

Honolulu, Hawaii

Feb 26, 2010

RE: H.B. No. 2852
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2852 entitled:

"A BILL FOR AN ACT RELATING TO THE INSURANCE PREMIUM TAX,"

begs leave to report as follows:

The purpose of this bill is to raise additional revenue by temporarily imposing, from July 1, 2010, to June 30, 2015, the insurance premium tax on mutual benefit societies and health maintenance organizations. This bill also establishes a credit against the insurance premium tax that a health insurer offering health insurance plans may claim for expenditures on medical workforce promotion, health workforce education, or indigent health care programs.

The Department of Commerce and Consumer Affairs, National Fraternal Congress of America, and Kaiser Permanente Hawaii testified in opposition to this bill. The Tax Foundation of Hawaii and Hawaii Medical Service Association offered comments.

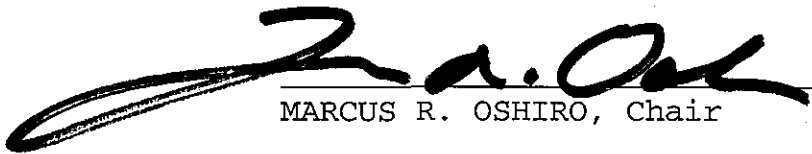
Your Committee has amended this bill by:

- (1) Excluding fraternal benefit societies that offer benefit contracts from the insurance premium tax; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2852, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2852, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR529

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 2852	Committee Referral: Fin	Date: 2/23/10		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. AWANA, Karen Leinani	✓			
5. BROWER, Tom	✓			
6. CHOY, Isaac W.	✓			
7. COFFMAN, Denny	✓			
8. HAR, Sharon E.	✓			
9. KEITH-AGARAN, Gilbert S.C.	✓			
10. LEE, Chris	✓			
11. NISHIMOTO, Scott Y.	✓			
12. SAGUM, Roland D., III	✓			
13. TOKIOKA, James Kunane	✓			
14. WOOLEY, Jessica		✓		
15. YAMASHITA, Kyle T.	✓			
16. FINNEGAN, Lynn		✓		
17. WARD, Gene				✓
TOTAL (17)	14	2	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____ <i>Marilyn B. Lee</i> _____				
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