

STAND. COM. REP. NO. 1104

Honolulu, Hawaii

MAR 18 2025

RE: H.B. No. 1152  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred  
H.B. No. 1152, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION,"

begs leave to report as follows:

The purpose and intent of this measure is to permanently  
exempt the software developer supervisor in the Department of  
Taxation and the data privacy officer and tax business analysts in  
the Office of the Director of Taxation from civil service.

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

Your Committee received comments on this measure from the Tax  
Foundation of Hawaii.

Your Committee finds that the software developer supervisor,  
data privacy officer, and tax business analyst positions are all  
highly specialized positions that require experience and knowledge  
beyond the civil service regime. These positions are needed as  
part of the Department of Taxation's ongoing efforts to modernize  
the State's tax filing system through the Tax Modernization  
Program and join the Internal Revenue Service Direct File program  
in 2026. Your Committee further finds that experienced software  
developer supervisors are difficult to recruit and retain due to



highly competitive salaries in the private sector. This measure will support the Department of Taxation's goal to modernize the State's tax filing system and attract more specialized, experienced professionals to employment with the State.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1152, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1152, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor and  
Technology,

  
HENRY J. AQUINO, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Labor and Technology**  
**LBT**

Bill / Resolution No.:* <i>HB 1152, HD1</i>	Committee Referral: <i>LBT, WAM</i>	Date: <i>3/12/25</i>																		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____																				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>																				
Members	Aye	Aye (WR)	Nay	Excused																
AQUINO, Henry J.C. (C)	Y																			
LEE, Chris (VC)	Y																			
IHARA, Jr., Les	Y																			
MORIWAKI, Sharon Y.				Y																
FEVELLA, Kurt	Y																			
<b>TOTAL</b>	4			1																
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>																				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;"> </div>																				
<table style="width: 100%; font-size: small;"> <tr> <td style="width: 25%;">Distribution:</td> <td style="width: 25%;">Original</td> <td style="width: 25%;">Yellow</td> <td style="width: 25%;">Pink</td> </tr> <tr> <td></td> <td>File with Committee Report</td> <td>Clerk's Office</td> <td>Drafting Agency</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Goldenrod</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Committee File Copy</td> </tr> </table>					Distribution:	Original	Yellow	Pink		File with Committee Report	Clerk's Office	Drafting Agency				Goldenrod				Committee File Copy
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\*Only one measure per Record of Votes