

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 303  
H.D. 2  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Ways and Means, to which was referred H.B. No. 303, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTHCARE PRECEPTORS,"

beg leave to report as follows:

The purpose and intent of this measure is to, beginning January 1, 2026:

- (1) Expand the definitions of "preceptor" and "volunteer-based supervised clinical training rotation" to improve accessibility for providers to receive income tax credits for acting as preceptors, including removing "primary care" from the criteria to qualify as a preceptor;
- (2) Add physician assistants, dietitians, and social workers to the list of preceptors and in the definition of "eligible student";
- (3) Expand eligibility for the tax credit to include accredited residency programs that require preceptor support; and



- (4) Revise the membership of the Preceptor Credit Assurance Committee to include the Director of Health and representatives of residency programs with eligible students.

Your Committees received testimony in support of this measure from the Department of Health, State Council on Mental Health, University of Hawai'i System, Healthcare Association of Hawaii, Hawaii Primary Care Association, The Queen's Health Systems, Hawaii Medical Association, Hawai'i - American Nurses Association, AlohaCare, Hawai'i Academy of Physician Assistants, Hawai'i State Center for Nursing, Hawaii Pharmacists Association, Hawai'i Pacific Health, and seven individuals.

Your Committees received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Hawai'i Affiliate of the American College of Nurse-Midwives.

Your Committees find that the current shortage of health care providers in the State is exacerbated by the lack of clinical education sites and the limited supply of qualified preceptors in the State. Preceptors are volunteer advanced practice registered nurses, physicians, pharmacists, and other health care professionals, or employed clinical providers, who volunteer their time to teach students during their workday, with no substantive changes to their workload or additional compensation for teaching, and who play an indispensable role in the education and training for the State's future health care workforce.

Your Committees note that findings from the five-year evaluation of the Hawaii Preceptor Tax Credit Program, conducted by the Preceptor Credit Assurance Committee, showed that offering income tax credits to preceptors contributed to a seventy-seven percent growth in the number of preceptors providing training and in eighty-four professionals becoming preceptors. This measure expands the eligibility criteria to allow additional health care professions to become preceptors and receive the tax credit, allowing more students to train and work in Hawaii, thereby contributing to the State's health care workforce.

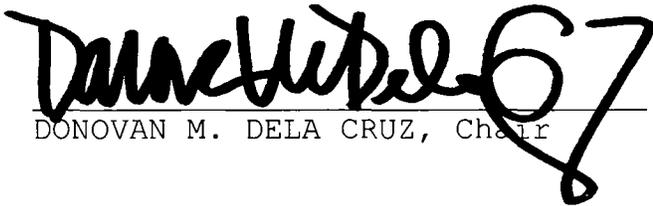
Your Committees have amended this measure by:



- (1) Clarifying the definition of "nationally accredited" to include residency programs offered by the American Society of Health System Pharmacists; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 303, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 303, H.D. 2, S.D. 2.

Respectfully submitted on behalf of the members of the Committees on Commerce and Consumer Protection and Ways and Means,



DONOVAN M. DELA CRUZ, Chair



JARRETT KEOHOKALOLE, Chair





The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB303 HD2 SD1</b>	Committee Referral: <b>HHS, CPN/WAM</b>	Date: <b>4/2/2025</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; margin-top: 10px;"> </div>				
<b>Distribution:</b>	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

\*Only one measure per Record of Votes