STAND. COM. REP. NO. 🗂

Honolulu, Hawaii

FEB 1 8 2011

RE: S.B. No. 857 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 857 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL SAVINGS ACCOUNTS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish medical savings accounts to allow an employee to save money for eligible medical expenses and receive certain state tax benefits for funds deposited into the account.

Your Committee received testimony in support of this measure from the Hawaii Medical Association. Your Committee received testimony in opposition to this measure from the Department of Taxation. Your Committee received comments on this measure from the State Insurance Commissioner and the Tax Foundation of Hawaii.

Your Committee finds that medical savings accounts may create incentives for personal responsibility and cost control on medical expenses. Your Committee notes the concerns raised by certain testifiers and encourages further discussion on this measure as it proceeds to your Committee on Ways and Means.

Your Committee has amended this measure by:

 Inserting an effective date of July 1, 2050, to allow for further discussion; and



STAND. COM. REP. NO. 🧃 10 Page 2

(2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 857, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 857, S.D. 1, and be referred to the Committee on Ways and Means.

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

JOSH GREEN, M.D., Chair



The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Health HTH

Bill / Resolution No.:* Committee Referral: Date:				
SP3857 HTH, WAM 2-16-11				
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
GREEN, M.D., Josh (C)	~			
NISHIHARA, Clarence K. (VC)	V			
BAKER, Rosalyn H.			· •	$(x_{i}, y_{i}) \in \mathbb{R}^{n}$
CHUN OAKLAND, Suzanne				
SHIMABUKURO, Maile	r			
WAKAI, Glenn				V
SLOM, Sam	V			
	HERRICH COUNTY	and a state of the	NAN THE REPORT OF A COMPANY OF A COMPANY	In
		ll o tolo a nad shifting		vi se
	 Control producting and States and Stat States and States and Sta	⁻¹ . μ. <u>2</u> . 23 μ. μαρί ματα ματά ματα ματά τη μα	analogunary and a second second	In the second
			· · · · · · · · · · · · · · · · · · ·	
				S. Martin and S. Martin and S. Martin and M. S. Martin
TOTAL	5		1	
Recommendation:				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes