

Honolulu, Hawaii

FEB 1 8 2022

RE: S.B. No. 2954 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2954 entitled:

"A BILL FOR AN ACT RELATING TO FEMININE HYGIENE PRODUCTS,"

begs leave to report as follows:

The purpose and intent of this measure is to provide an exemption from the General Excise Tax (GET) for the sale of feminine hygiene products in the State, beginning July 1, 2022.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities; Hawaii Food Industry Association; Retail Merchants of Hawaii; Common Cause Hawaii; Hawai'i Public Health Institute; Ma'i Movement Hawai'i, Inc.; Save Medicaid Hawaii; and four 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 feminine hygiene products are a basic need, not a luxury, for persons who menstruate. The imposition of the general excise tax (GET) on these products, therefore, operates as a regressive tax burden on those in lower income households. This measure exempts from the GET, the sale of feminine hygiene products, beginning July 1, 2022.

Your Committee acknowledges the testimony of the Department of Tax, which recommended that the exemption to the GET should be



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made effective January 1, 2023, to allow the Department to make necessary form and computer system modifications. Therefore, your Committee has amended this measure by inserting an effective date of January 1, 2023, to facilitate the administration of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2954, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2954, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Health,

KEOHOKALOLE, Chair



The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
502954	HTH, WAM			2-11-2022	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)					
BAKER, Rosalyn H. (VC)					
MORIWAKI, Sharon Y.	\checkmark				
SAN BUENAVENTURA, Joy A.		V			
FEVELLA, Kurt		V			
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TOTAL		5	-	-	_
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Rosalen H Bake					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes