

HOUSE OF REPRESENTATIVES
THE THIRTY-FIRST LEGISLATURE
REGULAR SESSION OF 2022

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair

Rep. Patrick Pihana Branco	Rep. Amy A. Perruso
Rep. Stacelynn K.M. Eli	Rep. Jackson D. Sayama
Rep. Daniel Holt	Rep. Adrian K. Tam
Rep. Greggor Ilagan	Rep. Chris Todd
Rep. Bertrand Kobayashi	Rep. Tina Wildberger
Rep. Lisa Marten	Rep. Bob McDermott
Rep. Scott Y. Nishimoto	

NOTICE OF HEARING

DATE: Monday, February 28, 2022
TIME: 11:00 a.m.
PLACE: VIA VIDEOCONFERENCE
Conference Room 308
State Capitol
415 South Beretania Street

THE STATE CAPITOL IS CLOSED TO THE PUBLIC DURING THE ONGOING COVID-19 PANDEMIC

Please note that the committee members will participate remotely via videoconference.
Click [here](#) to submit testimony and to testify remotely.

A live stream link of all House Standing Committee meetings will be available online
shortly before the scheduled start time.

Click [here](#) for the live stream of this meeting via YouTube.
Click [here](#) for select hearings broadcast live on 'Ōlelo Community Media for cable TV.

A G E N D A #1

[HB 2470, HD1](#)
[\(HSCR563-22\)](#)
[Status](#)

RELATING TO GOVERNMENT OPERATIONS.
Establishes the director of business, economic development, and tourism, or a designee of the director, as an ex-officio, voting member of the Hawaii tourism authority and the school facilities authority board. Transfers the stadium authority and school facilities authority from the department of accounting and general services and department of education, respectively, to the department of business, economic development, and tourism. Amends the composition of the stadium authority. Requires that administrative expenses incurred for the stadium development special fund be deducted. Increases the amount of general obligation bonds that may be issued for the stadium development district. Effective 10/18/2050. (HD1)

ECD, FIN



HB 1983, HD1 (HSCR560-22) Status	<p>RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM.</p> <p>Establishes the state film liaison to plan, develop, and executive a statewide film industry development strategy for purposes of establishing a collaborative film industry development program. Appropriates funds. (HD1)</p>	ECD, FIN
HB 1982, HD1 (HSCR562-22) Status	<p>RELATING TO TAXES.</p> <p>Requires every person making payment to a loan-out company and claiming the film tax credit to withhold payments to loan-out companies. Prohibits the defense of erroneous claim for a refund or credit if the claim for refund was generated by a tax credit and sets the penalty for such case to ten per cent. Requires the report by DBEDT to include the dollar amount claimed, name of the company, and name of the qualified production of the taxpayer. Requires qualified taxpayers to withhold a certain amount and remit that amount. Amends the use of the tax administration special fund. Authorizes the department of taxation to establish four full-time equivalent tax auditor positions. (HD1)</p>	ECD, FIN
HB 1495, HD1 (HSCR351-22) Status	<p>RELATING TO MOTION PICTURE, DIGITAL MEDIA, AND FILM PRODUCTION.</p> <p>Prohibits a production from qualifying for the motion picture, digital media, and film production tax credit if the production hires or compensates an employee of the State or county whose official capacity is related to issuing film permits or facilitating film production. Requires a taxpayer claiming the tax credit to identify any such employee in the statement submitted to DBEDT. (HD1)</p>	ECD, FIN
HB 2179 (HSCR628-22) Status	<p>RELATING TO COLLECTION OF DELINQUENT TAXES.</p> <p>Authorizes the Director of Taxation to apply to the circuit court to convert certain tax liens into enforceable civil judgments.</p>	ECD, JHA, FIN
HB 1490 (HSCR360-22) Status	<p>RELATING TO TAXATION.</p> <p>Establishes a civil penalty for failure to respond to an inquiry or request for information during a state tax examination or investigation.</p>	ECD, FIN
HB 1493 (HSCR361-22) Status	<p>RELATING TO THE TAX ADMINISTRATION SPECIAL FUND.</p> <p>Increases the amount of moneys maintained in the tax administration special fund. Amends the purpose of the fund.</p>	ECD, FIN
HB 1494 (HSCR359-22) Status	<p>RELATING TO SPECIAL ENFORCEMENT SECTION.</p> <p>Amends the purpose and duties of the Special Enforcement Section of the Department of Taxation.</p>	ECD, FIN



HB 2177, HD2 (HSCR486-22) Status	<p>RELATING TO STATE TAX ADMINISTRATION.</p> <p>Expands the department of taxation's authority to require electronic filings. Requires certain tax return preparers to file returns electronically. Repeals the authorization to require electronic funds transfer or electronic filing if the federal government required that person to file or pay electronically. Removes the timeliness requirement from the electronic funds transfer penalty. Removes the authority of the department of taxation to charge for certified copies of tax clearances. Clarifies tax clearances for liquor license holders. Increases the aggregate cap on late filing penalties. Adds an additional penalty category for late filing of certain informational returns where no tax is due. Clarifies the interest calculations for taxes paid pending appeal. Provides that a partnership, estate, or trust is liable for the required withholding from a nonresident taxpayer's distributive share of income. Effective 1/1/2050. (HD2)</p>	<p>ECD, CPC, FIN</p>
HB 1828, HD2 (HSCR625-22) Status	<p>RELATING TO THE TAXATION BOARD OF REVIEW.</p> <p>Beginning 1/1/2023, amends the membership, composition, compensation, and duties of the taxation board of review. Amends quorum requirements. Authorizes members of the taxation board of review to validate the board's actions with a concurrence of the majority of members who heard the appeal. Specifies that board meetings are contested case hearings with certain notice requirements. Clarifies the legal and evidentiary framework for the board to use when making decisions. Appropriates funds to the department of taxation to establish staff positions. (HD2)</p>	<p>ECD, JHA, FIN</p>
HB 1507 (HSCR352-22) Status	<p>RELATING TO TAX FAIRNESS.</p> <p>Increases the tax rate on capital gains. Makes the state earned income tax credit refundable and permanent. Applies to taxable years beginning after December 31, 2022.</p>	<p>ECD, FIN</p>
HB 2414 (HSCR408-22) Status	<p>RELATING TO GENERAL EXCISE TAX EXEMPTIONS.</p> <p>Establishes a general excise tax exemption for the gross proceeds or income from the manufacture, production, packaging, and sale of diapers.</p>	<p>ECD, FIN</p>
HB 1184, HD1 (HSCR940) Status	<p>RELATING TO TAXATION.</p> <p>Exempts the sale of precious metal bullion from the general excise tax. Effective 7/1/2050. (HD1)</p>	<p>ECD, FIN</p>
HB 1516, HD1 (HSCR484-22) Status	<p>RELATING TO REGULATION.</p> <p>Prohibits as an unfair and deceptive practice the advertisement of a good or service in the absence of licenses or permits for the good or service, to the extent the licenses or permits are required by applicable state and county laws. Effective 1/1/2050. (HD1)</p>	<p>ECD, CPC, FIN</p>
HB 2225 (HSCR407-22) Status	<p>RELATING TO HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.</p> <p>Appropriates moneys to the Hawaii Technology Development Corporation for its manufacturing assistance programs.</p>	<p>ECD, FIN</p>



<u>HB 1711, HD1</u> <u>(HSCR572-22)</u> <u>Status</u>	RELATING TO THE UNIVERSITY OF HAWAII. Appropriates funds to the University of Hawaii to support three additional positions at the college of tropical agriculture and human resources Kauai research and extension station. (HD1)	AGR, HET, FIN
<u>HB 1717, HD1</u> <u>(HSCR573-22)</u> <u>Status</u>	RELATING TO AGRICULTURE. Appropriates funds to the University of Hawaii to establish a foreign agriculture small equipment pilot program. Requires a report to the legislature. (HD1)	AGR, HET, FIN
<u>HB 2305, HD1</u> <u>(HSCR575-22)</u> <u>Status</u>	RELATING TO THE UNIVERSITY OF HAWAII. Appropriates funds to the University of Hawaii for the college of tropical agriculture and human resources to study diseases affecting the production of ornamental red ginger on Oahu and the neighbor islands. (HD1)	AGR, HET, FIN
<u>HB 1864, HD1</u> <u>(HSCR471-22)</u> <u>Status</u>	RELATING TO SCHOOL FOOD PROGRAMS. Appropriates funds for school cafeteria upgrades and cafeteria staff training to improve the ability of the department of education's school food programs to serve students fresh, locally grown foods. Effective 7/1/2050. (HD1)	AGR, EDN, FIN
<u>HB 2431, HD1</u> <u>(HSCR439-22)</u> <u>Status</u>	RELATING TO SUSTAINABLE FOOD SYSTEMS. Establishes the sustainable food systems working group within the office of planning and sustainable development. Requires the working group to submit a plan, any recommendations for implementing the plan, and any proposed legislation to the legislature. Appropriates funds to establish the working group and develop the plan and for one full-time equivalent (1.0 FTE) sustainability specialist to be employed by the office of planning and sustainable development statewide sustainability branch. (HD1)	AGR, FIN
<u>HB 2466, HD2</u> <u>(HSCR559-22)</u> <u>Status</u>	RELATING TO TARO. Exempts the gross proceeds or income received from the sale of any product resulting from the cultivation and production of unprocessed taro in the State from the general excise tax. Effective 10/18/2050. (HD2)	AGR, ECD, FIN
<u>HB 2061, HD1</u> <u>(HSCR235-22)</u> <u>Status</u>	RELATING TO THE ANIMAL INDUSTRY SPECIAL FUND. Adds new sources of revenues generated by the State Veterinary Laboratory and Animal Disease Control Branch as sources for the Animal Industry Special Fund. Effective 7/1/2050. (HD1)	AGR, FIN
<u>HB 956, HD1</u> <u>(HSCR474)</u> <u>Status</u>	RELATING TO STATEWIDE INTEROPERABLE PUBLIC SAFETY COMMUNICATIONS. Establishes a statewide interoperable communications executive committee for public safety communications and the position of the statewide interoperable communications coordinator. Effective 7/1/2050. (HD1)	PDP/HET, FIN
<u>HB 957, HD1</u> <u>(HSCR475)</u> <u>Status</u>	RELATING TO HOMELAND SECURITY. Establishes the Hawaii state fusion center as a program under the office of homeland security as described in chapter 128A, Hawaii Revised Statutes. Establishes the position of Hawaii state fusion center director. Effective 7/1/2050. (HD1)	PDP/HET, FIN



DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least **24 hours** prior to the hearing. Testimony received after this time will be stamped late and left to the discretion of the chair to consider. While every effort will be made to incorporate all testimony received, materials received on the day of the hearing or improperly identified or directed, may not be processed.

Testimony submitted will be placed on the legislative website. This public posting of testimony on the website should be considered when including personal information in your testimony.

The chair may institute a per-testifier time limit.

Committees meeting in the morning must adjourn prior to the day's Floor Session. Therefore, due to time constraints, not all testifiers may be provided an opportunity to offer verbal comments. However, remote testifiers' written submissions will be considered by the committee.

Please refrain from profanity or uncivil behavior. Violations may result in ejection from the hearing without the ability to rejoin.

The House will not be responsible for bad connections on the testifier's end.

For general help navigating the committee hearing process, please contact the Public Access Room at (808) 587-0478 or par@capitol.hawaii.gov.

The cable TV broadcast and/or live stream of this meeting will include closed captioning. If you require other auxiliary aids or services to participate in the public hearing process (i.e. interpretive services (oral or written) or ASL interpreter) or are unable to submit testimony via the website due to a disability, please contact the committee clerk at least 24 hours prior to the hearing so that arrangements can be made.

Click [here](#) for a complete list of House Guidelines for public testimony.

FOR AMENDED NOTICES: Measures that have been deleted are stricken through and measures that have been added are bolded.

For more information, please contact the Committee Clerk at 586-6200

Rep. Sylvia Luke
Chair

