

Honolulu, Hawaii

APR 29 2022

RE: S.B. No. 2378  
S.D. 1  
H.D. 2  
C.D. 1

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

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2378, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE TAXATION BOARD OF REVIEW,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to make various amendments related to the Taxation Board of Review, including:

- (1) Reducing the membership from ten volunteer members to three full-time, salaried members, with at least two members required for quorum;
- (2) Authorizing members to validate the Board's actions with a concurrence of the majority;



- (3) Establishing a compensation schedule for board members with compensation based on a percentage of the Director of Taxation's salary;
- (4) Clarifying that Board meetings are contested case hearings and specifying notice requirements;
- (5) Clarifying the legal and evidentiary framework the Board must use in reaching its decisions; and
- (6) Appropriating funds for Board members and staff.

Your Committee on Conference finds that existing law does not require the Chairperson of the Taxation Board of Review to have litigation or public accounting experience. Your Committee on Conference further finds that these skills are necessary to ensure competent and fair tax appeals prosecution and resolution. Your Committee on Conference additionally finds that the Department of Taxation has a significant backlog of appeals. Accordingly, this measure promotes the fair and expeditious resolution of tax issues and appeals by requiring the Chairperson to be either a state-licensed attorney or Certified Public Accountant and compensating members of the Taxation Board of Review appropriately.

Your Committee on Conference has amended this measure by:

- (1) Setting the salaries of the Chairperson and members of the Board;
- (2) Inserting an appropriation amount of \$518,542;
- (3) Making it effective upon its approval; provided that section 1 shall take effect on July 1, 2023, and section 5 shall take effect on July 1, 2022; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

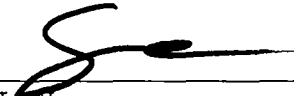
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2378, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2378, S.D. 1, H.D. 2, C.D. 1.




Respectfully submitted on behalf  
of the managers:


ON THE PART OF THE HOUSE

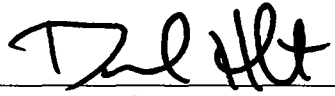
ON THE PART OF THE SENATE


  
\_\_\_\_\_  
SEAN QUINLAN  
Co-Chair

  
\_\_\_\_\_  
SHARON MORIWAKI  
Chair

  
\_\_\_\_\_  
MARI M. NAKASHIMA  
Co-Chair

  
\_\_\_\_\_  
DRU KANUHA  
Co-Chair

  
\_\_\_\_\_  
DANIEL HOLT  
Co-Chair

  
\_\_\_\_\_  
KARL RHOADS  
Co-Chair



Hawai'i State Legislature

CCR 189-22

Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: <b>SB 2378, SD 1, HD 2</b>	Date/Time: <b>4/29/22 11:00am</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
MORIWAKI, Sharon Y., Chr.	X				QUINLAN, Sean, Co-Chr.	X			
KANUHA, Dru Mamo, Co-Chr.	X				NAKASHIMA, Mark M., Co-Chr.	X			X
RHOADS, Karl, Co-Chr.	X				HOLT, Daniel, Co-Chr.	X			
FEVELLA, Kurt	X				KOBAYASHI, Dale T.	X			
					OKIMOTO, Val	X			
<b>TOTAL</b>	<b>4</b>				<b>TOTAL</b>	<b>4</b>			<b>1</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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<b>Distribution:</b>	<b>Original</b> <i>File with Conference Committee Report</i>	<b>Yellow</b> <i>House Clerk's Office</i>	<b>Pink</b> <i>Senate Clerk's Office</i>	<b>Goldenrod</b> <i>Drafting Agency</i>
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