STAND. COM. REP. NO. 2367

Honolulu, Hawaii

FEB 1 2 2010

RE: S.B. No. 2203 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committees on Health and Economic Development and Technology, to which was referred S.B. No. 2203 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE ENTERPRISE ZONES," beg leave to report as follows:

The purpose of this measure is to allow for the establishment of health care enterprise zones providing tax and loan incentives for primary care practitioners in those geographic areas.

Your Committees received testimony in support of this measure from the Department of Health and the American Congress of Obstetricians and Gynecologists. Your Committees received testimony in opposition to this measure from the Department of Taxation and one individual. Comments in support of the intent of this measure with amendments were received from the Hawaii Primary Care Association and the Hawaii Medical Association. The Department of Business, Economic Development, and Tourism submitted testimony commenting on this measure. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that this State is suffering from a shortage of physicians, especially primary care physicians, which results in hardship and delays for residents seeking medical care. This problem is particularly acute in rural areas.

Your Committees further find that this measure will allow for the creation of Healthcare Enterprise Zones to provide incentives



for primary care providers to practice in underserved areas in order to help those areas alleviate the healthcare shortage. For purposes of this measure, any county having a population of less than 50,000 is considered to be underserved.

Your Committees have amended this measure by:

- (1) Requiring any affected county to concur with the Department of Health's designation of a Healthcare Enterprise Zone; and
- (2) Changing the effective date to July 1, 2050 to encourage further discussion of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2203, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2203, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Health and Economic Development and Technology,

CAROL FUKUNAGA, Chair

DAVID Y. IGE, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:* Committee Referral: Date: SB2203 HTH/EDT, WAM 2/10/10								
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)								
GREEN, M.D., Josh (VC)								
BAKER, Rosalyn H.		DACKERSKI NOV III.						
ESPERO, Will	V							
NISHIHARA, Clarence K.	/							
HEMMINGS, Fred		4 minutes and a second a second and a second a second and						
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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								

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Economic Development and Technology EDT

Bill / Resolution No.:*	Committee Referral:			Date:			
582203	HTH/EDT, WAM 2-10-2010			2010			
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		
FUKUNAGA, Carol (C)							
BAKER, Rosalyn H. (VC)							
HEE, Clayton							
IGE, David Y.							
SLOM, Sam							
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TOTAL		3			2		
Recommendation:							
Adopted Not Adopted							
Chair's or Designee's Signature:							
Koraly & Baker							
Distribution: Original Yellow Pink Goldenrod							
File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

*Only one measure per Record of Votes