

STAND. COM. REP. NO. 421

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 1495
S.D. 1

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

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 1495 entitled:

"A BILL FOR AN ACT RELATING TO HEARING AIDS,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt from the general excise tax, gross receipts received by a hospital, infirmary, medical clinic, health care facility, pharmacy, or a practitioner licensed to administer drugs to an individual, from the sale of hearing aids.

Your Committee received testimony in support of this measure from the Deaf and Blind Task Force and three individuals.

Your Committee received comments on this measure from the Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that hearing health is a critical component of overall health and well-being. Your Committee further finds that increasing access to hearing aids can lower hearing-related, long-term health care costs, such as mental confusion, social isolation, loss of language, poor balance, malnutrition, and falls resulting in disabling multiple fractures. This measure exempts the sale of hearing aids from the general excise tax to enable more people to be able to purchase them.



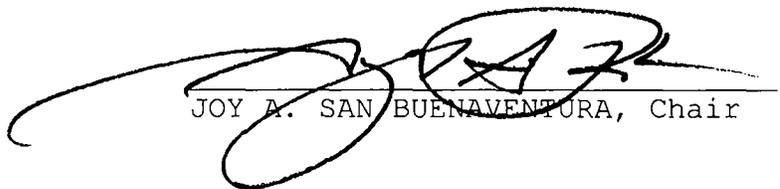
Your Committee notes the Department of Taxation's estimate that this measure's proposed exemption for the sale of hearing aids from the general excise tax will have a fiscal impact of \$1,100,000 to the State.

Your Committee has amended this measure by:

- (1) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1495, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1495, S.D. 1, and be referred to your Committees on Ways and Means and Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,


JOY A. SAN BUENAVENTURA, Chair



