

Honolulu, Hawaii **FEB 17**, 2023 RE: H.B. No. 1050 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committees on Economic Development and Health & Homelessness, to which was referred H.B. No. 1050 entitled:

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

beg leave to report as follows:

The purpose of this measure is to exempt certain groceries, feminine hygiene products, incontinence products, and over-thecounter drugs from the general excise tax.

Your Committees received testimony in support of this measure from the Office of the Governor, Department of Human Services, Hawaii State Council on Developmental Disabilities, Hawai'i Public Health Institute, Ma'i Movement Hawai'i, Hawaii Food Industry Association, Hawai'i Farm Bureau, Local Food Coalition, Hawai'i Health & Harm Reduction Center, Period Law, Maui Chamber of Commerce, Hawai'i Food Bank, Period. Inc., and nine individuals. Your Committees received comments on this measure from the Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, and Grassroot Institute of Hawaii.

Your Committees find that the high cost of living in Hawaii has made it difficult for households to afford basic necessities. Your Committees further find that lower income households spend a higher percentage of their income on food and essential items.



STAND. COM. REP. NO. 667

Taxes on these items disproportionately impact lower income families in Hawaii. Your Committees believe that a general excise tax exemption on groceries, feminine hygiene products, incontinence products, and over-the-counter medicines will help make these essential household items more affordable.

Your Committees have amended this measure by:

- Changing its effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development and Health & Homelessness that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1050, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1050, H.D. 1, and be referred to your Committee on Finance.

> Respectfully submitted on behalf of the members of the Committees on Economic Development and Health & Homelessness,

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BELATTI, Chair

DANIEL HOLT, Chain



State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Economic Development

	e Referral: HLT, FIN	Date:	2/10/2	023					
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)									
ECD Members	Ayes	Ayes (WR)	Nays	Excused					
1. HOLT, Daniel (C)									
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2. LAMOSAO, Rachele F. (VC)	•								
3. HUSSEY-BURDICK, Natalia		a an	an a	a second a second de la constante de la Consta					
4. KONG, Sam Satoru	istenia ataunana ana any fito	5 af	\checkmark	in farmer of a second					
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5. NAKAMURA, Nadine K.			· · · · ·						
6. QUINLAN, Sean	<u>, imi i in i i</u> n i	in a second s	adayang yanang panang panang ang panang p						
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7. PIERICK, Elijah			,						
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TOTAL (7)	.3	Ú	1	3					
The recommendation is: Adopted I Not 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									

State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Health & Homelessness

Bill/Resolution No.:	Committee Referral: Date:							
HBIOSO	$\frac{\text{Committee Referral:}}{\text{ECD/HLT, FIN}} \qquad \qquad \text{Date:} 2/10/23$							
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 (W	(R)	Nays	Excused		
1. BELATTI, Della Au (C)		/						
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2. TAKENOUCHI, Jenna (VC)								
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3. AMATO, Terez								
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4. ILAGAN, Greggor								
5. KOBAYASHI, Bertrand			يكتون بركي كالأكريك			and an end of an internet and the statement		
5. KODATASIII, Detraid	· · ·	4	3					
6. MIZUNO, John M.	ini tuto na si tuto da la si da		• แก่สหมาร์ สิมาคม - และสมมาณ - แม่มาสม	salas di di seri		/		
7. NISHIMOTO, Scott Y.	and N and An Annual and Strand	ana ini kaodesa 2005 no na santa 2005 no na	Construint of the second of the second s	- Country - In the second of the	d "in Tonin Tonin the Co			
		esterne de la companya	unan madainin an <u>i</u> san se saamsin	Alta da ante				
8. GARCIA, Diamond								
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TOTAL (8)		5				उ		
The recommendation is: Adopted Not Adopted If joint referral,								
Vice Chair's or designee's signature:								
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