

HB-353

Submitted on: 2/10/2021 10:42:42 AM

Testimony for GVR on 2/12/2021 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ikaika Sarkissian	Individual	Support	No

Comments:

I support legislation figuring how much money get.

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



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IN REPLY, REFER TO:
OCS 21.1033

February 10, 2021

To: The Honorable Angus L.K. McKelvie, Chair,
The Honorable Tina Wildberger, Vice Chair, and
Members of the House Committee on Government Reform

Hearing: Friday, February 12, 2021

Time: 10:30 a.m.

Place: Conference Room 309, via videoconference

From: Jovanie Domingo Dela Cruz, Executive Director
Office of Community Services

Re: H.B. No. 353 RELATING TO GOVERNMENT REVENUES

I. OVERVIEW OF PROPOSED LEGISLATION

This measure seeks to improve the effectiveness of grant applications made by counties to the state, by requiring the legislature to consider whether counties have maximized their existing sources of revenue prior to appropriating state moneys as grants-in-aid to counties.

II. CURRENT LAW

The Office of Community Services (OCS) is not aware of any current statutory requirements relating to requests by counties to the state for grants-in-aid.

III. COMMENTS ON THE PENDING BILL

OCS is an attached agency of the Department of Labor and Industrial Relations (DLIR). OCS is regularly designated by the legislature as the expending agency on grants-in-aid to non-profit organizations under HRS Chapter 42F. In the last pre-covid year, 2019, OCS was designated as the expending agency on 63 of the 75 CIPs appropriated under Chapter 42F by Act 39, SLH 2019.

OCS supports this bill because (1) it will help the counties provide useful information to the legislature as to what efforts it has undertaken to maximize its sources of revenues, such as by limiting or eliminating tax credits or exemptions; and (2) this process will similarly cause the counties to undertake a self-analysis as to whether they should be maximizing those sources of revenues before asking the state for a grant-in-aid. The cumulative effect should promote fiscal responsibility and good government.

TO: Members of the Government Reform

FROM: Natalie Iwasa, CPA, CFE
808-395-3233

HEARING: 10:30 a.m. Friday, February 12, 2021

SUBJECT: HB 353, Government Revenues - **COMMENTS**

Aloha Chair McKelvey and Committee Members,

Thank you for allowing me the opportunity to provide testimony on HB 353, which would require the legislature to consider whether counties have maximized their existing sources of revenue prior to appropriating moneys as a grant-in-aid.

This is a very interesting idea. Certainly the City and County of Honolulu has exemptions, deductions and a tax credit that cost taxpayers millions of dollars annually. And while several Real Property Tax Advisory Commissions have recommended reducing or removing several exemptions, for the most part they remain intact. Perhaps a law such as this would be the motivation needed to make the county real property tax system more equitable. At the very least, it would bring more transparency to the cost of all of these exemptions and deductions.

Please add “deductions” to the sources of revenues and pass this out of committee to continue discussion.