Honolulu, Hawaii

Mon 4 24, 2009

RE:

S.B. No. 436

S.D. 2

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 Health, to which was referred S.B. No. 436, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO LIFE SCIENCES,"

begs leave to report as follows:

The purpose of this bill is to promote the invaluable research and medical advances brought about by clinical trials by:

- (1) Providing an income tax credit amounting to 15 percent of qualified clinical trial costs incurred, in any county with a population over 700,000, and 20 percent in any county with a population of 700,000 or less;
- (2) Establishing criteria to qualify for the tax credit; and
- (3) Setting a cap on amounts received through the credit.

The American Cancer Society supported this bill. The Department of Taxation (DOTAX) opposed this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this bill by:

 Prohibiting a taxpayer that claims this credit from claiming any other state income tax credit, as recommended by DOTAX;

SB436 HD1 HSCR HLT HMS 2009-3273

- (2) Changing the effective date for this bill to July 1, 2020, and for the years this bill would be applicable towards to those years beginning after December 31, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

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. 436, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 436, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

RYAN L. YAMANE, Chair

## State of Hawaii House of Representatives The Twenty-fifth Legislature

HSCR 1154

## **Record of Votes of the Committee on Health**

Bill/Resolution No.: SB 436, SD2	Committee Referral: HLT, FIN		Date: 3-20-09	
☐ 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)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)				
2. NISHIMOTO, Scott Y. (VC)				
2. TVISITING 10, Sect 11. (1. C)				
3. BELATTI, Della Au				
4. BERTRAM, Joe, III				
4. BERTRAM, Joe, III				1800 Maria - A. 140 Maria
5. BROWER, Tom				
CARROLL M.I.			EFREE	
6. CARROLL, Mele				
7. MIZUNO, John M.				
	EUP .			
8. SHIMABUKURO, Maile S.L.	3 8		Establish and	
9. FINNEGAN, Lynn				A BOLDEN STATE
		A. 11. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1		
	54.7			
TOTAL (9)	62			3
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature				
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