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To: The Honorable Henry J.C. Aquino, Chair  
and Members of the House Committee on Public Safety

Date: Thursday, January 30, 2014  
Time: 10:00 a.m.  
Place: Conference Room 309, State Capitol

From: Frederick D. Pablo, Director  
Department of Taxation

Re: H.B. No. 2347, Relating to Department of Taxation Criminal Investigators

The Department of Taxation (Department) strongly supports H.B. 2347, an Administration measure, clarifying that exempt and civil service investigators have the same police powers.

H.B. 2347 amends section 231-4.3, Hawaii Revised Statutes, to make it clear that (1) Department criminal investigators have police powers at all times, (2) that civil service investigators as well as exempt investigators have police powers, and (3) that the Director of Taxation may adopt administrative rules.

The Department's criminal investigation unit is currently structured such that its supervisor is a civil service employee. This measure would clarify that all Department criminal investigators, including the unit's civil service supervisor, have police powers.

Thank you for the opportunity to provide comments.

# TAXBILLSERVICE

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SUBJECT: ADMINISTRATION, Criminal investigators

BILL NUMBER: SB 2897; HB 2347 (Identical)

INTRODUCED BY: SB by Kim by request; HB by Souki by request

BRIEF SUMMARY: Amends HRS section 231-4.3 to provide that criminal investigators with police powers may consist of both civil service (HRS chapter 76) and non civil service employees.

EFFECTIVE DATE: Upon approval

STAFF COMMENTS: This is an administration measure submitted by the department of taxation TAX-13 (14). When the department of taxation was authorized to hire criminal investigators by Act 136, SLH 2003, it specified that the investigators shall be exempt from HRS chapter 76 (civil service). It appears that the criminal investigation unit of the department of taxation is now supervised by a civil service employee. Thus, that employee has no police power. This measure would allow all criminal investigators to have police powers, civil service or not.

From a technical point of view, if the amendments made to (a) are made, the added paragraph (b) is unnecessary and, if adopted, would be redundant.

Digested 1/29/14