

STAND. COM. REP. NO.

46A

Honolulu, Hawaii

FEB 18 , 2021

RE: H.B. No. 791
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 791 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a state income tax credit for certain expenses incurred by pre-kindergarten through grade 12 teachers, instructors, school librarians, counselors, principals, registrars, or aides in a school.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Democratic Party of Hawai'i Education Caucus, and Parents And Children Together. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that, according to the National School Supply and Equipment Association, public school teachers spend \$1.6 billion of their discretionary income annually on supplementary school supplies and instructional materials. On average, teachers surveyed spent a total of \$485 on school supplies and instructional materials, with more than ten percent annually spending over \$1,000 of personal income. Your Committee believes that, through this measure, an income tax credit will

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offset expenses paid by teachers to support their classrooms and will help aid teacher recruitment and retention.

Your Committee has amended this measure by:

- (1) Changing the term "qualifying taxpayer" to "eligible educator" and defining "eligible educator" to mean, with respect to any taxable year, an individual who is a pre-kindergarten through twelfth grade teacher, instructor, counselor, principal, or aide in a school for at least nine hundred hours during a school year; and
- (2) Changing its effective date to July 1, 2050.

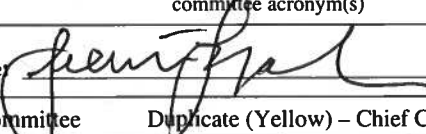
As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 791, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 791, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Education,


JUSTIN A. WOODSON, Chair



Record of Votes of the Committee on Education

Bill/Resolution No.: HB791	Committee Referral: EDN, FIN	Date: 2/9/2021		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDN Members	Ayes	Ayes (WR)	Nays	Excused
1. WOODSON, Justin H. (C)	✓			
2. KAPELA, Jeanne (VC)	✓			
3. BELATTI, Della Au	✓			
4. DeCOITE, Lynn	✓			
5. GANADEN, Sonny	✓			
6. GATES, Cedric Asuega	✓			
7. HASHIMOTO, Troy N.	✓			
8. OHNO, Takashi				✓
9. QUINLAN, Sean				✓
10. TAKAYAMA, Gregg	✓			
11. YAMANE, Ryan I.	✓			
12. OKIMOTO, Val	✓			
TOTAL (12)	10	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				