STAND. COM. REP. NO. 1659

Honolulu, Hawaii

A:19, 2009

RE: S.B. No. 427 H.D. 1

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 427 entitled:

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

begs leave to report as follows:

The purpose of this bill 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.

TriWest Healthcare Alliance Inc., The Chamber of Commerce of Hawaii, and Hawaii Medical Service Association supported this bill. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No.

SB427 HD1 HSCR FIN HMS 2009-3583

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427, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 427, H.D. 1.

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

MARCUS R. OSHIRO, Chair



State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Finance

SB 427.	Committee Referral: HLT, EBM, F	IN Pate	: Dril 2,20	009
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)	✓ /			
3. AQUINO, Henry J.C.				
4. AWANA, Karen Leinani	<i>✓</i>			
5. BROWER, Tom				
6. CHOY, Isaac W.	/			
7. COFFMAN, Denny				
8. HAR, Sharon E.	V			
9. KEITH-AGARAN, Gilbert S.C.	V			
10. LEE, Chris	<i>V</i>			
11. NISHIMOTO, Scott Y.	L			
12. SAGUM, Roland D., III	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \			
13. TOKIOKA, James Kunane	ν			
14. WOOLEY, Jessica				
15. YAMASHITA, Kyle T.				
16. PINE, Kymberly Marcos			702011000000000000000000000000000000000	2007
17. WARD, Gene				V
		-		
TOTAL (17)	16	\bigcirc	0	
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Mary B. Lee				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				