

Honolulu, Hawaii

MAR 23 2022

RE: H.B. No. 1494
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred H.B. No. 1494, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL ENFORCEMENT SECTION,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the purpose and duties of the Special Enforcement Section of the Department of Taxation.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

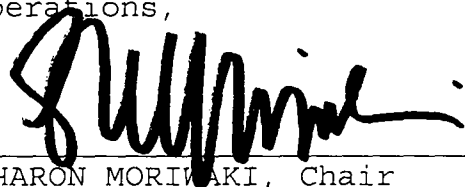
Your Committee finds that a central mission of the Special Enforcement Section of the Department of Taxation is to close the gap between taxes owed and taxes paid. By some estimates this gap is approaching one billion dollars. The Special Enforcement Section promotes the uniform application of state tax law and is responsible for securing a significant amount of tax dollars on behalf of the public. Accordingly, this measure will benefit the State by clarifying the purpose and duties of the Special Enforcement Section.



Your Committee has amended this measure by repealing language that directed the Special Enforcement Section to prioritize the investigation of cash-based businesses.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1494, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1494, H.D. 1, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,



SHARON MORIWAKI, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* HB 1494 HD1	Committee Referral: GVO, ^{WAM}JDC	Date: 03/17/22
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The Committee is reconsidering its previous decision on this measure.
If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
MORIWAKI, Sharon Y. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHANG, Stanley	/			
GABBARD, Mike				/
FEVELLA, Kurt				/
TOTAL	3			2

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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***Only one measure per Record of Votes**