

Honolulu, Hawaii

**MAR 19 2025**

RE: H.B. No. 303  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred H.B. No. 303, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTHCARE PRECEPTORS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the definitions of "preceptor" and "volunteer-based supervised clinical training rotation" to improve accessibility for providers to receive income tax credits for acting as preceptors, including removing "primary care" from the criteria to qualify as a preceptor;
- (2) Add dietitians, physician assistants, and social workers to the list of preceptors and eligible students;
- (3) Expand eligibility for the Healthcare Preceptor Income Tax Credit to include accredited residency programs that require preceptor support; and
- (4) Add the Director of Health and representatives of residency programs with eligible students to the Preceptor Credit Assurance Committee.



Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i System, Hawai'i State Center for Nursing, The Queen's Health Systems, Healthcare Association of Hawaii, Hawai'i Academy of Physician Assistants, Hawai'i Pacific Health, Kaiser Permanente Hawai'i, Hawaii Primary Care Association, Hawaii Medical Association, Hawaii Health Systems Corporation, Hawai'i-American Nurses Association, Hawaii Pharmacists Association, and two individuals.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that there is a shortage of health care providers in the State, particularly primary care providers, which will be exacerbated by the projected retirement of current physicians, advanced practice registered nurses, pharmacists, and other health care workers. Your Committee further finds that to address this shortage, the Legislature established the Healthcare Preceptor Income Tax Credit to incentivize volunteer preceptors to offer professional instruction, training, and supervision to students and residents seeking careers as health care providers in the State. Your Committee recognizes that programs training physicians, advanced practice registered nurses, and pharmacists in primary care also require training from specialty preceptors and that the health care workforce has shortages in professions beyond those included in the Healthcare Preceptor Income Tax Credit, including social workers, physician assistants, and dietitians, as well as workers in high-demand specialties such as behavioral health. Accordingly, this measure modifies the Healthcare Preceptor Income Tax Credit to amplify the reach and success of the tax credit, including the expansion of preceptor eligibility criteria to be inclusive of additional health care provider professions.

Your Committee has amended this measure by:

- (1) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 303, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 303, H.D. 2, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Health and Human  
Services,

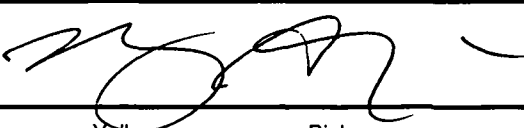


JOY A. SAN BUENAVENTURA, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

Record of Votes  
Committee on Health and Human Services  
HHS

Bill / Resolution No.:*	Committee Referral:	Date:
HB 303, HDZ	HHS, CPN/WAM	3/10/25
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
SAN BUENAVENTURA, Joy A. (C)	✓	
AQUINO, Henry J.C. (VC)	✓	
HASHIMOTO, Troy N.	✓	
KEOHOKALO, Jarrett		✓
FEVELLA, Kurt		✓
<b>TOTAL</b>	3	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: 		
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy		

\*Only one measure per Record of Votes