STAND. COM. REP. NO. (804 -24

Honolulu, Hawaii

APR 05 , 2024

RE: S.B. No. 1035

S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1035, S.D. 2, 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 exempt from the general excise tax amounts received by health care providers for health care related goods and medical and dental services provided to Medicaid, Medicare, and TRICARE patients.

Your Committee received testimony in support of this measure from the State Health Planning and Development Agency; University of Hawai'i System; Mayor of the County of Hawai'i; two members of the Hawai'i County Council; one member of the Maui County Council; 'Ahahui o nā Kauka; Hawaii Institute for Pain; Hawaii Medical Association; Hawai'i Family Caregiver Coalition; Maui Orthopedic Institute; Hawaii Substance Abuse Coalition; Joyful Living, LLC; East Hawaii Independent Physicians Association, dba Big Island Docs; Aloha Gastroenterology, LLC; Hawaii Association of Health Plans; Philippine Medical Association of Hawai'i; Ear, Nose, & Throat Clinics of Oahu; Maui Plastic Surgery; AARP Hawai'i; Phoenix Center Inc.; Community First Hawaii; Hawai'i Island Chamber of Commerce; Grassroot Institute of Hawaii; We Are One, Inc.; Oahu Pediatric Dentistry; AlohaCare; Pacific Anesthesia; Kenny R.

Malott M.D., Inc.; Healing Tides Primary Care; Free Access Coalition; Island Pediatrics of Honolulu; Hawaii Dental Service; Optimum Health and Wellness Hawaii; Hawaii Provider Shortage Crisis Task Force; American Board of Wound Management; Maui Urology, LLC; Hawaii Dental Hui; Hugo Higa M.D., LLC; Jarrett Surgery LLC; Maui Lani Physicians and Surgeons; Kohala Coast Urgent Care, LLC; Molokai Family and Urgent Care Clinic; Pearl City Medical Associates, Inc.; Ann S. Harada M.D., LLC; Hawaii Medical Association; Hawaii Ophthalmology Society; Ranjini Kandasamy, M.D.; John M. Nagamine, M.D.; Pearl City Medical Associates; Oahu Kidney Care LLC; Kim Nguyen, M.D., P.C.; and numerous individuals. Your Committee received comments on this measure from the Department of Taxation; Hawaii Association of Professional Nurses; and Tax Foundation of Hawaii.

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 S.B. No. 1035, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

AT De

KYLE T. YAMASHITA, Chair

State of Hawaii



Record of Votes of the Committee on Finance

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	Bill/Resolution No.: Commit	tee Referral:	Date			
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Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO	Vice Chair's or designee's signature:					