STAND. COM. REP. NO. 990 -22

Honolulu, Hawaii

, 2022

MAR 0 4

RE: H.B. No. 1507

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1507 entitled:

"A BILL FOR AN ACT RELATING TO TAX FAIRNESS,"

begs leave to report as follows:

The purpose of this measure is to deliver tax fairness and financial security to working families by:

- (1) Increasing the tax rate on capital gains; and
- (2) Making the Earned Income Tax Credit refundable and permanent.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association; League of Women Voters of Hawaii; Hawaii Health & Harm Reduction Center; Americans for Democratic Action Hawaii; Democratic Party of Hawaii Education Caucus; Imua Alliance; Hawaii Public Health Institute; Hawaii Appleseed Center for Law & Economic Justice; Parents And Children Together; Democratic Party of Hawaii Labor Caucus; Hawaii Alliance for Progressive Action; American Academy of Pediatrics, Hawaii Chapter; Pono Hawaii Initiative; Early Childhood Action Strategy; Hawaii Alliance for Community-Based Economic Development; and eighteen individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association of REALTORS

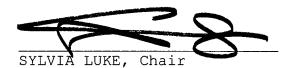
and six individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, Hawai'i Children's Action Network Speaks!, Tax Foundation of Hawaii, Grassroot Institute of Hawaii, and Chamber of Commerce Hawaii.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 1507, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1507, H.D. 1.

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



State of Hawaii



Record of Votes of the Committee on Finance

Bill/Resolution No.: Committee HB 1507 ECD				
HB 1507 ECD, FIN 2-26-22 The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)			A Property of the Control of the Con	
2. YAMASHITA, Kyle T. (VC)				
3. BRANCO, Patrick Pihana				<u> </u>
4. ELI, Stacelynn K.M.				
5. HOLT, Daniel				
6. ILAGAN, Greggor				
7. KOBAYASHI, Bertrand	/	2 22 22 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2		
8. MARTEN, Lisa				
9. NISHIMOTO, Scott Y.				
10. PERRUSO, Amy A.				
11. SAYAMA, Jackson D.			15 (A) 1 (15 A) 1 (15 A)	Terror Activities
12. TAM, Adrian K.				
13. TODD, Chris				
14. WILDBERGER, Tina				
15. McDERMOTT, Bob				
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TOTAL (15)	13		ĺ	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				