

Honolulu, Hawaii

March 16, 2012

RE: S.B. No. 2101  
S.D. 1  
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 Health, to which was referred S.B. No. 2101, S.D. 1, 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 on funds received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third-party health care providers pursuant to a contract with the United States.

The Military Officers Association of America, The Chamber of Commerce of Hawaii, and Hawaii Medical Service Association testified in support of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

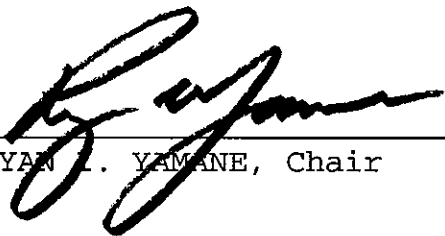
Your Committee has amended this measure by:

- (1) Clarifying the preamble by updating the figure for the number of current and former service members and their family members who reside in Hawaii; and
- (2) Changing the effective date to July 1, 2012.



As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2101, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2101, S.D. 1, H.D. 1, and be referred to the Committee on Public Safety & Military Affairs.

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



---

RYAN L. YAMANE, Chair



