#### THE SENATE KA 'AHA KENEKOA

### THE THIRTY-THIRD LEGISLATURE **REGULAR SESSION OF 2025**

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair Senator Sharon Y. Moriwaki, Vice Chair

#### NOTICE OF DECISION MAKING

DATE: TIME:

Tuesday, February 18, 2025 10:01 AM PLACE: Conference Room 211 & Videoconference State Capitol 415 South Beretania Street TIMESLOT: WAM

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## AGENDA

The following measure(s) were previously heard in their respective subject matter committees:

| <u>SB 65, SD1</u><br>(SSCR5)<br>Status &<br>Testimony | RELATING TO HOUSING.<br>Appropriates funds to the Hawaii Public Housing Authority for<br>the rehabilitation, remodeling, renovation, and repair of housing<br>units. (SD1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | HOU, WAM |
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| SB 125, SD1<br>(SSCR123)<br>Status &<br>Testimony     | RELATING TO STATE ENTERPRISE ZONES.<br>Amends the definition of "eligible business activity" for<br>Enterprise Zone Program purposes to include retail sales of<br>tangible personal property manufactured and sold in the<br>enterprise zone that is to be used or consumed by the purchaser<br>and not for resale, the processing of value-added agricultural<br>products grown within an enterprise zone, and the provision of<br>professional services by health care professionals in health-care<br>related sectors. Extends the eligibility period of the state<br>business tax credit and general excise tax exemption for<br>qualified businesses within State Enterprise Zones from seven<br>years to nine years. Extends the eligibility period of the State<br>business tax credit and general excise tax exemption for<br>qualified businesses within State Enterprise Zones engaged in<br>the manufacturing of tangible personal property or the producing<br>or processing of agricultural products from ten years to twelve<br>years. Makes the extension of the state business tax credit<br>eligibility period applicable to taxable years beginning after<br>12/31/2025. Makes the extension of the general excise tax<br>exemption eligibility period applicable to taxable years beginning<br>after 12/31/2026. Effective 7/1/2050. (SD1) | EDT, WAM |

| <u>SB 227</u><br>(SSCR277)<br>Status &<br>Testimony                        | RELATING TO FIREWORKS.<br>Establishes the Illegal Fireworks Enforcement Division within the<br>Department of Law Enforcement. Appropriates funds. Sunsets<br>6/30/2028.                                                                                                                                                                                                                                                                                                     | PSM, WAM     |
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| <u>SB 328</u><br>(SSCR19)<br>Status &<br>Testimony                         | RELATING TO TAXATION.<br>Establishes an income tax credit for capital infrastructure costs<br>incurred in the conversion of a dairy farm to a hog farm.                                                                                                                                                                                                                                                                                                                     | AEN, WAM     |
| <u>SB 329</u><br>(SSCR178)<br>Status &<br>Testimony                        | RELATING TO WATER POLLUTION.<br>Requires at least fifty per cent of treatment works effluent to be<br>R-1 recycled water by January 1, 2045. Amends the year by<br>which no treated or raw sewage shall be discharged into state<br>waters.                                                                                                                                                                                                                                 | AEN, WAM     |
| <u>SB 383, SD1</u><br>(SSCR187)<br><u>Status &amp;</u><br><u>Testimony</u> | RELATING TO SMALL PURCHASES.<br>Increases the minimum amount for purchases constituting small<br>purchase procurements from \$25,000 to \$50,000. Requires a<br>report to the Legislature. Effective 1/1/2525. (SD1)                                                                                                                                                                                                                                                        | GVO, WAM     |
| <u>SB 448, SD1</u><br>(SSCR215)<br>Status &<br>Testimony                   | RELATING TO AGRICULTURE.<br>Appropriates funds to the Agribusiness Development<br>Corporation to acquire a conservation easement in Central<br>Oahu. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                              | EDT, WAM     |
| <u>SB 465</u><br>(SSCR363)<br>Status &<br>Testimony                        | RELATING TO THE KIKIAOLA SMALL BOAT HARBOR.<br>Requires the Department of Land and Natural Resources to<br>conduct a study of the carrying capacity of Kikiaola Small Boat<br>Harbor in the County of Kauai. Requires a report to the<br>Legislature. Appropriates funds.                                                                                                                                                                                                   | WTL, WAM     |
| <u>SB 558, SD1</u><br>(SSCR464)<br><u>Status &amp;</u><br>Testimony        | RELATING TO VALUE-ADDED PRODUCTS.<br>Establishes a Food and Product Innovation Network within the<br>Agribusiness Development Corporation. Appropriates funds for<br>food and product development or innovation facilities in the<br>County of Maui and on the islands of Oahu and Hawaii.<br>Requires annual reports to the Legislature. Effective 7/1/2050.<br>(SD1)                                                                                                      | EDT/AEN, WAM |
| <u>SB 576</u><br>(SSCR143)<br>Status &<br>Testimony                        | RELATING TO FINANCIAL ADMINISTRATION.<br>Amends the requirements of legislative reports to be submitted<br>by the Hawaii Public Housing Authority and Hawaii Housing<br>Finance and Development Corporation. Amends the scope of<br>moneys to be deposited into and the purposes of the public<br>housing special fund. Exempts expenditures of the public<br>housing special fund from appropriation and allotment by the<br>legislature, subject to certain requirements. | HOU, WAM     |

| SB 744, SD1<br>(SSCR100)<br>Status &<br>Testimony                    | RELATING TO CONDOMINIUMS.<br>Establishes within the Hawaii Green Infrastructure Authority the<br>Condominium Loan Program to provide qualified condominium<br>associations with low-cost financing or refinancing on previously<br>obtained loans for maintenance and essential repairs.<br>Establishes the Condominium Loan Loss Reserves Program to<br>incentivize lenders into providing loans at competitive rates and<br>terms for the purpose of allowing condominium associations to<br>make necessary maintenance or repairs. Requires annual<br>reports to the Legislature. Appropriates funds into and out of the<br>Condominium Loan Revolving Fund. Effective 7/1/2050. (SD1) | CPN/EDT, WAM        |
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| <u>SB 789, SD1</u><br>(SSCR342)<br><u>Status &amp;</u><br>Testimony  | RELATING TO SCHOOL CAFETERIA MEAL COSTS.<br>Requires the Department of Education to charge not less than<br>one-quarter of the cost of preparing a school meal for each<br>school meal. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | EDU, WAM            |
| SB 828, SD1<br>(SSCR358)<br>Status &<br>Testimony                    | RELATING TO WORKERS' COMPENSATION MEDICAL<br>BENEFITS.<br>Expands workers' compensation medical benefits for firefighters<br>to include coverage for adenocarcinoma or mesothelioma of the<br>respiratory system; cancer of the buccal cavity, colon, pharynx,<br>and thyroid; and malignant melanoma. Specifies that an<br>employer may prove that the cancer or disease was not<br>associated with the firefighting duties to deny medical benefits<br>under workers' compensation law. Effective 7/1/2050. (SD1)                                                                                                                                                                       | LBT/PSM, WAM        |
| <u>SB 997, SD1</u><br>(SSCR158)<br><u>Status &amp;</u><br>Testimony  | RELATING TO ENERGY.<br>Grants the Public Utilities Commission the ability to authorize<br>preferential rates for the purchase of renewable energy from<br>facilities that meet certain prevailing wage requirements.<br>Requires public utilities to forward certain requests for<br>preferential rates to the PUC for approval. (SD1)                                                                                                                                                                                                                                                                                                                                                    | EIG/LBT, WAM        |
| <u>SB 1023, SD1</u><br>(SSCR303)<br><u>Status &amp;</u><br>Testimony | RELATING TO THE SPAYING AND NEUTERING OF<br>ANIMALS.<br>Establishes the Spay and Neuter Special Fund to reduce pet<br>overpopulation and the reproduction of free-roaming cats.<br>Establishes various revenue and fundraising sources for the<br>special fund. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                                                 | AEN/TCA/EIG,<br>WAM |
| <u>SB 1065, SD1</u><br>(SSCR348)<br><u>Status &amp;</u><br>Testimony | RELATING TO SKILLS-BASED HIRING.<br>Prohibits the State or any of its departments, agencies, or<br>political subdivisions from requiring a bachelor's degree as a<br>condition of eligibility for hire to a position in state employment.<br>Establishes exemptions. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                                            | LBT/GVO, WAM        |
| <u>SB 1220, SD1</u><br>(SSCR538)<br>Status &<br>Testimony            | RELATING TO RENEWABLE GAS TARIFF.<br>Requires gas utility companies to submit proposed renewable<br>gas tariffs to the Public Utilities Commission by August 31, 2025.<br>Requires the Public Utilities Commission to establish a<br>renewable gas tariff within six months of receiving a proposed<br>renewable gas tariff. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                    | CPN/EIG, WAM        |

| SB 1232, SD1<br>(SSCR234)<br>Status &<br>Testimony                          | RELATING TO WASTEWATER SYSTEMS.<br>Establishes a three-year New Wastewater Technology Testing<br>Pilot Program within the University of Hawaii Water Resources<br>Research Center to test and evaluate new wastewater<br>technology systems in coordination with University of Hawaii<br>Sea Grant College Program, College of Engineering,<br>Department of Health, Department of Hawaiian Home Lands,<br>and the appropriate county agencies. Requires reports to the<br>Legislature. Appropriates funds. Effective 7/31/2050. (SD1)                                             | HRE/AEN, WAM |
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| SB 1234, SD1<br>(SSCR214)<br>Status &<br>Testimony                          | RELATING TO GOVERNMENTAL EFFICIENCY.<br>Authorizes executive and administrative departments and<br>agencies to enter into intergovernmental and partnership<br>agreements with private sector entities, nonprofit organizations,<br>and other governmental bodies. Requires an annual report to<br>the Legislature. Effective 5/13/2040. (SD1)                                                                                                                                                                                                                                     | EIG, WAM     |
| <u>SB 1252, SD1</u><br>(SSCR228)<br>Status &<br>Testimony                   | RELATING TO DEMENTIA.<br>Requires the University of Hawaii Board of Regents to establish<br>a specialized training program to educate health care providers<br>on methods to best care for patients having Alzheimer's disease<br>and other forms of dementia. Appropriates funds. Effective<br>7/31/2050. (SD1)                                                                                                                                                                                                                                                                   | HRE, WAM     |
| <u>SB 1269, SD1</u><br>(SSCR394)<br><u>Status &amp;</u><br><u>Testimony</u> | RELATING TO GEOTHERMAL RESOURCES.<br>Appropriates funds to the Department of Business, Economic<br>Development, and Tourism for continued exploration and<br>identification of geothermal resources and commercial viability<br>for utility-scale geothermal production in counties with a<br>population of less than 300,000. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                           | EDT, WAM     |
| <u>SB 1360</u><br>(SSCR200)<br>Status &<br>Testimony                        | RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM.<br>Amends chapter 88, HRS, to conform to updated required<br>beginning dates and automatic cashout requirements in the<br>Internal Revenue Code of 1986, as amended.                                                                                                                                                                                                                                                                                                                                                                 | LBT, WAM     |
| SB 1361<br>(SSCR199)<br>Status &<br>Testimony                               | RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM'S<br>EMPLOYER REPORTING REVIEW.<br>Adds a year between the review period and the billing due date<br>and changes reporting of review results from the current fiscal<br>year to the previous fiscal year.                                                                                                                                                                                                                                                                                                                             | LBT, WAM     |
| SB 1381, SD1<br>(SSCR85)<br>Status &<br>Testimony                           | RELATING TO THE HAWAII NATIONAL GUARD.<br>Allows the Commander of the Hawaii Air National Guard to hold<br>the rank authorized by the Department of the Air Force, which is<br>currently Major General. Provides the Adjutant General with the<br>flexibility to assign either the Chief of Staff or the Assistant<br>Adjutant General to lead the Hawaii Air National Guard.<br>Authorizes the pay and allowances for the Chief of Staff of the<br>Hawaii Air National Guard to be determined according to the pay<br>tables of the Regular Air Force of the United States. (SD1) | PSM, WAM     |
| <u>SB 1388, SD1</u><br>(SSCR218)<br><u>Status &amp;</u><br>Testimony        | RELATING TO EDUCATION.<br>Adds two ex officio members that represent the Department of<br>Education and the Board of Education to the School Facilities<br>Authority Board. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                              | EDU, WAM     |

| <u>SB 1487, SD1</u><br>(SSCR523)<br><u>Status &amp;</u><br>Testimony        | RELATING TO THE UNIVERSITY OF HAWAII REVENUE<br>BONDS.<br>Authorizes the Board of Regents of the University of Hawaii to<br>issue revenue bonds for the purpose of financing qualifying<br>priority capital improvement projects. Appropriates funds.<br>Effective 7/31/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | HRE, WAM     |
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| <u>SB 1491, SD1</u><br>(SSCR356)<br>Status &<br>Testimony                   | RELATING TO DEPARTMENTAL DATA SHARING.<br>Adds the Department of Taxation and Department of Business,<br>Economic Development, and Tourism to the list of state<br>agencies required to share data and determine the data to be<br>shared through the Statewide Longitudinal Data System.<br>Requires data shared by the Department of Taxation to be<br>aggregated or anonymized. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                 | LBT, WAM     |
| <u>SB 1530</u><br>(SSCR453)<br>Status &<br>Testimony                        | RELATING TO THE UNIVERSITY OF HAWAII.<br>Requires the Board of Regents or the President of the University<br>of Hawaii to allocate general funds appropriated to the<br>University of Hawaii to University of Hawaii program IDs in<br>accordance with performance-based outcomes relating to<br>student achievement and degree attainment. Requires the<br>President to submit reports to the Legislature. Requires the<br>President to propose at least three efficiency measures to the<br>Director of Finance to produce a more effective budget.                                                                                                                                                                                                                        | HRE, WAM     |
| <u>SB 1536, SD1</u><br>(SSCR448)<br>Status &<br>Testimony                   | RELATING TO THE HAWAII TOURISM AUTHORITY.<br>Repeals exemptions of the President and Chief Executive<br>Officer of the Hawaii Tourism Authority from the State's<br>Employees' Retirement System. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | EDT/LBT, WAM |
| SB 1543, SD1<br>(SSCR323)<br>Status &<br>Testimony                          | RELATING TO GOVERNMENT ACCOUNTABILITY.<br>Requires each purchasing agency to provide justification for<br>hiring external consultants. Caps the amount each agency can<br>spend on external consultants. Requires each agency to seek<br>approval from the Legislature for consulting contracts exceeding<br>a certain dollar amount. Requires each agency to disclose all<br>contracts with external consultants. Requires annual reports to<br>the Legislature. Requires the Compliance Audit Unit to conduct<br>regular audits of agency consultant contracts to assess cost-<br>effectiveness and compliance. Requires each chief<br>procurement officer to ensure that inherent government<br>functions are not delegated to a contractor. Effective 1/1/2491.<br>(SD1) | GVO, WAM     |
| <u>SB 1547, SD1</u><br>(SSCR460)<br><u>Status &amp;</u><br><u>Testimony</u> | RELATING TO SPECIAL PURPOSE REVENUE BONDS TO<br>ASSIST ALOUN KAUAI FARMING, AN AGRICULTURAL<br>ENTERPRISE, IN THE FINANCE, OPERATION, AND<br>MAINTENANCE OF A PROJECT TO REVITALIZE THE DAIRY<br>INDUSTRY.<br>Authorizes the Department of Budget and Finance to issue<br>special purpose revenue bonds to assist Aloun Kauai Farming,<br>LLC, in the planning, design, construction, and maintenance of<br>an integrated dairy industry. Effective 7/1/2050. (SD1)                                                                                                                                                                                                                                                                                                          | AEN, WAM     |

Decision making meeting only, no oral testimony will be accepted.

Persons wishing to submit <u>written</u> testimony may do so up to 24 hours prior to the hearing. Click <u>here</u> to submit written testimony.

# All testimony received by the Hawai'i Senate is posted on the Hawai'i Legislature's website, which is accessible to the public. Please do not include private information that you do not want disclosed to the public.

For special assistance: The cable TV broadcast and/or live stream of this meeting will include closed captioning. If you need an auxiliary aid/service or other accommodation due to a disability, please call the committee clerk at the telephone number listed below or email <u>WAMcommittee@capitol.hawaii.gov</u>. Requests made as early as possible have a greater likelihood of being fulfilled.

**FOR AMENDED NOTICES:** Measures that have been deleted are stricken through and measures that have been added are underscored. If a measure is both underscored and stricken through, that measure has been deleted from the agenda.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT (808)586-6800.

Senator Donovan M. Dela Cruz Chair