

STAND. COM. REP. NO. 1279

Honolulu, Hawaii

March 27, 2009

RE: S.B. No. 427

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred S.B. No. 427 entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure that recipients of managed health care under the TRICARE Program (Program) are not subject to increased costs by excluding from the general excise tax, amounts received by a Program managed care support contractor under a contract with the United States, for the actual cost of, or advancement to third party health care providers for the cost of, health care services provided under the Program.

The Chamber of Commerce of Hawaii, TriWest Healthcare Alliance Inc., and Hawaii Medical Service Association supported this bill. The Department of Taxation and Tax Foundation of Hawaii commented on this bill.

Your Committee understands that this bill is necessary to dispel any uncertainty that may exist as to whether the amounts specified under this bill are subject to the state general excise tax.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 427 and recommends that it be referred to the Committee on Finance.

SB427 HSCR EBM HMS 2009-3343



Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Revitalization, Business, &  
Military Affairs,

  
ANGUS L.K. MCKELVEY, Chair



State of Hawaii  
House of Representatives  
The Twenty-fifth Legislature

**Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs**

Bill/Resolution No.: <i>SB 427 SSCR 759</i>	Committee Referral: <i>HLT, EBM, FIN</i>	Date: <i>3/24/09</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. CHOY, Isaac W. (VC)	/			
3. BERG, Lyla B.				/
4. EVANS, Cindy	/			
5. MANAHAN, Joey				/
<del>6. TAKAI, K. Mark</del>				
7. TOKIOKA, James Kunane	/			
8. TSUJI, Clift	/			
9. WAKAI, Glenn				/
10. WOOLEY, Jessica	/			
11. WARD, Gene	/			
TOTAL (11)	7			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <i>Isaac W. Choy</i>				
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