

STAND. COM. REP. NO.

283

Honolulu, Hawaii

FEB 17 2021

RE: S.B. No. 645  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Public Safety, Intergovernmental, and  
Military Affairs, to which was referred S.B. No. 645 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the period in which a county may adopt a surcharge on state tax, under certain conditions; and
- (2) Authorize the use of county surcharge revenues for affordable and workforce housing infrastructure.

Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that section 46-16.8(c), Hawaii Revised Statutes, authorizes counties to establish a surcharge on the state general excise and use taxes by adopting an ordinance prior to March 31, 2019. Your Committee further finds that this measure extends the period in which a county may adopt such an ordinance until December 31, 2021, and this extra time will provide counties with an opportunity to plan for updates to transportation projects and transportation infrastructure repairs.



Your Committee has amended this measure by specifying that the ordinance to establish the surcharge on state tax shall be adopted prior to July 1, 2023.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 645, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 645, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Public Safety,  
Intergovernmental, and Military  
Affairs,

*Clarence K. Nishihara*

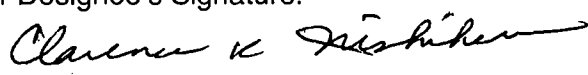
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CLARENCE K. NISHIHARA, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Public Safety, Intergovernmental, and Military Affairs**  
**PSM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 645	PSM, WAM	Feb. 11, 2021		
<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
NISHIHARA, Clarence K. (C)	/			
ENGLISH, J. Kalani (VC)	/			
BAKER, Rosalyn H.	/			
RIVIERE, Gil	/	/		
FEVELLA, Kurt				/
<b>TOTAL</b>	3	1	-	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted				
<input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes