Honolulu, Hawaii APR 1 0 2008

RE: S.R. No. 15

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.R. No. 15 entitled:

"SENATE RESOLUTION REQUESTING THE DEPARTMENT OF TAXATION TO REPORT TO THE LEGISLATURE ON IMPLEMENTING THE TAX INCENTIVE RECOMMENDATION OF THE MAUI HEALTH INITIATIVE TASK FORCE TO ENCOURAGE THE FORMATION OF AN ADEQUATE MEDICAL SERVICES INFRASTRUCTURE TO CARE FOR THE RESIDENTS OF MAUI,"

begs leave to report as follows:

The purpose of this measure is to request the Department of Taxation to conduct a study on implementing recommendations of the Maui Health Initiative Task Force relating to various proposed tax credits.

Specifically, this measure requests the Department of Taxation to study the projected tax revenue loss and details regarding the administrative implementation of the following proposed state tax credits:

- (1) For health care providers, facilities, and services related to the provision of health care or the training of health care professionals in Hawaii;
- (2) To encourage the development, maintenance, and operation of electronic medical records systems that are interoperable with Hawaii's regional health information organization;
- (3) For families caring for loved ones at home; and

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(4) For private entities that obtain land for and to build alternative long-term care beds to provide for Medicaid patients.

The Department of Taxation is requested to report findings and recommendations to the Legislature and the Governor before December 1, 2008. Finally, this measure requests the Department of Taxation to conduct a legislative informational briefing on its report after the Department files its report.

The Department of Taxation offered comments concerning this measure.

Your Committee finds that the Department of Taxation has the data and expertise to conduct the requested study. The request for such a study to determine projected revenue loss and administrative implementation of proposed tax credits is good public policy.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 15 and recommends its adoption.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Date: 4/4/08		
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
BAKER, Rosalyn H. (C)		1			
TSUTSUI, Shan S. (VC)		/			
CHUN OAKLAND, Suzanne		1			
ENGLISH, J. Kalani					
FUKUNAGA, Carol		/			
HOOSER, Gary L.					
INOUYE, Lorraine R.		/			
KIM, Donna Mercado					
MENOR, Ron					/
TOKUDA, JIII N.					
HEMMINGS, Fred				/	
WHALEN, Paul	No. and the second				Andrew Communication and Communication
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TOTAL		9	0	1	2
Recommendation: Adopted 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					