Honolulu, Hawaii

FEB 0 8 2007

RE: S.B. No. 1686 S.D. 1

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. 1686 entitled:

"A BILL FOR AN ACT RELATING TO THE ANTARA MEDICAL TRUST FUND,"

begs leave to report as follows:

The purpose of this measure is to provide for the improvement of health care services and treatments by supporting medical research for the early detection of hepatitis.

Specifically, the measure establishes the Antara Medical Trust Fund, the moneys from which will be expended for FDA approved laboratories in Hawaii to develop commercially marketable tests for the early detection of hepatitis. The measure also offers a tax credit as an incentive to taxpayer's who contribute to the Antara Medical Trust Fund.

Your Committee received testimony in support of this measure from Antara Biosciences Inc. and Hawaii Citizens for Better Health.

Your Committee finds that hepatitis is a serious health care problem in our community. Low income individuals are at an increased risk of contracting hepatitis. Your Committee further finds that promoting medical research for in vitro diagnostic testing for hepatitis will help to decrease the serious complications those infected with the disease endure and prevent the further spread of the disease.

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In addition, your Committee believes that establishing the Antara Medical Trust Fund will further benefit Hawaii by creating more biotech jobs within the State and by providing funding for health care services for low income individuals and residents living in rural areas of the State.

Your Committee amended this measure by including a technical amendment that requires a claim for this tax credit to be filed on or before the end of the twelfth month following the close of the taxable year for which the credits may be claimed.

Your Committee anticipates that this measure will have a fiscal impact on the 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 Committee is in accord with the intent and purpose of S.B. No. 1686, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1686, S.D. 1, 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. IGE. Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
SB 1686	HTH, I	EDT, WAM	***************************************	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)		/			
FUKUNAGA, Carol (VC)		V		hour Autoritainin Autorit Laurita Autoritainin Historia Laurita Autoritainin Historia	
BAKER, Rosalyn H.		V	·		
MENOR, Ron		/			
WHALEN, Paul					V
TOTAL		4			1
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: And Juliungs					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

^{*}Only one measure per Record of Votes