STAND. COM. REP. NO.

393

Honolulu, Hawaii

, 2025

FEB 27

RE: H.B. No. 979 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

## Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 979, H.D. 1, entitled:

"A BILL FOR AN ACT RELATED TO SUMMARY POSSESSION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require that a current general excise tax license number for any rental income be filed with the complaint to the court for summary possession proceedings; and
- (2) Require the Judiciary to submit an annual list of certain information regarding summary possession cases to the Department of Taxation.

Your Committee received testimony in support of this measure from the Hawai'i Appleseed Center for Law & Economic Justice. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Judiciary; Department of Taxation; and Tax Foundation of Hawaii.

Your Committee finds that some landlords currently rent properties without proper registration, avoiding tax obligations while still utilizing the legal system to evict tenants. This

measure seeks to close that loophole by requiring landlords to present a valid general excise tax license before initiating summary possession proceedings for unpaid rent, preventing landlords from taking advantage of state resources while failing to meet their own financial responsibilities.

Your Committee recommends this measure be effective on July 1, 2026, to provide time for the Department of Taxation to implement the requirements of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 979, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Judiciary & Hawaiian Affairs,

James amas

DAVID A. TARNAS, Chair

## State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 893

## Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: HB 979 HD 1	Committee Referral:	Date: 02/19/2025		
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)				
A POUDOE MAIN (MC)				Militaria de Paris. Transistation de Maria
2. POEPOE, Mahina (VC)				
3. BELATTI, Della Au		- 13 mg - 13 mg - 15 mg		<u> 1966 : JG 1</u>
4. COCHRAN, Elle				<b>V</b>
THE HARM MALL				
5. HASHEM, Mark J.		4. 37. 5.		i din K
6. KAHALOA, Kirstin		#5 : 25   15   15   15   15   15   15   15		
7. PERRUSO, Amy A.		Dillini Sala adalah ili ili basa		TAPE OF THE SECOND STREET
8. TAKAYAMA, Gregg				
8. TAKAYAMA, Gregg				
9. TODD, Chris		· · · · · · · · · · · · · · · · · · ·	ika manakan katan	
10. GARCIA, Diamond		<b></b>	3. P.O. 15	1 Gg 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
11. SHIMIZU, Garner M.		enting of the second se		
11. SHIWIZU, Garner W.				
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TOTAL (11)	9		D	1
The recommendation is:  Adopted If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
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