

Honolulu, Hawaii

FEB 09 2022

RE: S.B. No. 2378

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 S.B. No. 2378 entitled:

"A BILL FOR AN ACT RELATING TO THE TAXATION BOARD OF REVIEW,"
begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Adjust the membership of the State Taxation Board of Review from ten volunteers to three paid, full-time members, and set a two-member quorum;
- (2) Establish a compensation schedule for board members and authorize board members to validate board actions by a majority of the members who heard the appeal;
- (3) Clarify that board meetings are contested case hearings subject to notice requirements and further clarify the legal and evidentiary framework the board may use in reaching its decisions; and
- (4) Make an appropriation to fund positions for the three full-time board members and support staff.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Department of Budget and Finance.



Your Committee finds that reducing the membership, quorum, and decision-making requirements of the State Taxation Board of Review will streamline administrative procedures for board actions. Your Committee further finds that establishing a paid professional board with robust institutional support, as proposed by this measure, will aid the Department of Taxation in its effort to reduce the backlog of tax appeals, while also ensuring that taxpayers' appeals are resolved fairly and expeditiously. Your Committee also finds that the clarifications proposed by this measure will increase fairness and accountability in the tax appeals process.

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 S.B. No. 2378 and recommends that it pass Second Reading 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,

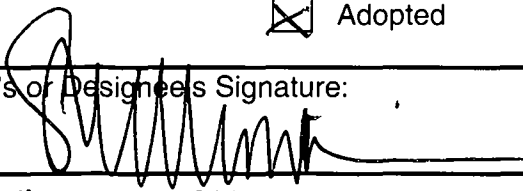


SHARON MORIWAKI, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB2378	Committee Referral: GVO, WAM/JDC	Date: 2/1/22		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MORIWAKI, Sharon Y. (C)	X			
DELA CRUZ, Donovan M. (VC)	X			
CHANG, Stanley	X			
GABBARD, Mike	X			
FEVELLA, Kurt		X		
TOTAL	4	1		
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes