

STAND. COM. REP. NO.

2335

Honolulu, Hawaii

FEB 13 2014

RE: S.B. No. 2350  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committees on Public Safety, Intergovernmental and Military Affairs and Health, to which was referred S.B. No. 2350 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION,"

beg leave to report as follows:

The purpose and intent of this measure is to clarify that the amounts received by a contractor of the patient-centered community care program for the costs or advancement to third party health care providers, pursuant to a contract with the United States Department of Veterans Affairs for the administration of the patient-centered community care program, are excluded from the state general excise tax.

Your Committees received testimony in support of this measure from the Department of Taxation and TriWest Healthcare Alliance Inc. Your Committees received comments on this measure from the Tax Foundation of Hawaii.

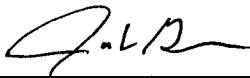
Your Committees find that there is a need to support health care administrators and to avoid increasing the costs of health care services delivered through the patient-centered community care program. It is necessary to clarify that the amounts received by a contractor of the patient-centered community care program are not subject to the state general excise tax.



Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2350, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2350, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Public Safety,  
Intergovernmental and Military  
Affairs and Health,



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JOSH GREEN, Chair



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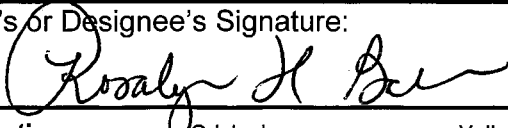
WILL ESPERO, Chair





The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Health**  
**HTH**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB2350	PSM/HTH, WAM	2-5-14		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GREEN, M.D., Josh (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
CHUN OAKLAND, Suzanne				✓
NISHIHARA, Clarence K.				✓
SLOM, Sam	✓			
<b>TOTAL</b>	3	—	—	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes