Honolulu, Hawaii

FEB 0 8 2007

RE: S.B. No. 1610

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 1610 entitled:

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

begs leave to report as follows:

The purpose of this measure is to reduce health care costs for private hospitals and their patients.

The measure accomplishes this purpose by providing a general excise tax exemption to private hospitals that have an annual patient population consisting of sixty per cent or more of individuals who are uninsured, or Medicaid or Medicare recipients.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that health care costs are increasing more rapidly than the cost of living. In addition, many private hospitals care for patients who do not have insurance, or who are Medicaid or Medicare recipients. This results in many unpaid or underpaid health care bills that hospitals often absorb.

Your Committee anticipates that this measure will have a fiscal impact on the State's general fund; however, a statement to this effect was not submitted by the Department of Taxation or any other state agency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your

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Committee is in accord with the intent and purpose of S.B. No. 1610 and recommends that it pass Second Reading and be referred to the Committee on Economic Development and Taxation.

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

DAVID Y. KGE. Chai

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:* SB 1610	Committee Referral: HTH, EDT, WAM		Da	Date: 2/2/07	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)		V.			
FUKUNAGA, Carol (VC)		<i>V</i>			ATT CONTROL OF THE CO
BAKER, Rosalyn H.			V		
MENOR, Ron		. V		25 m (2 m (2 m) 1 m)	
WHALEN, Paul					
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TOTAL		3	ı		/
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
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Distribution: Q riginal Yellow Pink File with Committee Report Clerk's Office Drafting Agency					