



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
Friday, February 27, 2026 at 10:00 a.m.

By

T. Samuel Shomaker, Dean and
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,
Hawaii/Pacific Basin Area Health Education Center (AHEC) Director

John A. Burns School of Medicine

and

Clementina D. Ceria-Ulep, Dean
UH School of Nursing and Dental Hygiene

University of Hawai'i at Mānoa and

and

Alex Ortega, Dean

UH Mānoa Thompson School of Social Work and Public Health

and

Rae Matsumoto, Dean

UH Hilo Daniel K. Inouye College of Pharmacy

and

Vassilis Syrmos, PhD

Interim Provost

University of Hawai'i at Mānoa

and

Bonnie Irwin, Chancellor

University of Hawai'i at Hilo

HB 1591 HD1 – RELATING TO HEALTH CARE

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

This testimony is presented on behalf of UH System, including John A. Burns School of Medicine (JABSOM), UH School of Nursing and Dental Hygiene (SONDH), the Thompson School of Social Work and Public Health, and the UH Hilo Daniel K. Inouye College of Pharmacy and School of Nursing.

Thank you for the opportunity to testify in **strong support** of HB 1591 HD1 which amends the Preceptor Tax Credit program that allows for income tax incentives to health care providers who volunteer to provide clinical training for Hawaii's future health care workforce. The bill amends the Healthcare Preceptor Tax Credit to remove language limiting access only to those practicing in primary care to include specialty fields of practice, and adds physician assistants, and social workers as eligible preceptors and students. Additionally, HB 1591 HD1 adds accredited residency and

followship programs that require preceptor support, and adds dieticians and dietician students as an eligible profession to participate in the program. The amendments would apply to taxable years beginning after 12/31/2026.

In 2017, the Hawai'i State Center for Nursing identified a preceptor shortage. Preceptors are volunteer Advanced Practice Registered Nurses (APRN), physicians (MD and DO), pharmacists (PH), and other healthcare professionals who volunteer their clinical time to teach our students. In speaking to fellow health professional programs, it became evident that the preceptor shortage was not ours alone, but a shared crisis among many of the UH programs in nursing, medicine and pharmacy. In 2018, the Legislature passed Act 43 with the goal to help our state health profession training programs alleviate this crisis by offering state income tax credits for APRN, MD, DO, and PH providers who volunteer as preceptors.

Although the preceptor tax credit program has been successful in attracting more healthcare professionals, questions remain as to the program's language regarding compensation and specialty practice language. This has resulted in fewer providers accessing this tax credit, even though the allocation and credit cap was secured in 2018.

Preceptors, or employed clinical providers who teach students during their workday, with no substantive change to their workload, and no additional compensation for teaching, are concerned that their existing clinical salary equates compensation under the preceptor tax credit provision. Therefore, clarifying the type of the compensation that a preceptor receives would assist in determining eligibility for the tax credit.

Similarly, because over 90% of APRNs are employed, this has affected existing preceptors as well as identifying potential new preceptors. Additionally, as all of our programs lead to primary care certifications and prepare future primary care providers, the educational programs require students to complete specialty rotations to deepen their ability to address common primary care conditions. These specialties include but are not limited to cardiology, endocrinology, pulmonology, and mental and behavioral health. These specialty rotations help the future provider learn when referral to specialists is necessary for a patient and how to refer.

JABSOM as well as other healthcare professions rely on volunteer preceptors who provide training and supervision to our students and residents. These preceptors play a vital role in educating the next generation of physicians, APRNs, pharmacists and other healthcare professions. The amendments to the definitions of "preceptor" and "volunteer-based supervised clinical training program" contained in the bill will expand the field of preceptors so that we may grow our training programs for primary care providers.

Practicum placements are a signature component of both undergraduate and graduate social work education. Students' work in community-based organizations provides space for their academic work to be applied to real world situations. In order for student

practicums to occur, each student must be matched with an individual field instructor who is required by our accrediting body to be a social worker. With the current workforce shortage of social workers and the high needs for their services in the state and beyond, we find it increasingly difficult to recruit practicum instructors. A practicum instructor's work with a student is considered beyond the normal scope of their day-to-day duties. We recognize the tremendous resource social work practicum instructors provide and know the success of the preceptor tax credit in allied professions has been tremendous. Social workers in Hawai'i would very much welcome the opportunity to access this tremendous benefit to support a vital workforce for community wellbeing.

The educational training path for a pharmacist, as well as the way clinical pharmacists practice, differs from nursing and medicine. The pharmacy student's training curriculum stresses foundation building in the first three years of a four-year curriculum. The final fourth year includes both primary care and specialty care pharmacy rotations. This training is based upon the profession's pharmacist role that combines both primary care (general medication management) and specialty disease management regardless of whether the practice setting is in the hospital or acute care setting, outpatient clinic or retail/specialty community pharmacy. More advanced post-graduate training through accredited pharmacy residencies is also offered in clinical areas of practice. Preceptors are invaluable in providing training to pharmacy students and residents based on the complexity of their scope of practice and the evolving landscape of healthcare.

Thank you for your support of the state healthcare workforce development and healthcare education in Hawai'i.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1591, H.D.1, Relating to Health Care

BEFORE THE:

House Committee on Finance

DATE: Friday, February 27, 2026
TIME: 10:00 a.m.
LOCATION: State Capitol, Conference Room 308

Chair Todd, Vice-Chair Takenouchi, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1591, H.D.1, for your consideration.

H.B. 1591, H.D., amends section 235-110.25, Hawaii Revised Statutes (HRS), regarding the Healthcare Preceptor Tax Credit, by expanding the definition 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. It also adds physician assistants, dietitian students, social workers, and certain students of these professions, including those in residency and fellowship programs, as eligible preceptors.

Section 2 of the bill amends section 235-110.25(g), HRS, by:

- 1) Adding a definition for "dietitian student;"
- 2) Adding to the definition of "eligible professional degree or training certificate," a degree or certificate that fulfills a requirement to be a

- “physician assistant pursuant to chapter 453,” a “dietitian, pursuant to chapter 448B,” or a “social worker, pursuant to chapter 467E;”
- 3) Adding to the definition of “eligible student,” a “physician assistant student, dietitian student, or social work student, or resident who is enrolled in an eligible academic program, residency program, or fellowship;”
 - 4) Expanding the definition of “nationally accredited,” to include various accreditation bodies, including those recognized by the Department of Health’s (DOH) Preceptor Credit Assurance Committee, and various commissions, consortiums, and committees for medical students, advanced practice registered nurse students, nursing residency programs, pharmacy students, pharmacy residency programs, physician assistant students, physician assistant residency programs, dietitian students, and social work students;
 - 5) Adding a definition for “physician assistant student,” which incorporates the national certification and licensing requirements of a physician assistant by reference to section 453-5.3, HRS.
 - 6) Adding to the definition of “preceptor,” a “physician assistant, licensed pursuant to chapter 453,” a “dietitian, licensed pursuant to chapter 448B” and a “social worker licensed pursuant to chapter 467E;”
 - 7) Removing “primary care” practice as a criterion to qualify as a preceptor, and providing minor language changes for clarify and consistency with other changes under this bill;
 - 8) Adding a definition for “residency program;”
 - 9) Adding a definition for “social work student;” and
 - 10) Clarifying, under the definition of “volunteer-based supervised clinical training rotation,” that while a preceptor may be compensated for providing standard clinical services, they may not be compensated for clinical training services above or beyond clinical salary, or from tuition funds or state general funds, for the purposes of this tax credit.

Section 3 of the bill amends section 321-2.7, HRS, by clarifying that the DOH Preceptor Credit Assurance Committee will be composed of the DOH Director or their designee, and representatives of the Hawai’i Pacific Basin Area Health Education Center, the Center for Nursing, and the academic and residency programs with eligible students.

The bill has a defective effective date of July 1, 3000.

DOTAX notes that it can administer these tax credit changes for taxable years beginning after December 31, 2026, which will allow sufficient time to make changes to forms and instructions and provide taxpayers with notice of the changes.

Based on an effective date beginning after December 31, 2026, DOTAX estimates a revenue loss for the bill as follows:

General Fund Impact (\$ millions)

FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
-	-0.45	-0.47	-0.50	-0.52	-0.55

Thank you for the opportunity to provide comments on this measure.

Testimony of the Board of Nursing

**Before the
House Committee on Finance
Friday, February 27, 2026
10:00 a.m.**

Conference Room 308 & Via Videoconference

**On the following measure:
H.B. 1591, H.D. 1, RELATING TO HEALTH CARE**

Chair Todd and Members of the Committee:

My name is Adrian Stinardo, and I am the Executive Officer of the Hawai'i Board of Nursing (Board). The Board supports H.B. 1591, H.D. 1.

The Hawai'i Board of Nursing supports this measure because it strengthens the clinical training pipeline that is essential to maintaining and growing Hawai'i's health workforce, including advanced practice registered nurses (APRNs).

The purpose of H.B. 1591, H.D. 1, broadens the eligibility for the healthcare preceptor tax credit, removes the narrow "primary care" limitation from the preceptor definition, and expands the program to include additional professions and residency/fellowship pathways.

From the Board's perspective, high-quality supervised clinical training is a core component of safe licensure pathways and workforce readiness. H.B. 1591, H.D. 1 explicitly retains and references APRN students and nationally accredited APRN education, including those recognized by the State Board of Nursing under Chapter 457, Hawaii Revised Statutes, while also expanding the system so that more eligible students can be trained across settings and specialties. This is an important improvement because APRN education depends on access to qualified preceptors, and shortages in preceptor capacity can delay training completion and entry into practice.

The Board also supports the bill's practical clarification of the term "volunteer-based supervised clinical training rotation." H.B. 1591, H.D. 1 updates the definition to distinguish between compensation for routine clinical services and uncompensated teaching or supervision time. This change better reflects how precepting occurs in practice and makes administration of the tax credit more workable. Clearer statutory

definitions improve program implementation and reduce confusion for participating professionals and educational programs.

H.B. 1591, H.D. 1 is also consistent with current workforce planning evidence in Hawai'i. The Hawai'i State Center for Nursing's 2025 projections report emphasizes that the State must plan for future nursing workforce supply and demand through 2037 and highlights the importance of policy, education capacity, and workforce entry and attrition dynamics in maintaining adequate clinician supply, including APRNs. The report specifically analyzes APRN supply and demand and frames workforce adequacy as a policy-relevant issue for the State, noting that some APRN categories may face persistent shortages that require targeted workforce development strategies. Expanding preceptor incentives is a concrete policy lever that supports training capacity and, in turn, workforce adequacy.

For these reasons, the Hawai'i Board of Nursing supports H.B. 1591, H.D. 1 and respectfully urges its passage.

Thank you for the opportunity to testify on this bill.



February 25, 2026

Position: **SUPPORT** of **HB1591 HD1**, Relating to Health Care

To: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair
Members of the House Committee on Finance

From: Llasmin Chaine, LSW, Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in **SUPPORT** of **HB1591 HD1**, Relating to Health Care

Hearing: Friday, February 27, 2026, 10:00 a.m.
Conference Room 308, State Capitol

The Hawaii State Commission on the Status of Women is dedicated to advancing gender equity and improving access to essential services for women across Hawaii. The Commission **supports HB1591 HD1** because it **expands the Healthcare Preceptor Tax Credit, strengthening the healthcare workforce pipeline and supporting the professional development of providers who play a critical role in serving women’s health and social needs.**

By broadening the definitions of “preceptor” and “volunteer-based supervised clinical training rotation,” the bill recognizes the vital contributions of physician assistants, dietitians, and social workers, in addition to physicians. These professions are often at the forefront of addressing complex health and social issues disproportionately affecting women, including reproductive health, nutrition, and mental health. Removing the “primary care” restriction and including residency programs further aligns with best practices for building an inclusive and diverse healthcare workforce that reflects the needs of Hawaii’s communities.

Expanding tax credit eligibility is **likely to incentivize more providers to serve as preceptors**, which research suggests can help alleviate provider shortages and improve access to care, especially in underserved areas. **Including social workers and dietitians acknowledges the importance of interdisciplinary care, which is essential for addressing the social determinants of health that impact women and families.**

We respectfully urge this Committee to **pass HB1591 HD1.**

Thank you for this opportunity to submit testimony.

HB-1591-HD-1

Submitted on: 2/26/2026 7:30:31 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Melissa Harnsberger	University of Washington MEDEX PA Program Kona Campus	Support	Written Testimony Only

Comments:

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and **adds physician assistants and physician assistant students** to the list of preceptors and eligible students.

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai‘i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

As the Clinical Coordinator for the University of Washington MEDEX Northwest Kona Campus, I work directly with our clinical year PA students and the physicians, nurse practitioners, and physician assistants who train them. I regularly visit clinical sites across Hawai‘i and personally recruit and support preceptors, giving me firsthand knowledge of both the strength of our local training network and the strain it is under. Our preceptors provide rigorous, hands-on instruction equivalent to that given to medical and nurse practitioner students—yet they do so without compensation or meaningful incentive. At a time when our state faces significant provider shortages, particularly in rural and neighbor island communities, this imbalance makes it increasingly difficult to sustain in-state clinical training opportunities for PA students.

When we are forced to place students in mainland rotations due to limited local capacity, we see a clear pattern: many establish professional ties there and do not return to Hawai‘i, where the need is greatest. Creating parity in incentives for PA preceptors is not simply about fairness; it is a strategic investment in retaining locally trained providers. Based on my direct experience working with students and clinical partners across the state, strengthening support for PA preceptors is essential to maintaining and growing Hawai‘i’s healthcare workforce.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

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Representative Chris Todd, Chair
Representative Jenna Takemouchi, Vice Chair
Committee on Finance

February 26th, 2026

Dana Monday DNP APRN-Rx PMHNP-BC
PMHNP Track Coordinator
Chaminade University of Honolulu

TESTIMONY IN SUPPORT of H.B. 1591

Thank you for the opportunity to testify in **support of this measure**. This measure can help to provide critical mental health care for the residents of Hawai'i.

As a psychiatric provider and track coordinator for the Psychiatric Mental Health Nurse Practitioner program at Chaminade University, I strongly support H.B. 1591. In the original legislation that H.B. 1591 seeks to amend (Act 43), lawmakers provide an innovative and desperately needed incentive for current clinicians to provide learning opportunities for the next generation. This program, although successful, is incomplete. By only allowing a narrow definition of "primary care providers" the original legislation excluded vitally important psychiatric providers and students and other specialty providers from its benefits.

Hawai'i is grappling with a severe mental health crisis, with the demand for services skyrocketing, especially in the aftermath of the COVID-19 pandemic, economic challenges, and global instability. The state faces a critical shortage of mental health professionals, particularly pediatric psychiatrists, making timely care inaccessible for many residents. On the neighbor islands, the situation is even more dire; for instance, on Hawai'i Island, the ratio of clients to therapists is approximately 320-to-1. As stated, Hawai'i is meeting only about 14% of its mental health service needs, with the statistics being even worse for children. In a statewide survey to health care providers more than three quarters of respondents indicated that the overwhelming demand for patient referrals is for mental health counseling and psychiatry. (Civil Beat, Paula Dobbyn /April 5, 2023)

The need for psychiatric care providers continues to outpace the demand in Hawai'i. In 2019, the Hawai'i Physician Workforce Assessment Project noted a 22% shortage of psychiatrists in Hawai'i. This will only worsen in coming years as the Association of American Medical Colleges (2019) notes that over 60% of American psychiatrists are over the age of 55, compared with under 45% of all physicians.



The COVID-19 pandemic has changed the landscape of mental health care drastically by sparking a sharp increase in demand. Kaiser Family Foundation (2021) noted that there was a nearly four-fold increase in adults who reported symptoms of a depressive or anxiety disorder from 2019 to 2021. Many psychiatric providers are not accepting new clients or have waiting lists that they did not have pre-pandemic.

Hawai'i has a significant physician and psychiatric mental health provider shortage in all counties of Hawai'i. Physician shortages have only increased since the pandemic and this trajectory is expected to continue. Adult and child psychiatrists are experiencing a shortage of 45.2 and 42.8% in the state. (Healthcare Association of Hawai'i, 2022) Recent data reports that all of the islands of Hawai'i are currently partially designated as a Health Professional Shortage Areas (HPSA) for health care providers (inclusive of mental health care providers).

Physician shortages are not the only healthcare provider profession that is impacted by shortages. According to the Healthcare Association of Hawai'i 2022 Healthcare Workforce Initiative Report, Hawai'i also has multiple unfilled Nurse Practitioner (NP) vacancies. According to Hawaii's 2022 Healthcare Workforce Initiative report, there is 26% vacancy for Family Nurse Practitioners (FNPs) and adult NPs combined and a 41% vacancy rate for Psychiatric Mental Health Nurse Practitioners (PMHNPs) across the state. Retirement of current NPs is also a factor to consider. Approximately one-third of NPs in Hawai'i are older than age 55 and a greater percent of APRNs on neighboring islands report plans to retire by 2026 than on Oahu. These retirements will add to the need to build the workforce.

Clinical preceptors are an essential and integral piece of educating future providers in order to meet workforce needs. However, potential preceptors have identified heavy workloads, time constraints, burn out, feeling unprepared to teach and lack of support as obstacles for taking on students. High demand for clinical care and not enough providers provides a disincentive for clinical preceptors in mental health care due to increased logistical challenges and the existing providers being overworked. Therefore, a tax incentive is greatly needed to attract more qualified preceptors for these programs.

In conclusion, I strongly support H.B. 1591. Thank you for the opportunity to testify.

Gratefully,

Dana Monday DNP APRN PMHNP-BC
Assistant Professor
Psychiatric Mental Health Nurse Practitioner Track Coordinator
School of Nursing and Health Professions
Chaminade University of Honolulu



HB1591 HD1 Preceptor Tax Credits for Behavioral Health

COMMITTEE ON FINANCE

Rep. Chris Todd, Chair

Rep. Jenna Takenouchi Vice Chair

Friday, Feb 27, 2026: 10:00: Room 308 Videoconference

Hawaii Substance Abuse Coalition Supports HB1591 HD1:

ALOHA CHAIR, VICE CHAIR, AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the ad hoc leader of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder prevention and treatment agencies and recovery-oriented services.

Hawai‘i’s behavioral health system faces persistent workforce shortages, and one of the most practical bottlenecks is **clinical training capacity**: students cannot become licensed without supervised hours, and providers often cannot afford to take on uncompensated teaching time. This bill addresses that barrier directly by recognizing behavioral health clinicians as eligible preceptors that would include behavioral health practitioners such as social workers and is expanded to include students.

Hawaii is facing a critical shortage of behavioral health professionals, including psychologists, counselors, social workers, and substance use specialists. These workforce gaps are especially severe in rural and underserved communities, where residents often experience long wait times or must travel far to receive care.

- Supporting students pursuing behavioral health degrees
- Reducing the financial burden of professional training
- Encouraging graduates to remain in Hawaii to serve local communities

The preceptor tax credit is a proven workforce tool

The Preceptor Tax Credit program was created to recruit and retain clinicians who provide supervised clinical training, using state income tax credits as an incentive. Expanding the eligibility rules will build upon successful outcomes already for primary care and it highlights the importance of incentives for expanding precepting capacity.

Preceptor tax credits modernizes the program to reflect Hawai‘i’s current needs by **adding behavioral health professions to the definition of “preceptor”**

and making them eligible for the credit and including behavioral health students as “eligible students,” expanding training pathways within Hawai‘i-based programs.

By expanding eligible preceptors in behavioral health:

- Increase the number of supervised clinical training placements available locally
- Improve retention by connecting students to Hawai‘i-based clinical sites and mentors
- Reduce waitlists and improve timely access to mental health and counseling services over time

We appreciate the opportunity to provide testimony and are available for questions.



**Testimony to the House Committee on Finance
Friday, February 27, 2025; 10:00 a.m.
State Capitol, Conference Room 308
Via Videoconference**

RE: HOUSE BILL NO. 1591, HOUSE DRAFT 1, RELATING TO HEALTH CARE.

Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1591, House Draft 1, RELATING TO HEALTH CARE.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would improve accessibility and further promote education of health care professionals by:

- (1) Removing language from the Healthcare Preceptor Tax Law to limit access solely those in primary care;
- (2) Adding physician assistants, social workers, dietitian students and dietitians as acceptable preceptors and students; and
- (3) Expanding eligibility to residency and fellowship programs.

The bill would also revise the membership of the Preceptor Credit Assurance Committee to include the Director of Health and representatives of residency programs with eligible students, take effect on July 1, 3000, and apply to taxable years beginning after December 31, 2026.

Testimony on House Bill No. 1591, House Draft 1
Friday, February 27, 2026; 10:00 a.m.
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The State of Hawaii is experiencing a severe shortage of health care professionals in the workforce, especially in rural areas. Recent studies note that the current shortage of physicians is at 20% of the total full-time equivalent positions throughout the State. The shortage is especially severe in the fields of primary care, infectious diseases, colorectal surgery, pathology, general surgery, pulmonology, neurology, neurosurgery, orthopedic surgery, family medicine, cardiothoracic surgery, rheumatology, cardiology, hematology/oncology, and pediatric subspecialties of endocrinology, cardiology, neurology, hematology/oncology, and gastroenterology.

This bill would clarify and expand a financial incentive to improve the quality and stock of Hawaii's future healthcare workforce. Accordingly, we commend this effort and wish to participate in future discussions concerning workforce development.

We urge your favorable consideration of this bill.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



Hawai'i Psychological Association

For a Healthy Hawai'i

P.O. Box 833
Honolulu, HI 96808

www.hawaiipsychology.org

Phone: (808) 521-8995

HOUSE COMMITTEE ON FINANCE

Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair

Friday, February 27, 2026 10:00 AM
Conference Room 308 & Videoconference

SUPPORT FOR HB 1591, RELATING TO HEALTH CARE

The Hawai'i Psychological Association (HPA) strongly supports HB 1591 which expands and clarifies definitions related to preceptors and supervised clinical training rotations. The measure also broadens eligibility for preceptors and trainees and enhances access to income tax credits for qualified providers who serve in preceptor roles. HPA is deeply concerned about Hawai'i's ongoing shortage of mental health providers and the resulting barriers to timely access to care across the state.

HPA supports this bill for the following reasons:

1. Addressing Health Workforce Shortages

Hawai'i faces significant shortages of health care providers, including behavioral health professionals, which impede access to timely and culturally responsive care. HB 1591 expands eligibility for income tax credits for providers who serve as preceptors, removes the limitation to "primary care," and includes additional disciplines such as social workers and physician assistants. These changes encourage broader participation by experienced clinicians and are particularly important for neighbor island and rural communities, where residents often experience prolonged wait times or are unable to access needed behavioral health services.

2. Strengthening Clinical Training Pathways

Limited availability of supervised clinical training opportunities is a major contributor to Hawai'i's mental health workforce shortage. Psychologists must complete extensive supervised experience, including practica, internships, and postdoctoral training. When incentives and supports for licensed psychologists to serve as preceptors are insufficient, the training pipeline narrows, reducing the number of new psychologists able to complete training and establish practice in Hawai'i. By expanding eligibility to include accredited residency programs requiring preceptor support and by adding representatives from residency programs and the Department of Health to the Preceptor Credit Assurance Committee, HB 1591 strengthens the infrastructure supporting clinical education. These

improvements are essential to preparing future psychologists and allied behavioral health professionals to serve Hawai'i's diverse communities.

3. Promoting Retention of Trainees in Hawai'i

HB 1591 further supports workforce development by clarifying definitions related to preceptors and supervised clinical training and by broadening eligibility for tax credits. Removing unnecessary restrictions and strengthening incentives for preceptors increases the likelihood that trainees will complete their education and supervised experience within the state. This approach supports long-term workforce stability and improves access to care for Hawai'i residents.

4. Behavioral Health Integration

Although broadly framed within health care, the inclusion of behavioral health providers and the expanded definition of supervised clinical training are particularly relevant to behavioral health, where interdisciplinary and collaborative models of care are increasingly recognized as best practice.

In summary, HB 1591 will strengthen Hawai'i's mental health workforce by:

- Expanding access to supervised clinical training opportunities for psychology trainees;
- Encouraging licensed psychologists to serve as preceptors and supervisors;
- Supporting retention of trainees who complete their education and training in Hawai'i; and
- Improving access to timely, high-quality mental and behavioral health care, particularly in underserved communities.

Thank you for the opportunity to provide input on this important bill.

Sincerely,



Alex Lichton, Ph.D.
Chair, HPA Legislative Action Committee



HIPHI Board

May Okihiro, MD, MS
Chair
John A. Burns School of Medicine,
Department of Pediatrics

Jennifer José Lo, MD
Vice Chair
Hawai'i Health Partners

Titimaea Ta'ase, JD
Secretary
Taase Law Office

Jonathan Ching
Kaiser Permanente

Tammy Ho
The Queen's Medical Center

Carissa Holley, MEd
Hale Makua Health Services

Joyce Lee-Ibarra, MS
JLI Consulting

Misty Pacheco, DrPH
University of Hawai'i at Hilo

Dina Shek, JD
Medical-Legal Partnership
For Children in Hawai'i

JoAnn Tsark, MPH
John A. Burns School of Medicine, Native
Hawaiian Research Office

Danette Wong Tomiyasu, MBA
Retired, Hawai'i State Department of
Health

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community-Based Research &
Evaluation

Community Health
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &
Community Living

Public Health Workforce Development

Date: February 25, 2026

To: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair
Members of the House Committee on Finance

RE: Support for HB 1591 HD1, Relating to Health Care

Hrg: February 27, 2026, at 10:00 AM, Conference Room 308

The Hawai'i Public Health Institute,¹ **supports HB 1591 HD1**, relating to health care. This bill improves the accessibility of income tax credits for health care providers who serve as preceptors.

A Chronic Health Care Provider Shortage

Hawai'i continues to experience a significant shortage of health care professionals, especially in primary care and rural areas. According to the University of Hawai'i John A. Burns School of Medicine's most recent Hawai'i Physician Workforce Assessment report, of 12,688 licensed physicians in the state, less than a third provide patient care. This leaves the state 644 doctors short of the need for providers, a number that grows to 833 full-time physicians when geography is factored in.²

Hawai'i County had the biggest shortage according to the report, needing 224 doctors to fill its demand gap. That means its supply of physicians needs to grow by 43% to meet demand. Maui would need to grow its provider base by over 35% to meet demand, with other neighbor islands facing similar gaps. Long wait times, decreased preventive care, and additional strain on emergency services are among the challenges caused by these workforce shortages.

A Proven Solution

The preceptor tax credit has a documented record of success in addressing this pipeline issue. Hawai'i's existing preceptor tax credit provides up to \$1,000 per clinical rotation supervised and up to \$5,000 per year. It was enacted to encourage clinicians to serve as preceptors for students and residents. When originally evaluated over several years, the program was associated with a 77% increase in active preceptors and

¹ Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. We do this through expanding our understanding of what creates health of people and place, fostering partnerships, and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.

² [Annual Report on Findings from the Hawai'i Physician Workforce Assessment Project](#), University of Hawai'i's John A. Burns School of Medicine, December 2025.



brought over 76 new providers into precepting roles, expanding training opportunities for aspiring health professionals in critical fields.³

A Necessary Expansion

By expanding the pool of eligible preceptor professions and broadening the types of eligible training programs the credit covers, this proposal will help grow the number of clinical training sites and mentors available to serve Hawai'i's health care workforce pipeline. More preceptors means greater opportunities for students to complete clinical rotations, increasing the number of local graduates who stay and practice in Hawai'i, a key strategy to addressing shortages in physician, nursing, pharmacy, and allied health professions statewide.

Notably, this measure also extends the preceptor credit to social workers. According to a report from UH's Thompson School of Social Work and Public Health, demand for health care social workers in Hawai'i will increase by more than 18%, and the need for mental health and substance abuse social workers is estimated to increase by roughly 22% over the next 10 years.⁴

In addition to increasing access to training, stronger preceptor incentives help reduce costs and turnover associated with workforce shortages. Such credits also enhance care quality through hands-on mentorship in underserved communities. Neighbor island and rural areas will especially benefit from the credit's expansion, since they are most heavily affected by provider scarcity.

As demand for health care continues to grow, strengthening the workforce pipeline is essential to reinforcing public health. We urge your committee to support this measure to uplift access to health care services for our island home.

Mahalo,

A handwritten signature in black ink that reads 'Kris Coffield'.

Policy and Advocacy Associate

³ [Evaluation of Hawai'i Preceptor Tax Credit: Five Year Program Evaluation 2019-2023](#), prepared for the Hawai'i Department of Health, 2024.

⁴ ["Hawai'i's demand for social workers will climb over the next decade, report says"](#), Hawai'i Public Radio, March 30, 2023.

Friday, February 27, 2026 at 10:00 AM
Via Video Conference; Conference Room 308

House Committee on Finance

To: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

**Re: Testimony in Support of HB 1591, HD1
Relating to Health Care**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

HPH writes in SUPPORT of HB 1591, HD1 which amends the definition of “preceptor” and “volunteer-based supervised clinical training rotation” to improve accessibility for providers to participate in the preceptor tax credit program. The bill also removes “primary care” from the criteria to qualify as a preceptor, and adds physician assistants and social workers to the list of preceptors as these providers are invaluable to the training of future health care professionals and reflects Hawai'i's interprofessional training philosophy. The measure further expands eligibility for the tax credit to include accredited residency programs that require preceptor support as well as to dietitians and dietician students.

Preceptors are advanced practice registered nurses (APRN), physicians (MD), pharmacists (PH), and other healthcare professionals who volunteer their clinical time to teach and train students. The lack of sufficient numbers of healthcare professionals to act as preceptors impacts many of the University of Hawai'i's programs in nursing, medicine and pharmacy in terms of the programs' ability to train students. Passed in 2018, the preceptor tax credit has helped to increase the pool of health profession training programs and alleviate the crisis of the preceptor shortage. The preceptor tax credit offers state income tax credits for APRN, MD, DO, and PH providers who volunteer as preceptors.

While the tax credit provides an incentive to the preceptors, the current statutory definitions have limited the number of preceptors who are eligible for the credit. Physicians who maintain a primary care practice in the state provide a valuable service, however, physicians in other fields of specialty practice also are vital to providing training

in primary care. Expanding the definition of “preceptor” to include other fields of practice would enlarge the pool of available preceptors to train new healthcare providers and allow for enhanced training opportunities to grow our workforce.

Thank you for the opportunity to testify.

HB-1591-HD-1

Submitted on: 2/25/2026 9:04:04 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Arthurs	Hawaii Family physicians	Support	Written Testimony Only

Comments:

I am active in training, physician assistant, students, nurse practitioner, students, and medical students. Please include physician, assistant student training in the state tax relief, the same as the other professional students. It seems like there was an oversight when Legislation was first drafted a few years ago, excluding physician assistant student training. In light of the severe shortage of primary care providers in the state of Hawaii and particularly in my area of the state, Hawaii island, I urge you to adopt this Bill.



February 27, 2026 at 10:00 am
Conference Room 308

House Committee on Finance

To: Chair Chris Todd
Vice Chair Jenna Takenouchi

From: Paige Heckathorn Choy
Vice President, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 1591 HD 1, Relating to Health Care

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to **support** this measure, which seeks to expand the eligibility criteria for the healthcare preceptor tax credit in Hawaii and make other changes to strengthen the program. This program is important to addressing the pressing shortage of healthcare providers in our state by improving the accessibility of these tax credits for more provider types, including those who may provide specialty care.

Preceptors play an indispensable role in the education and training of our future healthcare workforce. They serve as experienced mentors, providing hands-on clinical training and supervision to students across various healthcare disciplines. This mentorship is vital for students to translate theoretical knowledge into practical skills, ensuring they are well-prepared to deliver high-quality patient care upon entering the workforce.

Expanding the eligibility for this successful program to include a broader range of healthcare providers will help incentivize more professionals to serve as preceptors. This expansion is expected to enhance the training opportunities for students and help to ensure a more robust pipeline of well-trained providers ready to meet the diverse healthcare needs of our population.

Thank you for hearing this important measure and your continued support for building a strong healthcare workforce in Hawaii.

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME. Healthcare Preceptor Tax Credit; Physician Assistants; Social Workers; Residency Programs; Preceptor Credit Assurance Committee; Director of Health

BILL NUMBER: HB 1591 HD1

INTRODUCED BY: HLT

EXECUTIVE SUMMARY: Expands 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. Adds physician assistants, dietitians, and social workers to the list of preceptors and eligible students. Expands eligibility for the tax credit to include accredited residency programs that require preceptor support. Adds the Director of Health and representatives of residency programs with eligible students to the Preceptor Credit Assurance Committee.

SYNOPSIS: Amends section 235-110.25, HRS, to define "eligible student" as an advanced practice registered nurse student, medical student, pharmacy student, physician assistant student, dietitian, or social work student or resident who is enrolled in an eligible academic program, residency program, or fellowship.

Deletes the requirement that the preceptor be in primary care practice.

Amends section 321-2.7, HRS, to change the composition of the preceptor credit assurance committee.

Makes technical and conforming amendments to other definitions in the section and section 321-2.7, HRS.

EFFECTIVE DATE: July 1, 3000

STAFF COMMENTS: The credit for healthcare preceptors was added by Act 43, SLH 2018. This measure appears to arise from the department of health's first five-year evaluation of the program made to the 2024 Legislature. The evaluation noted an increase in preceptors and recommended the addition of other classes of health care providers.

The bill, by allowing physician assistants, dieticians, and social workers into the program and removing the current restriction to primary care, scales the program up and will have a revenue impact.

Digested: 2/25/2026



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Chris Todd, Chair
The Honorable Jenna Takenouchi, Vice Chair
Members, House Committee on Finance

From: Jace Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: February 27, 2026

Re: Support of HB1591 HD1 - Relating to Health Care

The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 10,000 affiliated physicians, caregivers, and dedicated medical staff statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide testimony in support of HB1591 HD1, which expands the definitions of "preceptor" and "volunteer-based supervised clinical training rotation" to improve and expand accessibility for providers to receive income tax credits for acting as preceptors..

Queen's supported the creation of the preceptor tax credit in 2018 as one of several methods to address the shortage of primary, community-based and acute care providers in the state of Hawai'i. Preceptor tax credits are considered highly beneficial to healthcare by incentivizing professionals to train students, help reduce our state's ongoing workforce shortages, and increasing clinical placement opportunities. By providing financial offsets, the credits help sustain the pipeline of doctors, nurses, and other practitioners, particularly in rural or underserved areas. Queen's alone has over 131 residents and fellows in our residency program supported by preceptors..

Thank you for the opportunity to testify in support of HB1591 HD1.

The mission of The Queen's Health System is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.



DATE: February 26, 2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Dennis Tognoli
Ali'i Health Center
Kailua Kona, HI. 96740

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM

Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and **adds physician assistants and physician assistant students** to the list of preceptors and eligible students.

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

As an administrator for a health clinic in Hawaii, I know how important it is to have access to our providers for precepting. Expanding the definition of this bill will ultimately increase opportunities for students entering the health care workforce.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

Respectfully,

Dennis Tognoli BSN,RN





**WAIANAЕ COAST
COMPREHENSIVE
HEALTH CENTER**

Friday, 02-27-26 10:00 AM
State Capitol, Conference Room 308

House Committee on Finance

To: Representative Chris Todd, Chair,
Representative Jenna Takenouchi, Vice Chair

From: Ian Ross
Public Affairs Director
ianross@wcchc.com | (808) 697-3457

RE: SUPPORT FOR HOUSE BILL 1591 HD1 - RELATING TO HEALTH CARE

Aloha and mahalo for the opportunity to provide testimony in **support** of House Bill No. 1591.

Waianae Coast Comprehensive Health Center (WCCHC) is a Federally Qualified Health Center dedicated to improving the health and well-being of the West O'ahu community by providing accessible and affordable medical care. With 53 years of service, WCCHC is committed to providing comprehensive healthcare that supports the whole person and the improves long-term health outcomes for the communities we serve.

WCCHC appreciates the opportunity to provide testimony in **support** of this measure, which expands the Healthcare Preceptor Tax Credit to include physician assistants, dietitians, and social workers, and broadens eligibility for both preceptors and students. As a federally qualified health center and a learning center committed to training the next generation of health professionals, WCCHC recognizes the critical role that preceptors play in ensuring a well-prepared healthcare workforce. For years, WCCHC has operated Ka 'Ike Ola, which trains local healthcare workers, such as CNAs and Medical Assistants, to become Practical Nurses.

By removing the "primary care" restriction and including additional professions, this bill addresses persistent shortages in both primary and behavioral health care, as well as allied health fields. Many of our patients face barriers to accessing comprehensive care, particularly in rural and underserved communities. Expanding the tax credit to more preceptors and residency programs will incentivize experienced providers to mentor students and residents, thereby strengthening the pipeline of health professionals who are prepared to serve in areas of greatest need.

Research and best practices indicate that clinical training opportunities and exposure to community-based care settings are key factors in recruiting and retaining providers in underserved regions. The inclusion of social workers and dietitians reflects a holistic approach to health care, acknowledging the importance of behavioral health and nutrition in achieving positive health outcomes. Additionally, broadening committee representation to include the Director of Health and residency program representatives will help ensure that the tax credit program remains responsive to evolving workforce needs.

Thank you again for the opportunity to provide testimony in support of this measure.

HB-1591-HD-1

Submitted on: 2/25/2026 3:02:41 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tim Kaneda	HICHC	Support	Written Testimony Only

Comments:

DATE: 2/25/2026

TO: Representative Chris Todd, Chair Representative Jenna Takenouchi, Vice-Chair House Committee on Finance

FROM: Tim Kaneda PA-C MHS at HICHC

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and adds physician assistants and physician assistant students to the list of preceptors and eligible students.

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

I have been a Primary and Urgent Care PA in Maui and Big Island since September 2012; I have been a preceptor for PA students and have also taken on Medical and APRN students since 2014. I was fortunate to have attended Duke University PA program, which was the first PA school in the country founded in 1965. The founder of PA profession foreshadowed the shortage of primary care providers in rural areas and need for medical providers in primary care. PA profession was started to provide rolls for Navy corpsmen and military medics coming home from Korean and Vietnam war from military life to civilian life/work transition. Now there are 254 PA schools in the US and few overseas. PA profession also continues to rank top 5 in the

best health professions. I have enjoyed working with PA students and other medical professional students here in Hawaii; most students have stayed in Hawaii and practicing alongside us. Now that Hawaii has two PA schools, our role of precepting healthcare students is more important than ever.

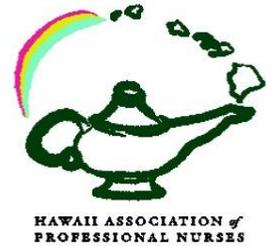
It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

Mahalo,

Tim Kaneda PA-C M.H.S.

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Chris Todd, Chair, and Members of the House Committee on Finance

From: Hawai'i Association of Professional Nurses (HAPN)

RE: HB1591 HD1 — Relating to Health Care

Position: Strong Support

Hearing: Friday, 02-27-26 at 10:00 a.m.

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

On behalf of the Hawai'i Association of Professional Nurses (HAPN), we submit this testimony in strong support of HB1591 HD1, H.D.1. This measure strengthens Hawai'i's health workforce pipeline by improving and expanding the Healthcare Preceptor Tax Credit, which is one of the State's practical tools for increasing clinical training capacity. For the House Committee on Finance, HB1591 HD1 represents a targeted workforce investment strategy that helps address provider shortages upstream, before shortages translate into more expensive access failures and downstream system costs.

HAPN supports HB1591 HD1 because it responds to real operational barriers in training the next generation of health professionals in Hawai'i. The bill recognizes that educational programs are constrained by limited clinical training sites and a limited supply of qualified preceptors, and it updates the tax credit structure to better match how clinical training actually occurs across professions and specialties. By expanding eligibility and clarifying definitions, HB1591 HD1 improves the likelihood that more clinicians will precept students and residents in Hawai'i, which directly supports long-term workforce stability.

From HAPN's perspective, the benefits are practical and immediate:

Strengthening the preceptor pipeline is a fiscally responsible workforce strategy for Hawai'i.

Provider shortages increase wait times, reduce access, and shift patient care into higher-cost settings when routine or early care is delayed. Supporting preceptors is a relatively targeted way to expand in-state training capacity, which improves the likelihood that Hawai'i can grow and retain more of its own workforce over time. This is a tax policy question tied to workforce supply and long-term cost avoidance, not simply an education issue.

HB1591 HD1 better aligns the tax credit with how health professions training actually works.

The bill removes restrictive criteria that limited eligibility, including the narrow primary care framing for preceptors, and recognizes that students in primary care pathways often require specialty preceptors as part of their training. This is a practical correction that improves program function and reduces unnecessary barriers to participation. When tax incentives are better aligned with real training models, the State gets better value from the credit.

Expanding eligible professions supports a more complete workforce response.

HB1591 HD1 expands eligibility to include additional professions such as physician assistants, dietitians, and social workers, while also acknowledging shortages in high-demand areas including behavioral health. Hawai‘i’s workforce shortage is not isolated to one provider type, and clinical education bottlenecks affect multiple professions that patients rely on every day. A broader, more inclusive preceptor strategy is more likely to produce meaningful system-level workforce gains.

Including residency-related preceptor support strengthens in-state training and retention pathways.

HB1591 HD1 expands eligibility to include accredited residency programs that require preceptor support, which is a smart addition for workforce development. Residency and advanced clinical training experiences are often decisive points in where clinicians ultimately choose to practice. Supporting these training pathways in Hawai‘i improves the State’s ability to retain talent locally after training.

Program oversight updates can improve accountability and implementation.

The bill revises membership of the Preceptor Credit Assurance Committee to include the Director of Health and representatives of residency programs with eligible students. From a finance perspective, implementation quality matters just as much as statutory intent, and stronger oversight representation can support better administration of this tax credit program. HAPN supports this approach because it can improve coordination, transparency, and program effectiveness over time.

Strong implementation and reporting will support long-term success.

As HB1591 HD1 advances through the Finance Committee, HAPN supports continued attention to measurable outcomes and clear program administration. Tracking participation, profession-specific uptake, geographic distribution of preceptors, and training capacity gains can help the State evaluate whether the tax credit is achieving its intended workforce impact. This kind of accountability helps ensure Hawai‘i receives strong value from a tax expenditure designed to address a critical workforce need.

Conclusion

HB1591 HD1 is a practical, workforce-focused investment that modernizes and strengthens a proven tool for expanding clinical training capacity in Hawai‘i. HAPN respectfully urges the Committee to PASS HB1591 HD1. This measure supports workforce development, improves the effectiveness of an existing tax credit, and advances a more sustainable health care system for our State.

Mahalo for the opportunity to provide testimony.

Respectfully submitted,
Hawai‘i Association of Professional Nurses (HAPN)



Testimony Presented Before the
House Committee on Finance
Friday, February 27, 2026 at 10:00 AM
Conference Room 308 and Videoconference
By
Laura Reichhardt, APRN, AGPCNP-BC
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa

TESTIMONY IN STRONG SUPPORT on HB 1591, HD1

Chair Todd, Vice Chair Takenouchi, and members of the Committee: Thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, the Hawai'i State Center for Nursing (HSCN) does not ask for new or expanded appropriations to the tax credit program.

This measure, HB 1591, HD1, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social workers, and dietitians.

The Preceptor Tax Credit Assurance Committee Admin Subcommittee (Hawai'i State Center for Nursing and UH JABSOM Area Health Education Center) updated preceptor tax credit allocation projections based on a similar bill, HB303, as introduced in 2025. Based on the estimated student or resident enrollments and clinical rotation hours, we estimated a maximum of 1,623 hours to be recorded. Year after year, nearly 1 in 8 of all recorded rotations do not yield a tax credit due to too few hours taught by the preceptor. In addition, 4% of annual tax credits are allocated to people who teach far beyond 400 hours, who receive the maximum of 5 credits despite teaching considerably more credits. **In effect, the upper and lower thresholds for allocating tax credits results in a buffering of approximately 16%,**

The mission of the Hawai'i State Center for Nursing is to collaborate on fostering workplace conditions that support nurses to remain in a fulfilling profession.

which makes it unlikely for the Preceptor Credit Assurance Committee to allocate the maximum potential of tax credits in the near future.

	2026	2023 Distribution			
		Credits	Credit Amounts	Hours	Distribution
Max Potential	1623	1005			
Projected Allocation	1431	886			
5	589	365	5	400+	36%
4	123	76	4	320-399	8%
3	194	120	3	240-319	12%
2	291	180	2	160-239	18%
1	234	145	1	80-159	14%
0	192	119	0	below 80	12%

The proposed changes are in line with the recommendations in the five-year assessment of the Preceptor Tax Credit Program.

MAINTAIN	ADD	CHANGE
<ul style="list-style-type: none"> Keep the process that local schools submit clinical rotation information; Keep the requirement that preceptors must self-verify their location, license information, specialty, and lack of existing compensation for precepting; and Keep, and clarify, the requirement that the tax credit is for non-compensated precepting activities only. 	<ul style="list-style-type: none"> Add additional healthcare provider professions with schools in Hawai'i, including physical therapy, occupational therapy, social work, registered dietitians, and physician assistants. 	<ul style="list-style-type: none"> Remove primary care specialty requirement for preceptors; and Remove requirement that only preceptor education for primary care students may be eligible for tax credits.

TABLE I: RECOMMENDATION SUMMARY FROM THE PRECEPTOR NEEDS ASSESSMENT

The mission of the Hawai'i State Center for Nursing is to collaborate on fostering workplace conditions that support nurses to remain in a fulfilling profession.

In 2018, the Hawai'i Legislature, in their great wisdom, enacted Act 43, which authorized and funded \$1.5 million in tax credits for advanced practice registered nurse (APRN), physician, and pharmacist professionals who train in-state students in their respective practice areas.

This program was intended to help alleviate the bottleneck within health education programs related to a shortage of clinical education sites and preceptors. The tax credit program has successfully grown the preceptor base over time (Figure 4). However, there is room to expand the program even with the positive growth.

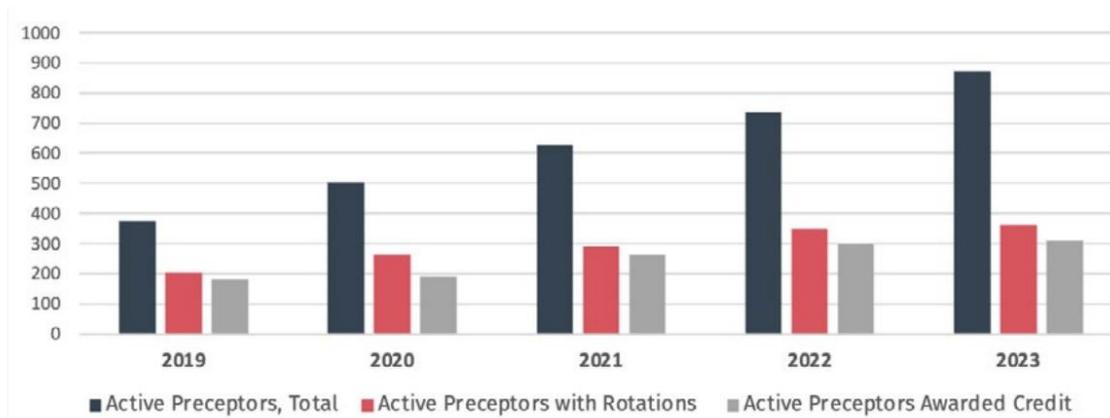


FIGURE 4: GROWTH IN PRECEPTORS, REGISTERED, WITH ROTATIONS AND RECEIVING TAX CREDITS

While the program is achieving the established goals, there is room to grow.

As one of the two administering organizations of the Preceptor Tax Credit program and Preceptor Credit Assurance Committee, the Center has verified that Social Workers and Physician Assistants have the same professional criteria that currently enables us to maintain a functioning program for APRNs, physicians, and pharmacists. These criteria include: 1) professionals maintaining licensure in Hawai'i; 2) in-state schools that maintain preceptor coordination; 3) preceptor education that occurs during education enrollment (as opposed to post-graduation activities); and 4) schools with national accreditation. These standards are used in the verification process to ensure eligibility of preceptors and participating academic programs, as defined in H.R.S. 235-110.45 and H.R.S. 321-2.7.

Further, based on the current performance and anticipated growth in the tax credit allocations by expanding the tax credits beyond primary care, funds remain. The

The mission of the Hawai'i State Center for Nursing is to collaborate on fostering workplace conditions that support nurses to remain in a fulfilling profession.



Preceptor Credit Assurance Committee voted in favor of supporting other critically needed health professions by way of this program considering that there is a need, an ability to maintain the program's legally mandated verification requirements, and fiscal capacity.

The Hawai'i State Center for Nursing respectfully asks the Committee to pass this measure through your committee. The Center thanks your committee for its commitment to the people of Hawai'i and ensuring access to high-quality health care by supporting local healthcare education and training initiatives.

The mission of the Hawai'i State Center for Nursing is to collaborate on fostering workplace conditions that support nurses to remain in a fulfilling profession.



Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

HOUSE COMMITTEE FINANCE

Representative Chris Todd, Chair

Representative Jenna Takenouchi, Vice Chair

Date: February 27, 2026

From: Hawaii Medical Association (HMA)

Elizabeth Ann Ignacio MD - Chair, HMA Public Policy Committee

Christina Marzo MD and Robert Carlisle MD, Vice Chairs, HMA Public Policy Committee

RE HB 1591 HD1 RELATING TO HEALTHCARE: Healthcare Preceptor Tax Credit; Licensed Dietitians; Physician Assistants; Social Workers; Residency Programs; Preceptor Credit Assurance Committee

Position: Support

This measure would amend the Healthcare Preceptor Tax Credit to remove language limiting access only to those practicing in primary care, to add licensed dietitians, physician assistants, and social workers as eligible preceptors and students, and to include residency and fellowship programs; add the Director of Health and a representative of residency programs with eligible students to the Preceptor Credit Assurance Committee; apply to taxable years beginning after 12/31/2026.

HMA supports this measure which will improve accessibility and further promote the education of health care professionals in Hawaii. Clinical preceptors are vital to the maintenance of solid education and experience for future physicians in Hawaii, as well as the recruitment to our state when training is complete. Additionally, the establishment of a Preceptor Credit Assurance Committee with the Director of Health and representatives of residency programs is necessary to develop processes for certification of a preceptor for the tax credit, as well as credit certification and review.

This preceptor measure will help sustain and grow Hawaii's healthcare workforce including physicians by supporting the essential educators who train our future clinicians. It is an investment in the future health of our communities so that patients have access to high-quality care close to home.

HMA strongly supports all efforts to address healthcare professional education and our critical Hawaii physician shortage.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

2026 Hawaii Medical Association Public Policy Coordination Team

Elizabeth A Ignacio, MD, Chair • Robert Carlisle, MD, Vice Chair • Christina Marzo, MD, Vice Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

2026 Hawaii Medical Association Officers

Nadine Tenn-Salle, MD, President • Jerald Garcia, MD, President Elect • Elizabeth Ann Ignacio, MD, • Immediate Past President
Laeton Pang, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

REFERENCES AND QUICK LINKS

University of Hawai'i at Mānoa John A. Burns School of Medicine Area Health Education Center. Annual Report on Findings from the Hawai'i Physician Workforce Assessment Project. Dec. 2025. University of Hawai'i Government Relations. https://www.hawaii.edu/govrel/docs/reports/2026/act18-sslh2009_2026_physician-workforce_annual-report_508.pdf Accessed Jan 25, 2026.

Hay, Jeremy. "Need A Doctor? Hawai'i's Physician Shortage Keeps Getting Worse." *Honolulu Civil Beat*, 8 Jan. 2026, www.civilbeat.org/2026/01/hawaii-physician-shortage-getting-worse/. Accessed Jan 25, 2026.

Yip C. Hawaii faces shortage of 800 physicians, with neighbor islands hit hardest. KITV.com. [May 20 2024](#).

Lu A. Factors Exacerbating the Physician Shortage in Hawaii: What is Hawaii Doing to Stem the Tide? [Brown University School of Public Health](#). [April 3 2024](#).

2024 Hawaii Medical Association Officers

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

2024 Hawaii Medical Association Public Policy Coordination Team

Beth England, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director



DATE: 25 Feb 2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Leocadia Conlon, PhD MPH, PA-C
Legislative Liaison, Hawai'i Academy of Physician Assistants

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM

Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and **adds physician assistants and physician assistant students** to the list of preceptors and eligible students.

The Hawai'i Academy of Physician Assistants (HAPA) STRONGLY SUPPORTS HB1591 HD1. HAPA is the Hawai'i state chapter of The American Academy of PAs (AAPA). HAPA represents a small but vital PA workforce in Hawai'i. HAPA supports PA practice in Hawai'i and works to educate the healthcare and greater community about the role and positive contributions that PAs add to the health care delivery system in Hawaii.

HAPA supports HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC. Additionally, the bill supports the clinical training requirements of PA, medical, and APRN students who must receive clinical training in a variety of clinical specialties as set by their respective national accreditation standards.

The Hawai'i Academy of Physician Assistants recognizes that PA education in Hawai'i is crucial for expanding the state's healthcare workforce. The establishment of the Hawai'i Pacific University PA Program on O'ahu, further demonstrates a commitment to training PAs specifically prepared to serve Hawai'i's communities. By supporting clinical preceptors who supervise PA training throughout the state, we can better ensure that PA graduates secure employment and encourage them to build long-term careers in Hawai'i.



Physicians Assistants (PAs) are state-licensed, nationally certified medical providers, who receive rigorous graduate level education modeled on medical school curriculum. PAs play a critical role on healthcare delivery teams, and along with their physician and APRN counterparts, help ensure the delivery of high-quality healthcare.

Amidst a statewide physician shortage, PAs are successfully filling critical gaps in healthcare and reducing health disparities by expanding access to care for communities in Hawai'i. PAs are found in every clinical setting and in every medical specialty and are authorized by the Affordable Care Act (ACA), along with physicians and APRNs, to serve as primary care providers (PCP) for their patients.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

HB-1591-HD-1

Submitted on: 2/25/2026 6:12:21 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Piel	Hawaii Island Community Health Center	Support	Written Testimony Only

Comments:

Hawaii Island CHC provides primary care to 40,000 unique patients annually on the island of Hawaii. We employ physicians, PA-Cs, and APRNs to provide primary and specialty care. We train physicians, PAs and APRNs on a daily basis to support the pipeline of rural healthcare providers in Hawaii. In 2025 we trained nearly 100 pre-licensed health care professionals including 16 PAs.

The PA school MEDEX is located in Kona, which strives to accept and train qualified local Hawaii residents who plan to remain in Hawaii upon graduation. I have personally trained dozens of their students over the years and hired several of their graduates. Our medical staff routinely requests that PAs be included in the preceptor tax credit, regardless of their own license type.

Based on my experience of managing health care providers and training medical students for nearly a decade in rural Hawaii, Passing HB1591 would benefit the state in two principle manners. It would undoubtedly help our medical providers remain employed in the state as finances are the number one reason our PCPs relocate back to mainland. Additionally, passage would increase the number of preceptors on staff willing to take PA students, which would increase the training pipeline capacity at our facility and across the state. Since a large percentage of trainees who train in Hawaii, work in Hawaii upon graduation this augmented pipeline can help address the primary care shortage, particularly in rural Hawaii.

Chris Piel, Medical Director Hawaii Island CHC

Testimony of
Jonathan Ching
Head of Government Relations

Before:
House Committee on Finance
The Honorable Chris Todd, Chair
The Honorable Jenna Takenouchi, Vice Chair

February 27, 2026
10:00 a.m.
Conference Room 308
Via Videoconference

Re: HB 1591, HD1, Relating to Health Care.

Chair Todd, Vice Chair Takenouchi, and committee members, thank you for this opportunity to provide testimony on HB 1591, HD1, which expands the Healthcare Preceptor Tax Credit program to incentivize additional preceptors and include the participation of students striving to become social workers, dietitians, and physician assistants.

Kaiser Permanente Hawai‘i SUPPORTS HB 1591, HD1.

Kaiser Permanente Hawai‘i is one of the nation’s largest not-for-profit health plans, serving 12.6 million members nationwide and more than 271,000 members in Hawai‘i. In Hawai‘i, more than 4,600 dedicated employees and more than 650 Hawai‘i Permanente Medical Group physicians and advance practice providers work in our integrated health system to provide our members coordinated care and coverage. Kaiser Permanente Hawai‘i has more than 20+ medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the people living in the communities we serve.

Kaiser Permanente Hawai‘i supports HB 1591, HD1 because it will help to increase access to in-state clinical experiences for many more students as they train to enter the medical field, potentially drawing more prospective medical professionals to stay home or to come to Hawai‘i. Expanding the preceptor tax credit program to include physicians’ assistants will be especially impactful due to their role in our care delivery system, including as primary care providers.

In 2024-2025, our preceptors supported 186 rotations in internal medicine, family medicine, pediatrics, obstetrics and gynecology, geriatrics, continuing care, and sports medicine. In addition, our preceptors supported over 100 rotations throughout inpatient nursing. It is our

estimate that if the preceptor tax credit is expanded, we may be able to support over 600 individual rotations for learners from eligible programs across 40 different specialties.

Since the enactment of Act 43, Session Laws of Hawai‘i 2018, fewer advanced practiced registered nurses, physicians and pharmacists are eligible for the tax credit than the number that are teaching our local students. Expanding the eligibility to include a broader range of healthcare providers will help incentivize more professionals to serve as preceptors and enhance medical education in Hawai‘i.

Mahalo for the opportunity to testify on this important measure.



HB1591,HD1 Preceptor Tax Credits

COMMITTEE ON FINANCE

Rep. Chris Todd, Chair

Rep. Jenna Takenouchi, Vice Chair

Friday, Feb 27, 2026: 10:00: Room 308 Videoconference

Hina Mauka Comments to Support HB1591,HD1:

ALOHA CHAIR, VICE CHAIR, AND DISTINGUISHED COMMITTEE MEMBERS. My name is Brian Baker. I am the President and CEO for Hina Mauka, a mental health and substance use disorder treatment and prevention agency for thousands of adults and adolescents on Oahu and Kauai, including recovery-oriented services and housing transitional living programs.

Hawai'i's behavioral health workforce shortage is not just a recruitment issue—it is also a training capacity problem. Students in behavioral health programs cannot become licensed without supervised clinical hours, yet many qualified clinicians are unable to serve as preceptors because supervising students comes with no compensation. As a result, students face limited placement opportunities and delayed entry into the workforce.

This bill offers a practical solution by expanding the preceptor tax credit to include behavioral health professionals and students. By recognizing licensed behavioral health providers as eligible preceptors, the state can remove a key barrier to training the next generation of clinicians.

The need is urgent. Across Hawai'i, and especially in rural and underserved communities, residents face long wait times and limited access to mental health and substance use services. Expanding precepting capacity helps address these gaps by supporting students during training and encouraging them to build professional roots in Hawai'i.

The preceptor tax credit has already proven effective in primary care as a tool to grow and retain the workforce. Updating the program to reflect today's behavioral health needs builds on that success while strengthening in-state education and training pathways.

Expanding eligibility will increase supervised training opportunities, improve workforce retention, and over time, help reduce delays in accessing behavioral health care.

Thank you for the opportunity to provide testimony.

HB-1591-HD-1

Submitted on: 2/26/2026 9:37:55 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark S. Rhee	Alii Health Care	Support	Written Testimony Only

Comments:

Aloha,

As the Medical Director of Alii Health Care and Department Chair of Obstetrics and Gynecology at Kona Community Hospital I support the proposed bill to be more inclusive for eligibility for both students and preceptors. Of greater urgency, to my understanding, this year excludes institutions that "are not based in Hawaii." As a preceptor for several years all of my medical students have come from two institutions, JABSOM and ATSU. ATSU is a DO program based out of Arizona and until this year had a close relation with JABSOM /Waianae Coast Comp Health Center. This relation has since been terminated and apparently ATSU and their preceptors are no longer eligible for a tax credit, supposedly because ATSU is not "Hawaii based." That said, **ALL** of my students from ATSU are from or have roots in Hawaii regardless of where the institution is located. Thus, I am requesting that this program includes not only PAs other health care professionals, remove the preceptor from solely being a primary care provider, but also include out of state institutions whose students are from Hawaii.

As you well know, our state has a health care provider shortage/crisis. One strategy to recruit more practitioners is to expose students early on (especially here on the Island of Hawaii) so that students are exposed to rural health care to ignite an interest with hopes to have these same students to practice here.

I will continue to precept students regardless of a tax credit or not. I have ten hawaii based students from ATSU scheduled in the next year. The rewards of perpetuating health care education to students as well as the opportunity to recruit health care professionals here where there is such a dire need is rewarding enough.

Mahalo,

Mark S, Rhee MD



'Ōhi'a Midwifery & Wellness, LLC
65-1206 Mamalahoa Hwy Suite 2-204
Kamuela, HI 96743
ohiamidwifery@gmail.com
ohiamidwifery.com

Committee on Finance

February 26, 2026

From: 'Ōhi'a Midwifery & Wellness, LLC

Re: HB1591-HD1 RELATING TO HEALTH CARE

To: Honorable Representative Todd, Chair and Representative Takenouchi, Vice Chair

SUPPORT FOR HB1591-HD1 WITH AMENDMENTS

Mahalo for the opportunity to testify. I speak on behalf of the Certified Midwife, Licensed Midwife (CM, LM) credential, future students seeking the advanced midwifery practice credential of the CM, LM which is equivalent to the advanced practice registered nurse, certified nurse-midwife (APRN, CNM) in the provision of midwifery care differing only in that a midwifery student enters graduate school with a bachelor's degree other than in nursing. I also speak on behalf of families who seek access to midwifery care and the sustainability of the profession which is largely determined by State policies NOT by the scope of practice for which advanced practice midwifery credentials can provide.

Attached to this testimony is a comparison chart of the three midwifery credentials in Hawai'i, the CM, LM, the APRN, CNM, and the Certified Professional Midwife (CPM, LM).

I also speak on behalf of the CPM, LM in that in my private practice I contract with these Licensed Midwives, I recognize them as preceptors. Additionally, I am in the process of developing the first nonprofit licensed freestanding birthing facility in Hawai'i available via Medicaid reimbursement and scholarships which will contract with all three credentials. Central to the mission of this birth center is to address provider shortages, therefore it is being structured to be a community-based clinical site for all three credentials for Hawai'i-based midwifery students - all of which will be enrolled in remote programs because **there is no BA nor MS program for midwifery in Hawai'i and no BA nor MS remote program for midwifery which admits 50% Hawai'i-based students.**

Although this bill speaks to addressing the restrictive nature of the current statute against certain provider-types, "**midwives licensed under chapter 457j**" are not included and exclude clinical preceptors for Hawai'i-based remote midwifery students who have no option to attend a school within Hawai'i nor enroll in a remote school that provides education for 50% of Hawai'i-based students.

Per the Committee on Health Report, the restrictive nature of the statute has been recognized : *"only a small subset of providers meet the tax credit's eligibility requirements each year. Additionally, some classes of health care providers are statutorily ineligible for the tax credit. This measure is intended to increase eligibility for the tax credit by clarifying compensation limits for volunteer-based supervised*

clinical training rotations and expanding the definition of "preceptor" to include additional medical specialties"

The Committee on Health Report amended HB1591 to add dietician students and dieticians. We ask that midwifery students and credentialed and licensed midwives be included as preceptors. Furthermore, there needs to be an amendment to accommodate Hawai'i-based midwifery students.

Suggested amendments:

Pg. 3 line 1 add "midwives licensed under chapter 457j"

Pg. 4 line 1 add "midwives licensed under chapter 457j"

Pg. 4 line 17 replace "~~and~~" "or"

Pg. 4 line 19 add ";; or (3) Provides education to students, of whom more than fifty percent of clinical training is completed within Hawaii."

Pg. 5 Line 8 add "Midwifery student" means an individual participating in an academic program that is nationally accredited for the training of individuals to become midwives pursuant to chapter 457 or 457j."

Pg. 5 line 1d add "a certified midwife, licensed midwife or certified professional midwife, licensed midwife, pursuant to chapter 457j"

Pg. 5 line 19 add "(3) Accreditation for certified midwife, licensed midwife students shall be offered by the Accreditation Commission for Midwifery Education; (4) Accreditation for certified professional midwife, licensed midwife students shall be offered by the Midwifery Education Accreditation Council."

Pg. 8 line 16 add "a certified midwife, licensed midwife or certified professional midwife, licensed midwife licensed pursuant to chapter 457j"

From a fiscal perspective, if this statute was amended to include midwives across credential, due to limitations of available clinical sites, no more than 12 midwifery preceptors a year would qualify for this tax credit YET the long-term workforce benefit far outweighs concerns of this modest cost. As this bill aims to strengthen Hawai'i's healthcare workforce, I urge inclusion of Hawai'i-based students enrolled in remote graduate programs.

Advance this bill with amendments to expand inclusion while maintaining public safety. Policy paves the way—let it pave the way toward better outcomes for Hawai'i's families

Sincerely,
Margaret Ragen CM, LM, MS
ohiamidwifery@gmail.com
ohiamidwifery.com

HB-1591-HD-1

Submitted on: 2/25/2026 8:29:44 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
brian panganiban	Individual	Support	Written Testimony Only

Comments:

DATE: 2/25/2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Brian Panganiban, D.Sc, PA-C
Emergency Medicine and Trauma Surgery
Queens Medical Center, Waianae Coast Comprehensive

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM

Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and adds physician assistants and physician assistant students to the list of preceptors and eligible students.

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

Having served as a PA educator in both the military and civilian sectors for over 14 years, in the mainland and Hawaii, I have experienced the unique complexities of this role firsthand. The

preceptor tax credit is an essential tool to incentivize local clinical instruction, ensuring that our students can train within their own neighborhoods. By supporting these educators, we encourage our future PAs to remain in the area and ultimately serve the healthcare needs of our local community.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

This testimony represents my own personal views and not of QMC or WCCHC.

HB-1591-HD-1

Submitted on: 2/26/2026 7:04:36 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sarah Palm	Individual	Support	Written Testimony Only

Comments:

DATE: 2/26/26

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Sarah Palm, PA-C
General Surgery
Island of Hawaii

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM
Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and adds PA's and PA students to the list of preceptors and eligible students.

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA's) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

I live and work on a rural island with great need for both more specialists and primary care providers of all degree types. Many of the students I have precepted have told me they had few to no opportunities to learn in a clinical setting outside the urban core. My hope is that this PTC will support more PA's in primary and specialty care to become preceptors - especially on the neighbor islands where there are fewer institutional resources. I also hope this PTC will

facilitate more local opportunities for PA students from Hawaii to be able to stay and learn here, then graduate to be the medical professionals our islands sorely need.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

HB-1591-HD-1

Submitted on: 2/26/2026 9:02:42 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chelsea Kern	Individual	Support	Written Testimony Only

Comments:

To whom it may concern,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and adds physician assistants and physician assistant students to the list of preceptors and eligible students.

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

As a physician assistant student, I was fortunate to train under patient, dedicated preceptors who invested significant time and energy into my development. They not only strengthened my medical knowledge and clinical reasoning, but also modeled the bedside manner, compassion, and cultural competence necessary to effectively care for our local patient population. Their mentorship shaped the provider I am today.

Now, as a practicing physician assistant, I am proud to return that investment by serving as a preceptor myself. I take extra time to teach students not only the science of medicine, but also how to connect with patients, understand the unique needs of our community, and deliver care with empathy and respect. Supporting students in this way helps prepare them to stay and practice locally, ensuring continued access to high-quality, culturally responsive care for our community.

HB1591 helps sustain and strengthen this critical training pipeline. By supporting those who teach and mentor the next generation of providers, we are investing directly in the long-term

health of our community.
I respectfully urge you to support HB1591.

Sincerely,^[L]_[SEP]

Chelsea Kern, PA-C^[L]_[SEP]

Premier Medical Group Hawaii, Kaneohe, HI

DATE: February 26, 2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Sierrah Kupihea, PA-S
University of Washington MEDEX Northwest

RE: HB1591 HD1 – Relating to Health Preceptors
Hearing Date/Time: Friday, February 27, 2026 at 10:00 AM
Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer-based supervised training rotations to improve accessibility for providers to receive income tax credits for serving as preceptors. The bill removes the primary care requirement to qualify as a preceptor and adds physician assistants (PAs) and physician assistant students to the list of eligible preceptors and students.

As a future Physician Assistant and current PA student, my testimony is in **STRONG SUPPORT of HB1591 HD1** because it will include physician assistants and PA students in the Preceptor Tax Credit (PTC) program. This change will promote equitable clinical education opportunities among PA and advanced practice registered nurse (APRN) students in Hawai'i-based academic institutions. It will also create parity among PA and APRN preceptors who voluntarily supervise clinical training rotations, as the current policy limits eligibility to physicians and APRNs who precept medical or APRN students.

It is important to highlight that the proposed revisions will not increase the overall Preceptor Tax Credit cap, which remains at \$1.5 million per tax year. In 2024, the program awarded \$676,000 in tax credits, with a cumulative total of \$2,657,000 issued to Hawai'i's eligible preceptors since its inception in 2019. Expanding eligibility to additional healthcare providers will allow unused funds to be distributed more effectively, supporting a broader range of preceptors and students. This expansion ensures that existing resources are utilized to maximize their impact on healthcare education, workforce development, and access to care.

Thank you again for the opportunity to provide supportive testimony on this important measure, which ultimately strengthens clinical training and enhances the quality of care delivered to the communities of Hawai'i.

Respectfully,
Sierrah Kupihea, PA-S
University of Washington MEDEX Northwest

HB-1591-HD-1

Submitted on: 2/26/2026 9:56:02 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kylie Sakoda	Individual	Support	Written Testimony Only

Comments:

My testimony is in STRONG SUPPORT OF HB1591 HD1 because it will include physician assistants (PA) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

As a current PA student on the big island, I understand the necessity for healthcare providers amongst the current physician shortage. Having more potential training options in state would provide us with better opportunities to find employment and stay close to home, also simultaneously increasing community access to healthcare.

February 26, 2026

My name is Melissa Megan Talabis, and I am a board-certified physician assistant (PA) currently practicing in rheumatology and internal medicine in the State of Hawai‘i. I am a graduate of the University of Washington MEDEX Northwest Kona campus as part of its second graduating class in 2023, and former president of the Hawaii Academy of Physician Assistants. I write in strong support of this measure to expand the Healthcare Preceptor Tax Credit.

In my current role, I travel multiple times per month to care for patients on our outer islands, where I see firsthand the significant shortage of healthcare providers across the state. Many of these communities face limited specialty access and long wait times, underscoring the urgent need to grow and retain more clinicians locally. We must do everything we can to strengthen Hawai‘i’s healthcare workforce. Under the current statute, eligible preceptors are limited to physicians, osteopathic physicians, advanced practice registered nurses, and pharmacists working in primary care. It is both reasonable and equitable to include physician assistants as well. PAs are licensed, nationally certified medical providers who diagnose, treat, prescribe, and serve as primary and specialty care clinicians throughout Hawai‘i. PA students depend heavily on practicing PAs for clinical supervision and mentorship. Including physician assistants ensures fairness across comparable provider groups and meaningfully expands the pool of eligible preceptors available to train the next generation of clinicians.

Furthermore, as a PA student who completed all my clinical rotations in the state of Hawai‘i, I experienced firsthand the difficulty of securing clinical rotations due to a shortage of available preceptors. Many qualified providers were willing to teach but cited the financial and operational strain of precepting. Decreased patient volume, additional documentation oversight, and the time required for teaching can significantly affect productivity in already busy clinical practices. Moreover, limited preceptor availability creates barriers in clinical education and creates added stress for students working to complete required training.

Additionally, expanding the definition of “preceptor” and removing the restriction to primary care reflects the workforce realities unique to Hawai‘i. Given the geographic separation of our islands and the number of rural and underserved communities in need of providers, broadening eligibility is a necessary step to strengthen training opportunities and build a more sustainable healthcare workforce statewide. PA students rely heavily on community clinicians who volunteer their time to teach, and incentivizing these providers will increase available rotation sites statewide.

Ultimately, this bill is about protecting and improving patient care in Hawai‘i. When clinical training opportunities are limited, workforce growth is constrained. By supporting preceptors, this measure helps expand the number of trained clinicians practicing locally, improves access, and supports continuity of care for our local communities.

As someone who was locally trained and now practices here, I believe investing in clinical education is an investment in Hawai'i's healthcare future. I respectfully urge the Committee to pass this measure.

Mahalo for the opportunity to provide testimony.

A handwritten signature in black ink, appearing to read 'M. Talabis', with a long horizontal flourish extending to the right.

Melissa Megan Talabis, DMS, PA-C, MLS (ASCP)

HB-1591-HD-1

Submitted on: 2/26/2026 8:46:26 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Stephen Reynolds	Individual	Support	Written Testimony Only

Comments:

HB 1591 Bill

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and adds PA's and PA students to the list of preceptors and eligible students.

My testimony is in *STRONG SUPPORT OF* HB1591 HD1 because it will include physician assistants (PA's) and physician assistant students in the Preceptor Tax Credit (PTC) program. This will create equitable opportunities for clinical education among PAs and advanced practice registered nurse (APRN) students of Hawai'i based academic institutions, and equity among PA and APRN preceptors who voluntarily supervise clinical training rotations; whereas currently only physicians and APRNs who precept medical or APRN students are eligible for the PTC.

I live and work on a rural island with great need for both more specialists and primary care providers of all degree types. I have experienced long wait times and difficulty accessing a provider. This is a well known issue and it feels as though there are few practical, straightforward ideas in the pipeline to try and address it. Releasing already existing money so that currently active Hawaii based providers can train more providers for Hawaii seems like just such a solution.

My hope is that this PTC will support more PA's in primary and specialty care to become preceptors - especially on the neighbor islands where there are fewer institutional resources. I also hope this PTC will facilitate more local opportunities for PA students from

Hawai'i to be able to stay and learn here, then graduate to be the medical professionals our islands sorely need.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impacts the quality of care provided to the communities of Hawai'i.

Thank you,

Stephen Reynolds

DATE: 2/26/2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Mei Lin Akinaka
PA-S

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM

Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and **adds physician assistants and physician assistant students** to the list of preceptors and eligible students.

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I am a PA student and am so grateful for the healthcare providers that chose to volunteer their time to train me. Through training they help to train the upcoming health care providers. They help to make sure that I will treat patients optimally and I'm grateful to have their training and wisdom to gain the skill and confidence to become a provider.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

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HB-1591-HD-1

Submitted on: 2/25/2026 4:51:05 PM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Anne Scharnhorst	Individual	Support	Written Testimony Only

Comments:

TESTIMONY IN STRONG SUPPORT on HB 1591, HD1

Chair Todd, Vice Chair Takenouchi, and members of the Committee: Thank you for the opportunity to testify in **strong support of this measure**. By way of this measure, **I** do not ask for new or expanded appropriations to the tax credit program.

This measure, HB 1591, HD1, proposes to clarify the definition of preceptor to allow a broader array of specialty providers who engage in teaching future primary care providers, clarify the definition of “volunteer-based supervised clinical training rotation” related to both time spent teaching students and what constitutes compensation for precepting, and amend the Preceptor Credit Assurance Committee to improve administration and roles. In addition, this measure increases access to the tax credit program by including all specialties who engage in precepting, and expand the professions to include physician assistants, social workers, and dietitians.

I respectfully ask the Committee to pass this measure through your committee **and** thank your committee for its commitment to the people of Hawai‘i and ensuring access to high-quality health care by supporting local healthcare education and training initiatives.

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

Thank you for the opportunity to testify in support of HB1591.

I am Miki Miura, a family nurse practitioner, and I strongly support HB1591. As a former nurse practitioner student and a current enthusiastic preceptor for nurse practitioner students, I cannot overstate the importance of preceptors in developing capable future clinicians. Healthcare is complex to learn, and preceptors help students apply their textbook and lecture knowledge in real-world settings. Many nurse practitioners are interested in teaching students, but also feel pressure to be productive and see many patients, as their employers expect them to generate enough revenue to sustain their practices. I empathize with colleagues who were discouraged from participating in preceptorship, as I know firsthand that teaching students while running a busy clinic is a time- and energy-intensive responsibility. This preceptor tax credit can incentivize nurse practitioners to serve as preceptors and help to show appreciation for preceptors' contributions to the community. Furthermore, the tax credit should be expanded to include non-primary-care clinicians and residency and fellowship programs, as proposed in this bill. There is a critical need for competent clinicians across diverse settings. Please support this bill.

Thank you for this opportunity to testify.

Sincerely,
Miki Miura, DNP, APRN, FNP-C

HB-1591-HD-1

Submitted on: 2/26/2026 7:59:18 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeanelle Ahuna	Individual	Support	Written Testimony Only

Comments:

DATE: 2/25/26

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: NAME
SPECIALTY
PLACE OF PRACTICE

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM
Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

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I have been a PA practicing at a community health center since 2008, my first job out of school. And I continue to serve those with disadvantages in health and social determinants of health at Waikiki Health. Even though a new graduate in 2008, I quickly became accustomed to having either possible pre-PA students shadow me and precepted PA and NP students as early as in

2009. There is value in teaching the new classes coming up to meet the demands and shortages in healthcare, and this bill would support these populations.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars/tax year. The program as it stands, awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equality, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

Jeanelle Ahuna DMSc, PA-C
Waikiki Health

HB-1591-HD-1

Submitted on: 2/26/2026 8:16:49 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Paige Lovett	Individual	Support	Written Testimony Only

Comments:

To whom it may concern:

I am writing in support of HB 1591. Having been a physician assistant in Hilo, Hawai'i for the last 12+ years, I have trained countless PA students from visiting mainland schools, as well as local and visiting NP students. I was fortunate to first come to Hilo in 2011 on my pediatrics rotation in PA school; that experience is why I am here all these years later. Training future providers is an honor and privilege.

We are so fortunate to now have a few PA programs in Hawaii. With these exciting updates in education, it is important that we update the preceptor tax credit to reflect the important work we do to train future providers.

Any incentive we can offer to encourage qualified providers to come to the outer islands (and to stay!) is integral in improving the quality of life for our communities. Physician assistants are a huge part of increased access to care for our underserved communities, and it is time the legislature reflects that.

Together, we can work towards a healthier future for Hawai'i, and we know it takes the whole team. Physician assistants deserve a seat at the table.

With aloha,
Paige Lovett, PA-C

HB-1591-HD-1

Submitted on: 2/26/2026 6:48:47 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaley Ann Dang	Individual	Support	Written Testimony Only

Comments:

Dear Chair Todd and Vice-Chair Takenouchi,

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Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

HB-1591-HD-1

Submitted on: 2/25/2026 8:50:58 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Emma Waters	Individual	Support	Written Testimony Only

Comments:

Writing in strong support of this important bill. Mahalo!

DATE: 02/26/2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Leahikailimailani Fautua
PA-S1
University of Washington MEDEX Kona

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM

Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

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Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impact the quality of care provided to the communities of Hawai'i.

DATE: February 26, 2026

TO: Representative Chris Todd, Chair
Representative Jenna Takenouchi, Vice-Chair
House Committee on Finance

FROM: Risa Sugahara, PA-S2
Clinical Year PA Student from the Kona Campus
University of Washington MEDEX PA Program

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM

Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

Thank you for the opportunity to provide testimony on HB1591 HD1, which expands the definitions of preceptor and volunteer based supervised training rotations 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 and adding physician assistants and physician assistant students to the list of preceptors and eligible students.

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As a physician assistant student born and raised in Hawai'i, I have personally experienced the challenges of securing clinical rotations in our state. Many PAs are deeply committed to teaching, but they must balance patient care, productivity expectations, and administrative responsibilities. Because PA preceptors are not currently eligible for the Preceptor Tax Credit, some providers understandably decline to take students due to the uncompensated time commitment. As a result, I have had to travel outside of Hawai'i for half of my clinical rotations. For just one four-week rotation, I spent over \$5,000 on airfare, housing, transportation, and living expenses. These costs add significant financial strain on students who are already managing the burden of graduate education. Beyond the financial impact, training away from home disrupts continuity of learning within our local healthcare systems and reduces opportunities to build long-term professional relationships in the communities we hope to serve. When PAs are supported and incentivized to precept, students are more likely to train locally and ultimately remain in Hawai'i to practice, strengthening our healthcare workforce.

It is important to note that the proposed revisions to the PTC will not result in an increase in the Preceptor Tax Credit. The current cap on the tax credit is 1.5 million dollars per tax year. The program as it stands awarded \$676,000 in tax credits in 2024, with a cumulative \$2,657,000 tax credits issued to Hawai'i's currently eligible preceptors since the program started in 2019. By expanding eligibility to

include additional healthcare providers, these excess funds can be allocated more effectively to support a broader range of preceptors and students. Expanding this program ensures that these resources are used to maximize their impact on healthcare education, equity, and access.

Thank you again for the opportunity to provide supportive testimony on this important issue that ultimately impacts the quality of care provided to the communities of Hawai'i.

Respectfully,
Risa Sugahara, PA-S2

HB-1591-HD-1

Submitted on: 2/27/2026 10:10:38 AM

Testimony for FIN on 2/27/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Keely Hiraoka	Individual	Support	Written Testimony Only

Comments:

DATE: 2/27/2026

TO: Representative Chris Todd, Chair Representative Jenna Takenouchi, Vice-Chair House Committee on Finance

FROM: Keely Hiraoka PA-C, Hawaii Island Community Health Center

RE: HB1591 HD1 RELATING TO HEALTH PRECEPTORS

Hearing Date/time: Friday 2-27-26 10:00 AM Place: Conference Room 308 & via Videoconference

Dear Chair Todd and Vice-Chair Takenouchi,

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