STAND. COM. REP. NO.

667

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-the-counter 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, Hawaii 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.



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:

- (1) 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,

DELLA ALL RELATTI Chair

DANTEL HOLT, Chair

## State of Hawaii House of Representatives The Thirty-second Legislature

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## **Record of Votes of the Committee on Economic Development**

Bill/Resolution No.: Committee HB 1050 ECD	Referral:	Date	2/10/20	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)	/					
2. LAMOSAO, Rachele F. (VC)				7, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,		
3. HUSSEY-BURDICK, Natalia	· · · · · · · · · · · · · · · · · · ·					
3. HUSSET-BURDICK, Natana			5 1 1 A			
4. KONG, Sam Satoru	<u> </u>	Lie	<b>/</b>	- Common - and a common - Andrew -		
5. NAKAMURA, Nadine K.						
			Manager and the state of the st			
6. QUINLAN, Sean						
7. PIERICK, Elijah	Market Committee	etr	<u></u>			
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TOTAL (7)	3	U	<u> </u>	3		
The recommendation is:	☐ Not Adopte					
If joint referral, did not support recommendation.						
Vice Chair's or designee's signature: Anhu f						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						

## State of Hawaii House of Representatives The Thirty-second Legislature

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

Bill/Resolution No.:	Committee Referral:	(۱۲۰) معنا مصنا				
HB1050	ECD/HLT, FIN	HLT, FIN 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 (WR)	Nays	Excused		
1. BELATTI, Della Au (C)						
2. TAKENOUCHI, Jenna (VC)						
in initial (vo)						
3. AMATO, Terez	1	, sais,	<u>anin Santian agto japoa no manino (na 'ma</u>	man na araba <u>araba araba arabayan</u> nya dinangilaya basib		
4. ILAGAN, Greggor						
5. KOBAYASHI, Bertrand				All an order to be a substantial and the set of the		
6. MIZUNO, John M.						
7. NISHIMOTO, Scott Y.	and the second s	English of Constitution of the Constitution of	e and e and e milk the sheet to milk			
7. MSIMMOTO, Scott 1.						
8. GARCIA, Diamond	Aller (Aller ) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997)					
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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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