
A BILL FOR AN ACT

RELATING TO HEALTH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that in the State of
2 Hawaii, the need for viable organ donations, especially kidney
3 donations, has increased as our population becomes older,
4 obesity has risen, and diabetes has affected the lives of so
5 many of our residents.

6 Concurrently, the pool of donors has remained quite small,
7 providing fewer than ten living donor organ donations per year
8 in the State of Hawaii, yet there are currently more than four
9 hundred fifty people on Hawaii's organ transplant list waiting
10 for donations. In recent years, Hawaii has maintained the
11 longest transplant list, per capita, of any state in the United
12 States.

13 The geographical and financial challenges to donating an
14 organ in Hawaii also contribute to the low incidence of
15 donations. Many potential donors live on the neighbor islands,
16 and the only available transplant team in Hawaii is located at
17 The Queen's Medical Center in Honolulu. Because of this



1 geographical challenge, many potential neighbor island donors
2 cannot afford to provide the donation due to the costs of
3 travel, lost wages, high Honolulu lodging costs, and other
4 related expenses. The legislature finds that this has caused a
5 disturbing and virtually silent crisis for those in Hawaii who
6 need organ transplants.

7 A surprising number of those waiting for organs in Hawaii
8 are children, many of whom may not survive to adulthood without
9 a transplant. For those with kidney disease, the cost of kidney
10 dialysis is approximately \$500 per patient per treatment. With
11 most patients requiring at least three treatments a week, that
12 adds up to approximately \$78,000 per kidney patient, per year,
13 in costs, most of which is paid through the state medicaid
14 program. These are costs that could largely be eliminated
15 through a transplant. Hawaii virtually never receives adult
16 kidneys or other organs from mainland transplant teams because
17 of the geographical distance.

18 Hawaii also faces ethnic and cultural challenges to living
19 organ donation. For example, Pacific islanders often have an
20 antigen in their blood that requires them to receive organs from
21 an ethnically similar donor with the same antigen. Native



1 Hawaiian, Pacific islander, Filipino, and Japanese ethnic groups
2 traditionally have a risk for chronic kidney disease that is two
3 to four times greater than other ethnicities in Hawaii, also
4 contributing to greater need for local donors. Kidney
5 recipients who receive a kidney donated by a living donor rather
6 than a cadaver donor tend to live twice as long. Therefore,
7 living donor kidneys are, by far, the best choice for
8 recipients. Finally, organ donations - especially kidney
9 donations - are easier and safer, and the recovery time is much
10 faster today than years ago.

11 SECTION 2. Chapter 235, Hawaii Revised Statutes, is
12 amended by adding a new section to be appropriately designated
13 and to read as follows:

14 "§235- Other provisions as to gross income, adjusted
15 gross income, and taxable income; organ donation. For taxable
16 years beginning after December 31, 2015, there shall be excluded
17 from gross income, adjusted gross income, and taxable income an
18 amount not to exceed \$10,000 for unreimbursed travel expenses,
19 lodging expenses, and lost wages incurred by any taxpayer who
20 donates one or more organs, while living, to another person for
21 human organ transplantation; provided that the exclusion is



1 claimed for the taxable year in which the human organ
2 transplantation occurs. The exclusion allowed under this
3 section shall not be claimed more than once in any taxable year.

4 For the purposes of this section, "human organ" means all
5 or part of a liver, pancreas, kidney, intestine, lung, eye, or
6 bone marrow."

7 SECTION 3. New statutory material is underscored.

8 SECTION 4. This Act, upon its approval shall apply to
9 taxable years beginning after December 31, 2014.

10

INTRODUCED BY: *R. Donald Croy*

JAN 29 2015



H.B. NO. 1419

Report Title:

Tax Deduction; Organ Donation

Description:

Allows, for taxable years beginning after 12/31/2014, an exclusion from gross income for up to \$10,000 for unreimbursed travel expenses, lodging expenses, and lost wages incurred by a taxpayer who donates an organ, while living, to another person.

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