

Honolulu, Hawaii

APR 03 2008

RE: H.B. No. 2306  
H.D. 2  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2306, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION,"

begs leave to report as follows:

The purpose of this measure is to avoid increasing the costs of health care services delivered to military members or their dependents through the TRICARE program.

Specifically, this measure exempts from the state general excise tax amounts received by managed care support contractors as reimbursements of costs or advances made pursuant to a contract for the administration of the federal TRICARE program. This measure would become effective upon approval and is retroactive to January 1, 2005.

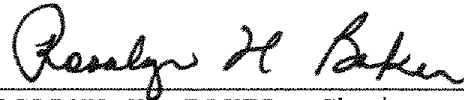
Testimony in support of this measure was submitted by TriWest Healthcare Alliance, Inc. Comments on this measure were submitted by the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that this measure would clarify that reimbursements received by managed care support contractors through the TRICARE program, for health services provided to military personnel or their dependents in Hawaii, are not subject to the state general excise tax.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2306, H.D. 2, S.D. 2, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,




ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

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

Bill / Resolution No.:*	Committee Referral:	Date:		
HB2304, HD2, SDL	HTH, EDT, WAM	3/28/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
INOUYE, Lorraine R.	/			
KIM, Donna Mercado	/			
MENOR, Ron				/
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
WHALEN, Paul	/			
<b>TOTAL</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>3</b>
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes