

Honolulu, Hawaii

March 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.

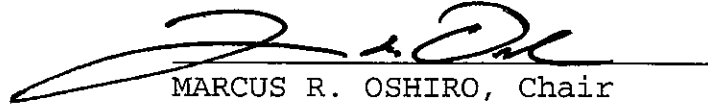
The Department of Taxation; Oahu Veterans Council; Military Officers Association of America, Hawaii Chapter; TriWest Healthcare Alliance Inc; Hawaii Medical Service Association; and an individual testified in support of this measure. The Tax Foundation of Hawaii commented on this measure.

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.



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

  
MARCUS R. OSHIRO, Chair



