

STAND. COM. REP. NO. 3305

Honolulu, Hawaii

MAR 22 2022

RE: H.B. No. 1828  
H.D. 3  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1828, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO THE TAXATION BOARD OF REVIEW,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the membership, composition, compensation, and duties of the Taxation Board of Review;
- (2) Amend quorum requirements of the Taxation Board of Review;
- (3) Authorize members of the Taxation Board of Review to validate the Board's actions with a concurrence of the majority of members who heard the appeal;
- (4) Specify that Taxation Board of Review board meetings are contested case hearings with certain notice requirements;
- (5) Clarify the legal and evidentiary framework for the Taxation Board of Review to use when making decisions; and



- (6) Appropriate funds to the Department of Taxation to establish staff positions.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Department of Budget and Finance and Tax Foundation of Hawaii.

Your Committee finds that establishing a paid professional Taxation Board of Review with robust institutional support would greatly help the Department of Taxation work through its significant backlog of appeals. This measure will ensure that Hawaii's taxpayers have their tax appeal issues resolved fairly and expeditiously.

Your Committee has amended this measure by:

- (1) Restoring the three full-time equivalent new Taxation Board of Review member positions;
- (2) Restoring the two full-time equivalent new staff positions that the Department of Taxation may establish to serve as administrative support or legal staff to the Taxation Board of Review;
- (3) Re-inserting \$518,452 in general funds for fiscal year 2022-2023 for the payment of salaries to the new Taxation Board of Review members and staff; and
- (4) Making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1828, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1828, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.



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



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KARL RHOADS, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Judiciary**  
**JDC**

Bill / Resolution No.:*	Committee Referral:	Date:
HB 1828, HD3	JDC, WAM	03-17-22

The Committee is reconsidering its previous decision on this measure.  
If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312   
 Pass, with amendments 2311   
 Hold 2310   
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	/			
KEOHOKALOLE, Jarrett (VC)	/			
ACASIO, Laura	/			
GABBARD, Mike	/			
KIM, Donna Mercado	/			
LEE, Chris	/			
FEVELLA, Kurt		/		
<b>TOTAL</b>	6	1	—	—

Recommendation:  Adopted     Not Adopted

Chair's or Designee's Signature: *Karl Rhoads*

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\*Only one measure per Record of Votes