HOUSE OF REPRESENTATIVES THE THIRTY-THIRD LEGISLATURE REGULAR SESSION OF 2025

COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Rep. Greggor Ilagan, Chair Rep. Ikaika Hussey, Vice Chair

Rep. Daniel Holt Rep. Chris Todd
Rep. Adrian K. Tam Rep. Lauren Matsumoto

Rep. Shirley Ann Templo

NOTICE OF HEARING

DATE: Friday, February 7, 2025

TIME: 10:15 am

PLACE: VIA VIDEOCONFERENCE

Conference Room 423

State Capitol

415 South Beretania Street

Click here to submit testimony and to testify remotely or in person.

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

Click <u>here</u> for the live stream of this meeting via YouTube.

$\underline{A} \underline{G} \underline{E} \underline{N} \underline{D} \underline{A}$

HB 796 RELATING TO TAX CREDITS.

Requires that income tax credits established or renewed after

12/31/2025 include a five-year sunset or an annual one-third reduction,

beginning with the sixth year of the credit.

<u>HB 303, HD1</u> (<u>HSCR26)</u> <u>Status</u>

Status

RELATING TO HEALTHCARE PRECEPTORS.

HLT, ECD, FIN

ECD, FIN

Expands the definitions of "preceptor" and "volunteer-based supervised clinical training rotation" to improve accessibility for providers to receive income tax credits for acting as preceptors, including removing "primary care" from the criteria to qualify as a preceptor. Adds dieticians, physician assistants, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support. Adds the Director of Health and residency programs with eligible students to the Preceptor Credit Assurance Committee. Applies to taxable years beginning after 12/31/2025.

Effective 7/1/3000. (HD1)

<u>HB 577, HD1</u> (<u>HSCR76)</u> Status

RELATING TO TAXATION.

TRN, ECD, FIN

Authorizes a tax credit for businesses that pay the public transportation costs of employees. Requires reports to the Legislature. Applies for taxable years beginning after 12/31/2025 but not beginning after 12/31/2029. Effective 7/1/3000. (HD1)

HB 949, HD1 (HSCR135) Status RELATING TO THE LOW-INCOME HOUSING TAX CREDIT.

HSG, ECD, FIN

Clarifies that a partner or member that is a partnership or limited liability company that has been allocated a low-income housing tax credit may either further allocate the credit or transfer, sell, or assign all or a portion of the credit to any taxpayer. Extends the sunset date of Act 129, SLH 2016, relating to the low-income housing tax credit, from 12/31/2027 to 12/31/2032. Effective 7/1/3000. (HD1)

HB 933, HD1 (HSCR59) Status RELATING TO GENERAL EXCISE TAX REDUCTIONS.

HSH, ECD, FIN

Reduces the general excise tax rate on the gross proceeds or gross income from the sale of groceries that are eligible under the Supplemental Nutrition Assistance Program (SNAP) or Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), regardless of the means of purchase and the program eligibility of the purchaser. Reduces the general excise tax rate on the gross proceeds or income from the sale of nonprescription drugs. Requires DBEDT to conduct an economic cost-benefit analysis on the general excise tax reductions. Effective 7/1/3000. (HD1)

HB 959 Status

RELATING TO TAXATION.

ECD, FIN

ECD. FIN

Exempts the sale of groceries and nonprescription drugs from the general excise tax. Incrementally increases the general excise tax over four years, with the increased proceeds during certain fiscal years to be deposited into the general fund. Removes the state income tax on unemployment compensation benefits. Doubles the standard deduction for individuals earning less than \$100,000 and joint returns earning less than \$200,000. Repeals the incremental increases on standard income tax deduction amounts. Increases the minimum income threshold and exemption amount for the low-income household renters' income tax credit. Removes the tax liability for the first \$100,000 of individual income earned. Establishes the Maui Recovery Special Fund to be used for recovery programs related to the 2023 Maui wildfires. Appropriates funds. Applies to taxable years beginning after 12/31/2024.

HB 454 Status

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Establishes a public policy framework that addresses state goals related to economic diversification. Appropriates funds to the Hawaii Technology and Development Corporation to implement specific programs that address these goals. Requires the Hawaii Technology Development Corporation to submit annual reports over three years to the legislature.

HB 1176 Status	RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION. Establishes the Hawaii Economic Diversification Grant Program under the Hawaii Technology Development Corporation to provide grants to qualified high technology businesses engaging in qualified research activities. Appropriates funds.	ECD, FIN
HB 546, HD1 (HSCR148) Status	RELATING TO ARTIFICIAL INTELLIGENCE. Establishes and appropriates funds to establish the aloha intelligence institute within the university of Hawaii to develop, support, and advance artificial intelligence initiatives statewide. Effective 7/1/3000. (HD1)	HED, ECD, FIN
HB 1370 Status	RELATING TO TAXATION. Amends the definition of draft beer to mean beer in an individual container of five gallons or more.	ECD, CPC
HB 1372 Status	RELATING TO LIQUOR LICENSES. Increases the liquor manufacturing limits for Class 18 small craft producer pub license holders.	ECD, CPC

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least <u>24 hours</u> 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, 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.

For remote testifiers, 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 livestream and/or cable TV broadcast of this meeting will include closed captioning. If you need an auxiliary aid/service or other accommodation (including oral, written, or ASL interpretive services) or are unable to submit testimony via the website due to a disability, please contact the committee clerk at 808-586-6530. Requests made as early as possible have a greater likelihood of being fulfilled.

Click here for a complete list of House Guidelines for remote testimony.

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

Hearing ECD 02-07-25 2.DOCX

For more information, please contact the Committee Clerk at (808) 58	86-6530.
	
	Rep. Greggor Ilagan
	Chair