

Honolulu, Hawaii

February 16, 2018

RE: H.B. No. 1967
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1967, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTHCARE PRECEPTOR TAX CREDITS,"

begs leave to report as follows:

The purpose of this measure is to incentivize volunteer preceptors who offer professional instruction, training, and supervision to students and residents seeking careers as healthcare providers by:

- (1) Providing a tax credit to volunteer preceptors; and
- (2) Establishing a Healthcare Preceptor Tax Credit Working Group to develop and administer the allocation and distribution of the healthcare preceptor tax credits.

The University of Hawaii, Hawaii State Center for Nursing, Kapi'olani Community College, Board of Nursing, Board of Pharmacy, Hawaii Medical Board, Mayor of the County of Hawaii, Hawaii Medical Association, Hawaii Primary Care Association, Waianae Coast Comprehensive Health Center, The Hawaii Pharmacists Association, R. Weinstein, Inc., Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, American Organization of Nurse Executives - Hawai'i Chapter, Hawaii Pacific



Health, Straub Medical Center, Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, and numerous individuals testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Hawaii Chapter of the American Physical Therapy Association provided comments.

Your Committee has amended this measure by:

- (1) Renaming the Healthcare Preceptor Tax Credit Working Group to Preceptor Credit Assurance Committee;
- (2) Requiring the Preceptor Credit Assurance Committee to verify that a volunteer preceptor taxpayer is qualified to serve as a preceptor and that the student or trainee being supervised is enrolled in an academic program in this State;
- (3) Clarifying that an advanced practice registered nurse student is an individual in a degree-granting academic program that is nationally accredited by the Commission on Collegiate Nursing Education for the education of primary care advanced practice registered nurses and recognized by the Board of Nursing;
- (4) Requiring that an eligible student or trainee be a resident of Hawaii;
- (5) Amending the definition of "nationally accredited" to reference existing statutory chapters that specify acceptable accreditation;
- (6) Deleting the definition of "resident or similar health science trainee";
- (7) Adding a definition for "resident of Hawaii" which means either having established domicile in the State and intending to make Hawaii their primary residence or meeting the criteria for an academic program's residency requirements;
- (8) Clarifying that the Preceptor Credit Assurance Committee shall develop a process:



- (A) Ensuring that requests for credit are reviewed and verifications are processed by January 30th of each calendar year; and
 - (B) Documenting that a volunteer preceptor qualifies for the tax credit;
- (9) Exempting members of the Preceptor Credit Assurance Committee from civil liability for any act done in the furtherance of the purpose for which the committee was established;
 - (10) Exempting the proceedings of the Preceptor Credit Assurance Committee from statutory public meetings requirements; and
 - (11) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1967, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1967, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

RTakumi

ROY M. TAKUMI, Chair



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: <i>HB 1967, HD 1</i>	Committee Referral: <i>HHS, CPC, FIN</i>	Date: <i>2/13/19</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. ITO, Ken	✓			
5. JOHANSON, Aaron Ling				✓
6. LoPRESTI, Matthew S.	✓			
7. MIZUNO, John M.	✓			
8. SAY, Calvin K.Y.	✓			
9. TOKIOKA, James Kunane	✓			
10. YAMANE, Ryan I.	✓			
11. McDERMOTT, Bob	✓			
TOTAL (11)	<i>10</i>	<i>0</i>	<i>0</i>	<i>1</i>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>R. L. ...</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				