



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 11, 2017

GOV. MSG. NO. 1266

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott D. Saiki, Speaker
and Members of the House
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1414 HD1 SD1 CD1, without my approval, and with the statement of objections relating to the measure.

HB1414 HD1 SD1 CD1

RELATING TO THE DEPARTMENT OF
TAXATION

Sincerely,

DAVID Y. IGE
Governor, State of Hawaii

EXECUTIVE CHAMBERS

HONOLULU

July 11, 2017

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1414

Honorable Members
Twenty-Ninth Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1414, entitled "A Bill for an Act Relating to the Department of Taxation."

The purpose of this bill is to require the Auditor to engage a contractor to investigate the tax system modernization project of the Department of Taxation to: (1) identify any operational problems of the project; (2) ascertain the causes of those problems; and (3) estimate the amount of tax revenue lost because of the problems associated with the use and implementation of the project, if any, and to submit a report to the legislature. This bill also appropriates \$150,000 to engage the contractor.

This bill is objectionable because it is unnecessary and redundant as the Department of Taxation has already engaged a contractor to conduct an independent verification and validation of the tax system modernization and is awaiting the findings and results. In addition, the Auditor stated that it may be difficult to identify and assess operational issues relating to the tax system modernization project until the project is completed and there has been sufficient time for the department and users to identify any operational problems.

For the foregoing reasons, I am returning House Bill No. 1414 without my approval.

Respectfully,



DAVID Y. IGE
Governor of Hawai'i

P R O C L A M A T I O N

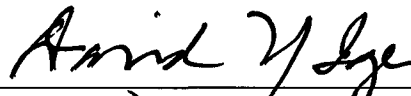
WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawai'i, the Governor is required to give notice, by a proclamation, of the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 1414, entitled "A Bill for an Act Relating to the Department of Taxation," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 1414 is unacceptable to the Governor of the State of Hawai'i;

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawai'i, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawai'i, giving notice of my plan to return House Bill No. 1414 with my objections thereon to the Legislature as provided by said Section 16 of Article III of the Constitution.

DONE at the State Capitol, Honolulu,
State of Hawai'i, this 11
day of July, 2017.



DAVID Y. IGE
Governor of Hawai'i

ORIGINAL

VETO

HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE, 2017
STATE OF HAWAII

H.B. NO.

1414
H.D. 1
S.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. (a) The auditor shall execute a contract with
2 an appropriate contractor to investigate the tax system
3 modernization project of the department of taxation. The
4 purpose of the investigation shall be to:

5 (1) Identify any operational problems of the tax system
6 modernization project;

7 (2) Ascertain the causes of those problems; and

8 (3) Estimate the amount of tax revenue lost because of the
9 problems associated with the use and implementation of
10 the tax system modernization project, if any.

11 (b) The auditor shall not be subject to chapter 103D,
12 Hawaii Revised Statutes, in executing the purposes of this Act.

13 (c) Upon request by the auditor, the comptroller and the
14 director of finance shall provide assistance to the auditor in
15 conducting the investigation.

16 (d) No later than twenty days prior to the convening of
17 the regular session of 2018, the auditor shall submit a report
18 to the legislature on its investigation of the tax system

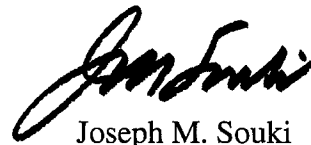


HB No. 1414, HD 1, SD 1, CD 1

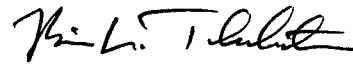
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2017
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2017.



Joseph M. Souki
Speaker
House of Representatives





Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: May 2, 2017
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the
Senate of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017.


President of the Senate


Clerk of the Senate