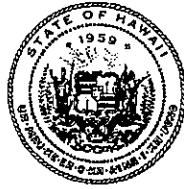


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LATE

To: The Honorable Marcus R. Oshiro, Chair
and members of the House Committee on Finance

Date: Tuesday, February 28, 2012
Time: 10:00 a.m.
Place: Conference Room 308, State Capitol

From: Frederick D. Pablo, Director
Department of Taxation

Re: H.B. No. 1801, H.D. 1, Relating to the Hawaii Employer-Union Health Benefits Trust Fund

The Department of Taxation (Department) appreciates the intent of H.B. 1801, H.D. 1, but defers to the Department of Budget and Finance on the merits of the bill.

H.B. 1801 provides for the automatic deposit of general excise tax revenues into the Hawaii employer-union health benefits trust fund to amortize the trust fund's unfunded actuarial accrued liability. The Department will be able to implement these measures if adopted.

Thank you for the opportunity to provide comments.