

Honolulu, Hawaii  
**FEB 10** , 2022

RE: H.B. No. 1975  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Health, Human Services, & Homelessness, to which was referred H.B. No. 1975 entitled:

"A BILL FOR AN ACT RELATING TO HEALTHCARE PRECEPTORS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the definitions of "preceptor" and "volunteer-based supervised clinical training rotation" to improve accessibility for health care providers to receive income tax credits for acting as health care preceptors; and
- (2) Revise the membership of the Preceptor Credit Assurance Committee to include the Director of Health.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i System, Hawai'i Pacific Health, Hawai'i State Center for Nursing, Hawaii Primary Care Association, The Queen's Health Systems, Kaiser Permanente Hawai'i, Hawaii Medical Association, Hawai'i Association of Professional Nurses, Hua Moon Women's Health LLC, and eight individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii.



Your Committee finds that the healthcare preceptor income tax credit is intended to incentivize volunteer preceptors to offer professional instruction, training, and supervision to students and residents seeking careers as health care providers. Your Committee further finds that during the first-year of implementation of the healthcare preceptor income tax credit in 2019, only a small subset of providers met the credit's eligibility requirements. This measure is intended to clarify compensation limits for volunteer-based supervised clinical training rotations to facilitate the Preceptor Credit Assurance Committee's implementation of the tax credit.

Your Committee has amended this measure by:

- (1) Specifying the eligibility of the tax credit via a technical clarification about compensation limits for preceptors providing volunteer-based supervised clinical training rotations;
- (2) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health, Human Services, & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1975, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1975, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Health, Human  
Services, & Homelessness,



RYAN Z. MAMANE, Chair



Record of Votes of the Committee on Health, Human Services, & Homelessness

Bill/Resolution No.: <b>HB 1975</b>	Committee Referral: <b>HHH, CPC, FIN</b>	Date: <b>02/03/2022</b>		
<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)				
HHH Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. TAM, Adrian K. (VC)	✓			
3. GATES, Cedric Asuega	✓			
4. HAR, Sharon E.	✓			
5. KAPELA, Jeanne	✓			
6. NISHIMOTO, Scott Y.	✓			
7. WARD, Gene	✓			
<b>TOTAL (7)</b>	<b>7</b>			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature:				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				