STAND. COM. REP. NO. 1714

Honolulu, Hawaii

APR 0 4 2025

H.B. No. 1152 RE: H.D. 1 S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1152, H.D. 1, S.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 exempt from civil service 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.

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

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

Your Committee finds that Act 79, Session Laws of Hawaii 2024, established a civil service exemption for senior software developers in the Department of Taxation as part of the Department's long-term goal to retain experienced developers and reduce reliance on vendor professional services. Your Committee also finds that this measure builds upon Act 79 by establishing an exempt software developer supervisor position to oversee the complex development work required to maintain and update the Tax

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System Modernization program and supervise the senior software developers.

Your Committee has amended this measure by changing the effective date to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1152, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1152, H.D. 1, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA

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The Senate Thirty-Third Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* HB1152 HD1 SD1	Committee Referral: UBT , WAM		D	Date: 4/1/2025	
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended A Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		×			
MORIWAKI, Sharon Y. (VC)					
AQUINO, Henry J.C.		K			
DECOITE, Lynn					7
ELEFANTE, Brandon J.C.		X			
HASHIMOTO, Troy N.		X			
INOUYE, Lorraine R.		× × × × × × × × × ×			
KANUHA, Dru Mamo		X			
KIDANI, Michelle N.		X			
KIM, Donna Mercado		\times			
LEE, Chris		\times			
WAKAI, Glenn		\times			
FEVELLA, Kurt		\times			
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TOTAL		12	0	0	1
Recommendation:					
Chair's or besignee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes