STAND. COM. REP. NO. 827 -12

Honolulu, Hawaii Manh 2, 2012

RE: H.B. No. 1723 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1723 entitled:

"A BILL FOR AN ACT RELATING TO THE TRICARE PROGRAM, "

begs leave to report as follows:

The purpose of this measure is to make permanent, the general excise tax exemption for certain amounts received by a managed care support contractor of the TRICARE Program for the actual cost or advancement to third party health care providers.

The Department of Taxation; Oahu Veterans Council; Military Officers Association of America, Hawaii Chapter; TriWest Healthcare Alliance Inc; Hawaii Medical Service Association; and an individual testified in support of this measure. The Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by extending the general excise tax exemption from December 31, 2013, to December 31, 2015.

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. 1723, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1723, H.D. 1.



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

MARCUS R. OSHIRO, Chair



State of Hawaii House of Representatives The Twenty-sixth Legislature

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Record of Votes of the Committee on Finance

| Bill/Resolution No.: Com<br>HB 1723 HU               | mittee Referral:<br>TPBM_FIN           | Date  | 2/28                                   | 12          |
|--|--|---|--|-------------|
| □ The committee is reconsidering its previous de     |  |   | <u> </u>                               |             |
| The recommendation is to:□Pass, uname□Pass short for | nded (as is) Pas                       | ss, with amendments (<br>mmit for future public |  |             |
| FIN Members  | Ayes                                   | Ayes (WR)                                       | Nays                                   | Excused     |
| 1. OSHIRO, Marcus R. (C)                             |  |   | - 11/100-1                             |             |
| 2. LEE, Marilyn B. (VC)                              |  |   |  | <u> </u>    |
| 3. CHOY, Isaac W.                                    |  |   |  |             |
| 4. CULLEN, Ty  |  | t   |  |             |
| 5. GIUGNI, Heather                                   |  |   |  |             |
| 6. HAR, Sharon E.                                    |  |   |  |             |
| 7. HASHEM, Mark J.                                   |  |   |  |             |
| 8. ICHIYAMA, Linda                                   |  |   |  |             |
| 9. JORDAN, Jo  |  |   |  | 1           |
| 10. KAWAKAMI, Derek S.K.                             |  |   |  |             |
| 11. LEE, Chris                                       |  |   |  |             |
| 12. MORIKAWA, Dee                                    |  |   |  |             |
| 13. TOKIOKA, James Kunane                            |  |   | ······································ |             |
| 14. YAMASHITA, Kyle T.                               |  |   |  |             |
| 15. MARUMOTO, Barbara C.                             | 1                                      |   |  |             |
| 16. RIVIERE, Gil                                     |  | -   | <u>  t -</u>                           | <u> </u>    |
| 17. WARD, Gene                                       |  |   |  | <u>_</u>    |
|  | ······································ |   |  |             |
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| TOTAL (17)   | 17                                     | 0   | $\diamond$                             | 0           |
| The recommendation is: Adopted<br>If joint referral, | Not Adopte committee acronym(s         | did not suppor                                  | trecommendation                        |             |
| Vice Chair's or designee's signature:                | Mar                                    | ily B.  | Jee                                    |             |
| Distribution: Original (White) – Committee           | Duplicate (Yellow) -                   | Chief Clerk's Office                            | Duplicate (P                           | ink) – HMSO |

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