

Honolulu, Hawaii

**FEB 18**, 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 Consumer Protection & Commerce, to which was referred H.B. No. 1975, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Clarify the limits of when a preceptor may be compensated for standard clinical services while providing a volunteer-based supervised clinical training rotation;
- (2) Amend the definition of "preceptor" to improve accessibility for providers to receive income tax credits for acting as preceptors; and
- (3) Include the Director of Health on the Preceptor Credit Assurance Committee.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i System, Hawai'i State Center for Nursing, Kaiser Permanente Hawai'i, Hawaii Medical Association, Hawai'i Association of Professional Nurses, Hawai'i Pacific Health, The Queen's Health Systems, Hawaii Primary Care Association, Hawai'i - American Nurses Association, Hawai'i



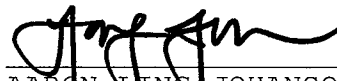
State Rural Health Association, and two individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii.

Your Committee finds that there is a shortage of primary care providers in the State. As a means of addressing the shortage, the healthcare preceptor income tax credit was established 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 although the healthcare preceptor income tax credit provides an incentive to preceptors, the existing statutory definitions have limited the number of preceptors who are eligible for the credit. This measure expands the definition of "preceptor" to include other fields of practice, which will expand the pool of available preceptors to train new health care providers. This measure also clarifies the limits of when a preceptor may be compensated for standard clinical services while providing a volunteer-based supervised clinical training rotation and bolsters the membership of the Preceptor Credit Assurance Committee, which is responsible for certifying the tax credit.

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. 1975, H.D. 1, and recommends that it be referred to your Committee on Finance.

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



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AARON LINN JOHANSON, Chair



State of Hawaii  
House of Representatives  
The Thirty-first Legislature

*HSCR 613-22*

**Record of Votes of the Committee on Consumer Protection & Commerce**

<b>Bill/Resolution No.:</b> <i>HB 1975, HD1</i>	<b>Committee Referral:</b> <i>HHH, CPC, FIN</i>	<b>Date:</b> <i>2-16-22</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
<b>CPC Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. JOHANSON, Aaron Ling (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HAR, Sharon E.	✓			
5. HASHEM, Mark J.				✓
6. KONG, Sam Satoru	✓			
7. MIZUNO, John M.				✓
8. MORIKAWA, Dee	✓			
9. ONISHI, Richard H.K.	✓			
10. TARNAS, David A.	✓			
11. MATSUMOTO, Lauren	✓			
<b>TOTAL (11)</b>	<i>9</i>	<i>0</i>	<i>0</i>	<i>2</i>
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <span style="margin-left: 150px;">committee acronym(s)</span>				
<b>Vice Chair's or designee's signature:</b> <i>[Signature]</i>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				