

Honolulu, Hawaii
APR 05, 2024

RE: S.B. No. 1035
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1035, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to exempt from the general excise tax amounts received by health care providers for health care related goods and medical and dental services provided to Medicaid, Medicare, and TRICARE patients.

Your Committee received testimony in support of this measure from the State Health Planning and Development Agency; University of Hawai'i System; Mayor of the County of Hawai'i; two members of the Hawai'i County Council; one member of the Maui County Council; 'Ahaui o nā Kauka; Hawaii Institute for Pain; Hawaii Medical Association; Hawai'i Family Caregiver Coalition; Maui Orthopedic Institute; Hawaii Substance Abuse Coalition; Joyful Living, LLC; East Hawaii Independent Physicians Association, dba Big Island Docs; Aloha Gastroenterology, LLC; Hawaii Association of Health Plans; Philippine Medical Association of Hawai'i; Ear, Nose, & Throat Clinics of Oahu; Maui Plastic Surgery; AARP Hawai'i; Phoenix Center Inc.; Community First Hawaii; Hawai'i Island Chamber of Commerce; Grassroot Institute of Hawaii; We Are One, Inc.; Oahu Pediatric Dentistry; AlohaCare; Pacific Anesthesia; Kenny R.



Malott M.D., Inc.; Healing Tides Primary Care; Free Access Coalition; Island Pediatrics of Honolulu; Hawaii Dental Service; Optimum Health and Wellness Hawaii; Hawaii Provider Shortage Crisis Task Force; American Board of Wound Management; Maui Urology, LLC; Hawaii Dental Hui; Hugo Higa M.D., LLC; Jarrett Surgery LLC; Maui Lani Physicians and Surgeons; Kohala Coast Urgent Care, LLC; Molokai Family and Urgent Care Clinic; Pearl City Medical Associates, Inc.; Ann S. Harada M.D., LLC; Hawaii Medical Association; Hawaii Ophthalmology Society; Ranjini Kandasamy, M.D.; John M. Nagamine, M.D.; Pearl City Medical Associates; Oahu Kidney Care LLC; Kim Nguyen, M.D., P.C.; and numerous individuals. Your Committee received comments on this measure from the Department of Taxation; Hawai'i Association of Professional Nurses; and Tax Foundation of Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1035, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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



KYLE T. YAMASHITA, Chair



