p>
<a href="#">SB 921, SD2</a> <a href="#">(SSCR871)</a> <a href="#">Status</a>	<p>RELATING TO TAXATION.</p> <p>Amends the motion picture, digital media, and film production income tax credit by reducing the cap amount per qualified production to \$12,000,000. Requires the Department of Taxation to make a public disclosure identifying the names of the taxpayers who are receiving the tax credits and the total amount of tax credit received. Establishes an exception to the general prohibition against the Department of Taxation disclosing tax returns and return information. Effective 7/1/2050. (SD2)</p>	<p>ECD, FIN</p>
<a href="#">SB 1053, SD2</a> <a href="#">(SSCR707)</a> <a href="#">Status</a>	<p>RELATING TO THE HAWAII COMMUNITY-BASED ECONOMIC DEVELOPMENT TECHNICAL AND FINANCIAL ASSISTANCE PROGRAM.</p> <p>Expands the eligibility of organizations that can receive Community-based Economic Development (CBED) technical assistance from not just community-based organizations (non-profits), but also includes businesses, particularly those that currently have CBED loans or may apply for a CBED loan in the future. Effective 7/1/2050. (SD2)</p>	<p>ECD, FIN</p>
<a href="#">SB 1196, SD2</a> <a href="#">(SSCR888)</a> <a href="#">Status</a>	<p>RELATING TO WITHHOLDING TAX.</p> <p>Amends the due date for employers to file the wage and tax statement from the last day of February to January 31 following the close of the calendar year. Imposes a penalty on employers that fail to timely furnish and file the wage and tax statement. Effective 7/1/2050. (SD2)</p>	<p>ECD, FIN</p>

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[SB 1198, SD2](#)  
[\(SSCR971\)](#)  
[Status](#)

RELATING TO TAX ADMINISTRATION.

ECD, FIN

Allows the Department of Taxation to mandate the electronic filing of partnership and S-corporation returns if the taxpayer's gross receipts exceed \$250,000 and individual tax returns if the federal adjusted gross income, as shown on the taxpayer's Hawaii return, exceeds \$100,000. Requires certain tax return preparers to file returns electronically. Amends the rules for electronic funds transfer to remove the authorization to require electronic funds transfer or electronic filing if the federal government required that person to file or pay electronically. Requires electronic funds transfers for tax return preparers and any person subject to mandatory electronic filing. Removes the timeliness requirement from the electronic funds transfer penalty. Removes the authority of the department to charge for certified copies of tax clearances. Amends the statute that mandates tax clearances for liquor license holders. Clarifies the interest rate for payments made to taxpayers out of the litigated claims fund. Expands the permissible uses of the tax administration special fund. Effective 7/1/2050. (SD2)

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least **24 hours** prior to the hearing. Testimony received after this time will be stamped late and left to the discretion of the chair to consider. While every effort will be made to incorporate all testimony received, materials received on the day of the hearing or improperly identified or directed, may not be processed.

Testimony submitted will be placed on the legislative website. This public posting of testimony on the website should be considered when including personal information in your testimony.

The chair IS instituting a **2 minute** per-testifier time limit.

Committees meeting in the morning must adjourn prior to the day's Floor Session. Therefore, due to time constraints, not all testifiers may be provided an opportunity to offer verbal comments. However, remote testifiers' written submissions will be considered by the committee.

Please refrain from profanity or uncivil behavior. Violations may result in ejection from the hearing without the ability to rejoin.

The House will not be responsible for bad connections on the testifier's end.

For general help navigating the committee hearing process, please contact the Public Access Room at (808) 587-0478 or [par@capitol.hawaii.gov](mailto:par@capitol.hawaii.gov).

The cable TV broadcast and/or live stream of this meeting will include closed captioning. If you require other auxiliary aids or services to participate in the public hearing process (i.e. interpretive services (oral or written) or ASL interpreter) or are unable to submit testimony via the website due to a disability, please contact the committee clerk at least 24 hours prior to the hearing so that arrangements can be made.

Click [here](#) for a complete list of House Guidelines for public testimony.

**FOR AMENDED NOTICES:** Measures that have been deleted are stricken through and measures that have been added are bolded.

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For more information, please contact the Committee Clerk at 586-6380

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Rep. Sean Quinlan  
Chair

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