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Honolulu, Hawaii

MAY 0 1 2009

, 2009

RE:

S.B. No. 427

H.D. 1 C.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 427, H.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to clarify that amounts received by a managed care support contractor for actual costs or advances to third party health care providers made pursuant to a contract for the administration of the federal TRICARE program are exempt from the general excise tax.

Your Committee on Conference finds that this measure will help to ensure that Hawaii Medical Service Association will be able to continue to provide medical insurance coverage to the approximately 150,000 current and former military personnel and their family members who reside in Hawaii.

Your Committee on Conference has amended this measure by:



- (1) Inserting an effective date of July 1, 2009;
- (2) Inserting language that repeals the measure as of December 31, 2013; provided that section 237-24, Hawaii Revised Statutes, shall be reenacted in the form in which it read on June 30, 2009; and
- (3) Making technical, nonsubstantive changes for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 427, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 427, H.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

DAVID Y. IGE, Cha

SHAN S. TSUTSUI, Co-Chair

ANGUS L.K. MCKELVEY, Co-Chair

MARCUS R. OSHIRO, Co-Chair

Hawaii State Legislature

COR 137

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 427, HD 1					Date/Time: 4/29/2009				
The recommendation of the House and Senate managers is to pass with amendments (CD).									
☐ The Committee is reconsidering its previous decision.									
The Jecommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
IGE, David Y., Chr.					YAMANE, Ryan I., Co-Chr.				
TSUTSUI, Shan S., Co-Chr.	1				MCKELVEY, Angus L.K., Co-Chr.	1			
BAKER, Rosalyn H.	/				OSHIRO, Marcus R., Co-Chr.	V			
SLOM, Sam	/				CHOY, Isaac W.	1			
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Senate Recommendation is:				House Recommendation is:					
Adopted Not Adopted				Adopted					
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
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