STAND. COM. REP. NO.

Honolulu, Hawaii

, 2019

FEB 28

RE: H.B. No. 632

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 632, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Provide a general excise tax (GET) exemption for amounts received from the sales of prescription drugs sold pursuant to the prescription, diabetic supplies, prosthetic devices, medical oxygen, human blood and its derivatives, mobility enhancing equipment sold by prescription, durable medical equipment, and repair and replacement parts for any of the exempt aforementioned devices and equipment;
- (2) Repeal the exclusion of cannabis or manufactured cannabis products from the definition of "prescription drugs" for purposes of the GET tax exemption; and
- (3) Expand the definition of prosthetic devices that are eligible for the exemption.

The Disability and Communication Access Board, Councilmember representing District 9 of Hawaii County Council, and O'ahu County

Committee on Legislative Priorities of the Democratic Party of Hawai'i submitted testimony in support of this measure. The Department of Taxation and Tax Foundation of Hawaii offered comments on this measure.

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 H.B. No. 632, H.D. 1, and recommends that it pass Third Reading.

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



State of Hawaii House of Representatives The THIRTIETH Legislature HSCR 815

Record of Votes of the Committee on Finance

Bill/Resolution No.: H2022. H01 Committee	Referral:	PIN Date:	2/21/19	
☐ 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. LUKE, Sylvia (C)				
2. CULLEN, Ty J.K. (VC)	<u></u>			
3. ELI, Stacelynn K.M.				
4. GATES, Cedric Asuega				
5. HASHIMOTO, Troy N.	1			
6. HOLT, Daniel				
7. KITAGAWA, Lisa				
8. KOBAYASHI, Bertrand				
9. MATAYOSHI, Scot Z.				
10. NAKAMURA, Nadine K.	~			
11. NISHIMOTO, Scott Y.	اس ا			
12. TODD, Chris				
13. WILDBERGER, Tina	V			
14. YAMASHITA, Kyle T.				
15. McDERMOTT, Bob	<u></u>			
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TOTAL (15)	14	Ø	Ø	/
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				