

Honolulu, Hawaii

FEB 09 2022

RE: S.B. No. 2379
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 S.B. No. 2379 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to allow the Department of Taxation's Special Enforcement Section to examine any sector of Hawaii's economy, initiate civil investigations, and refer and recommend cases or examinations of segments of the economy to the Office Audit and Field Audit branches of the Department of Taxation for auditing.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee finds that this measure clarifies and expands the investigation and enforcement powers of the Department of Taxation's Special Enforcement Section. Accordingly, your Committee finds that this measure will help ensure that all taxpayers in the State pay their fair and lawful share of taxes and help prevent tax noncompliance through education, enforcement, and deterrence.

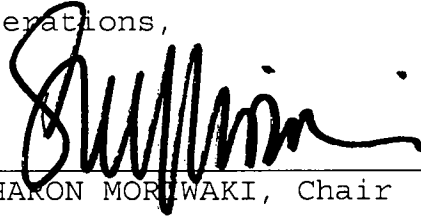
Your Committee has amended this measure by removing the prioritization of cash-based business investigations to clarify



that the Special Enforcement Section has the authority to investigate all matters pertaining to state tax law.

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. 2379, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2379, 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,

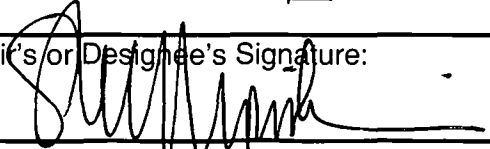


SHARON MORIWAKI, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB 2379	Committee Referral: GVO, WAM/JDC	Date: 02/01/22		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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