

DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

ISAAC W. CHOY
DIRECTOR OF TAXATION

To: The Honorable Jarrett Keohokalole, Chair;
The Honorable Rosalyn H. Baker, Vice Chair;
and Members of the Senate Committee on Health

From: Isaac W. Choy, Director
Department of Taxation

Date: Wednesday, February 9, 2022
Time: 1:35 P.M.
Place: Via Video Conference, State Capitol

Re: S.B. 2954, Relating to Feminine Hygiene Products

The Department of Taxation (Department) appreciates the intent of S.B. 2954 and offers the following comments.

S.B. 2954 adds a new section to chapter 237, Hawaii Revised Statutes (HRS), exempting “all gross proceeds arising from the sale of feminine hygiene products within the State” from the general excise tax (GET). “Feminine hygiene products” being defined to include, but not be limited to, sanitary napkins; tampons; panty liners; douches; feminine hygiene syringes; and creams, foams, ointments, jellies, powders, and spray used for vaginal hygiene purposes. The measure takes effect on July 1, 2022.

The Department respectfully requests that any changes to the GET be made effective on January 1, 2023. This will allow sufficient time to make the necessary form and computer system modifications.

Thank you for the opportunity to provide testimony on this measure.



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Joe Carter, Coca-Cola Bottling of Hawaii, *Immediate Past Chair*

TO: Committee on Health
Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 9, 2022
TIME: 1:35pm
PLACE: Via Videoconference

RE: SB2954 Relating to Feminine Hygiene Products

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

HFIA is in support of this measure to exempt the sale of feminine hygiene products from the general excise tax. We believe that sales of food and other necessary items, such as feminine hygiene products should be exempted from the GET. Taxing these items disproportionately impacts lower income Hawaii consumers. We urge the Committee to pass this measure and to consider broader measures to remove regressive taxes on other necessary items and food. We thank you for the opportunity to testify.



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 9, 2022**

Re: SB 2954 RELATING TO FEMININE HYGIENE PRODUCTS

Good afternoon, Chairperson Keohokalole and members of the Sente Committee on Health. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains, and everyone in between.

We are in support of SB 2954 Relating to Hygiene Products. This measure provides an exemption from the GET, beginning July 1, 2022, for the sale of feminine hygiene products in the State.

Feminine hygiene products are a necessity and not a luxury for women. These products can be costly every month when needed. The consumer price index climbed 7% in 2021, the largest 12-month gain since June 1982, according to US Bureau of Labor Statistics. It is our understanding that under food stamps/SNAP and subsidies under the WIC (women, infants, and children) program that help with groceries, these programs do not cover menstrual products. We have all seen the price increases when we go to the grocery store or purchase new shoes or clothing. An exemption from the General Excise Tax would be especially beneficial to women in low income households.

Mahalo for this opportunity to testify.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GET, Feminine Hygiene Products

BILL NUMBER: SB 2954

INTRODUCED BY: GABBARD, ACASIO, CHANG, MISALUCHA, RIVIERE, Wakai

EXECUTIVE SUMMARY: Provides an exemption from the GET, beginning July 1, 2022, for the sale of feminine hygiene products in the State. We observe that the current system taxes all over-the-counter hygiene products regardless of sex and wonder whether the proposed exemption will create inequality.

SYNOPSIS: SYNOPSIS: Adds a new section to chapter 237, HRS, to add a new exemption for amounts received from the sale of feminine hygiene products within the State, “including but not limited to sanitary napkins; tampons; panty liners; douches; feminine hygiene syringes; and creams, foams, ointments, jellies, powders, and sprays used for vaginal hygiene purposes.”

EFFECTIVE DATE: July 1, 2022.

STAFF COMMENTS: The bill is intended to exempt feminine hygiene products from GET.

Existing law, namely section 237-24.3(6), exempts sales of prescription drugs and prosthetic devices. Over-the-counter medicines and products, whether to promote male or female health, are not exempt. Thus, Tax Information Release 86-4 states that “sales of items or merchandise considered not exempt include over-the-counter drugs sold without a prescription or drugs to be used for animals or other pets; medical supplies and devices such as bandages, thermometers, hypodermic needles, diaphragm syringes, gauzes, orthopedic support, inhalation extender devices, food products/supplements, dietary supplements, prophylactics, contact lens preparations, and the like.”

We observe that the current system taxes all over-the-counter hygiene products regardless of sex and wonder whether the proposed exemption will create inequality.

Digested: 2/8/2022

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON HEALTH
ON
SENATE BILL NO. 2954

February 9, 2022
1:35 p.m.
Via Videoconference

RELATING TO FEMININE HYGIENE PRODUCTS

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 2954 adds a new section to Chapter 237, HRS, to exempt feminine hygiene products from the State general excise tax.

B&F notes that the federal American Rescue Plan (ARP) Act restricts states from using ARP Coronavirus State Fiscal Recovery Funds (CSFRF) to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the CSFRF have been spent. If a state cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than the CSFRF, such as:

- By enacting policies to raise other sources of revenue;
- By cutting spending; or
- Through higher revenue due to economic growth.

If the CSFRF provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the U.S. Treasury.

The U.S. Department of Treasury has issued rules governing how this restriction is to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with this ARP restriction.

Thank you for your consideration of our comments.

Statement Before The
SENATE COMMITTEE ON HEALTH
Wednesday, February 9, 2022
1:35 PM
Via Videoconference

in consideration of
SB 2954
RELATING TO FEMININE HYGIENE PRODUCTS.

Chair KEOHOKALOLE, Vice Chair BAKER, and Members of the Senate Health Committee

Common Cause Hawaii submits comments in support of SB2954, which provides an exemption from the GET, beginning July 1, 2022, for the sale of feminine hygiene products in the State.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization dedicated to reforming government and strengthening our representative democracy - one that works for everyone.

Common Cause Hawaii understands that gender and racial equality is a crucial feature of successful democratic societies and effective democratic governments. The high cost of feminine hygiene products is a form of gender-based exclusion, which is especially an issue for marginalized populations. SB 2954 will provide an exemption from GET for the sale of feminine hygiene products in Hawaii starting July 1, 2022, reducing to some extent the financial burden on women and strengthening democracy for all.

Thank you for the opportunity to provide comments in support of SB 2954. If you have questions of me, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii



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Kaiser Permanente

Dina Shek, JD
Medical-Legal Partnership
For Children in Hawai'i

Garret Sugai

Titiimaea Ta'ase, JD
State of Hawai'i, Deputy Public Defender

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community Health
Worker Initiative

COVID-19 Response

Hawai'i Drug & Alcohol Free
Coalitions

Hawai'i Farm to School Hui

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Food Security Coalition

Date: February 8, 2022

To: Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Members of the Committee on Health

Re: Support SB 2954, Relating to Feminine Hygiene Products

Hrg: February 9, 2022 at 1:00 PM via Videoconference

The Hawai'i Public Health Instituteⁱ is in **support of SB 2954**, which exempts feminine hygiene products from the general excise tax.

Eliminating the general excise on feminine hygiene products offsets the regressive nature of sales taxes and will decrease the financial burden on people who menstruate, making these necessities more affordable.

Lack of access to feminine hygiene products may prevent menstruating individuals from fully participating in society, even missing work or school. In addition, reusing or wearing feminine hygiene products for too long can lead to infection. These infections can increase the risk for serious health problems, such as cervical cancer or infertility.

Thank you for the opportunity to provide testimony in support of SB 2954.

Mahalo,

A handwritten signature in black ink, appearing to read 'Amanda Fernandes', written in a cursive style.

Amanda Fernandes, JD
Policy and Advocacy Director

ⁱ Hawai'i Public Health Institute is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.



The Thirty-First Legislature, State of Hawaii
Senate Committee on Health
Honorable Chair Jarrett Keohokalole
Honorable Vice Chair Rosalyn Baker
Senator Sharon Moriwaki
Senator Kurt Fevella
Senator Joy San Buenaventura

Wednesday, February 9, 2022, 1:35 pm

RE: Support for SB2954 - Relating to Exemption on the Sale of Feminine Hygiene Products from the General Excise Tax

Dear Chair Keohokalole, Vice Chair Baker, and members of the Committee,

Ma'i Movement Hawai'i **strongly supports SB2954**, which serves to exempt feminine hygiene products from the general excise tax. Ma'i Movement Hawai'i is a locally grown organization committed to addressing menstrual inequity and ending period poverty, or the inability to buy and access menstrual products, due to factors including but not limited to financial constraints, lack of education, societal shame or stigma, and inadequate access to a clean facilities to maintain proper hygiene.

Ma'i Movement Hawai'i recognizes the all-encompassing societal challenges inherent in tackling the broader issue of period poverty that disproportionately affects students, low-income and houseless girls and women, trans and gender non-conforming individuals, and those that are incarcerated. We are particularly concerned with modeling estimates from a [2020 Aloha United Way ALICE report](#) that found nearly 60% of local families are struggling to meet basic needs due to the ongoing pandemic. Statistics from the [US Census Bureau](#) that take into consideration Hawai'i's high cost of living places 12.5% of the population living below the poverty rate, which is considerably higher than the official poverty measure of 9.5%.

The most recent data collected in Hawaii from the US Census Bureau is even more alarming and provides a deeper understanding of economic conditions and policy effects in Hawaii. According to the [Household Pulse Survey](#) in the last 7 days, 32% of local households report difficulties paying for usual household expenses and 57% reporting difficulties are biologically female. In households with an income less than \$34,999, 84% had some difficulty and nearly a third found it very difficult. Even at the higher income bracket of \$100,000-\$149,999, 48% report difficulties paying usual household expenses.

We know from our work that those struggling to meet basic needs are likely to be the same individuals impacted by period poverty. Period poverty and menstrual inequity are a direct result of socioeconomic,

gender, and racial injustices. The [2021 report conducted by Hawai'i State Commission on the Status of Women and Ma'i Movement Hawai'i](#) revealed the extent of the issue in the state. The exceptionally high cost of living and wage gap for women specifically exacerbate period poverty in Hawai'i. 90% of respondents believe period products are expensive and nearly 30% of respondents reported that they or someone in their household experienced difficulty obtaining period products, of which cost was the most cited reason. Furthermore, 95% of respondents believe the government should remove the tax on period products.

Imposing a tax on period products is essentially imposing a tax on menstruating individuals, including but not limited to girls, women, trans and gender non-conforming individuals. Period products are tax-free in 23 states. Between 2016 and 2020, states, such as Nevada, New York, Florida, Connecticut, Illinois, Ohio, Utah, and Washington, have eliminated taxes on these items.

SB2954 is an initiative that takes steps to end period poverty in Hawai'i. The effort to exempt period products from the general excise tax would take steps to address:

- **Equality** - Taxing period products is unfair and inequitable to those who menstruate and those who do not. Such taxes target those who menstruate and therefore have a discriminatory effect.
- **Public Health** - Access to property period products is crucial to women's and menstruator's health. It has been established that lack of proper menstrual hygiene is linked to many types of infections. (Sumpter & Torondel 2013; House et al. 2013; Sommer et al. 2015). The American Medical Association has even advocated for exempting menstrual hygiene products from sales taxes because "menstrual hygiene products are essential for women's health" (AMA 2016).
- **Affordability and Accessibility** - A [2018 study](#) analyzing the 2005 elimination of menstrual hygiene products from the sales tax base in New Jersey found that low-income consumers enjoy a benefit from the exemption by more than the size of the repealed tax. For high-income consumers, the tax break is shared equally with producers. The results suggest exempting period products from the general excise tax would remove an unequal tax burden and make period products more accessible. (Cotropia, 2018).
- **Basic Needs** - Currently, recipients of benefits provided under the Supplemental Nutrition Assistance Program, Women, Infant, and Children (WIC) program, and the Temporary Assistance for Needy Families program cannot use their benefits to purchase period products and other basic hygienic products. We have anecdotal evidence that recipients subject themselves to unhygienic alternatives or exchange food for period products because of restrictions with government assistance for the most basic needs.

We urge you to support **SB2954** and welcome you to contact us with any additional questions you may have. Mahalo for your leadership and service to Hawai'i!

Aloha,

Nikki-Ann Yee
Co-Founder & President
Ma'i Movement Hawai'i

SB-2954

Submitted on: 2/7/2022 11:38:14 AM

Testimony for HTH on 2/9/2022 1:35:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Doris Segal Matsunaga	Testifying for Save Medicaid Hawaii	Support	No

Comments:

Save Medicaid Hawaii supports this measure

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 09, 2022

The Honorable Senator Jarrett Keohokalole, Chair
Senate Committee on Health
The Thirty-First Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Senator Keohokalole and Committee Members:

SUBJECT: SB2954 Relating to Feminine Hygiene Products

The Hawaii State Council on Developmental Disabilities **SUPPORTS SB2954**, which provides an exemption from the GET, beginning July 1, 2022, for the sale of feminine hygiene products in the State.

Individuals with intellectual/developmental disabilities (I/DD) living in a licensed or certified home only receive a \$50 a month personal allowance for their monthly incidental expenditures. The personal allowance these individuals receive has not been increased since 2007. This allowance is for the individual to use on incidental items the individuals may want, such as; telephone expenses, hobbies, prescription drugs, haircuts, clothing, snacks, eating out, bus fair, etc. However, these individuals usually have little money left to spend after paying for essential items of their choice, such as, feminine hygiene products including menstrual items.

Females living in these circumstances should not be forced to use half of their allowance on feminine hygiene products of their choice. Any decrease in the cost of these items can help support our individuals that require these feminine hygiene products in their daily lives.

Thank you for the opportunity to submit testimony in **support of SB2954**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator

SB-2954

Submitted on: 2/7/2022 12:17:46 PM

Testimony for HTH on 2/9/2022 1:35:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Cyd L. Hoffeld	Individual	Support	No

Comments:

Aloha Chair Keohokalole, Vice Chair Baker and Members of the Health Committee,

My name is Cyd L. Hoffeld and I **strongly support SB2954** which provides an exemption from the GET, for the sale of feminine hygiene products in the State. As a Kanaka Maoli woman who was born and raised in Hilo and is a mother of two daughters, I understand the struggles of having jobs that don't pay a living wage while living in a state with the highest cost of living.

Exempting the GET from the sale of feminine hygiene products is a step in the right direction for helping families and individuals who struggle with the excessive costs of these supplies that directly affect our physical, mental, and financial health and wellbeing.

Thank you for the opportunity to testify in **strong support** of **SB2954**.

Cyd L. Hoffeld

SB-2954

Submitted on: 2/7/2022 2:52:55 PM

Testimony for HTH on 2/9/2022 1:35:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Deborah G. Nehmad	Individual	Support	No

Comments:

Tis legisltion is overdue

RYAN KAWAILANI OZAWA

P.O. Box 892727

Mililani, HI 96789-8332

Main: (808) 707-3027

Fax: (808) 427-9227



@hawaii A row of small, black icons for various social media platforms including Instagram, Twitter, YouTube, LinkedIn, Facebook, and others.

Email: hawaii@hey.com

February 7, 2022

Aloha, Senator Jarrett Keohokalole, Chair; Senator Rosalyn H. Baker, Vice Chair; and members of the Committee on Health:

I am writing to express my **support** of SB2954 Relating to Feminine Hygiene Products. This bill is an important counterpart to SB2821 SD1 in supporting menstrual equity.

Last year, the Hawaii State Commission on the Status of Women and the Ma'i Movement Hawaii published a report that found half of all survey respondents reported missing a day of school or work due to menstruation. One in five said they had to prioritize other necessities such as food and electricity over purchasing menstrual products.

It is my belief that Hawaii should join the majority of other states in recognizing that there are certain commodities that individuals must purchase to survive. Accordingly, most states offer product-specific tax exemptions for items such as food, clothing, prescription medicines, and medical (prosthetic) devices. Those states that don't provide a complete exemption for these items often impose a lower tax rate on them.

Hawaii should start by exempting feminine hygiene products from the GET, then extend this exemption to make other necessities more accessible.

The Hawaii tax system is highly regressive, relying on the General Excise Tax, or GET, while having a progressive, graded state income tax and the lowest property taxes in the nation. And studies have shown this approach has a more adverse impact on lower income residents.

Thank you very much for the opportunity to testify on this matter.



Ryan Kawaiiani Ozawa

SB-2954

Submitted on: 2/7/2022 5:34:15 PM

Testimony for HTH on 2/9/2022 1:35:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Patricia Bilyk	Individual	Support	No

Comments:

TO: Senator Jarrett Keohokalele, Chair , Senator Rosalyn Baker, Vice Chair and Members of the Health Committee

FROM: Patricia L. Bilyk, RN, MSN, MPH

RE: SB 2954 Relating to Feminine Hygiene Products **STRONG SUPPORT**

DATE: Wednesday, February 9, 2022 1:35pm

Aloha Senator Keohokalele, Senator Baker and Members of the Health Committee, I am Patricia Bilyk, a Maternal Child Clinical Nurse Specialist practicing in the public health arena throughout the State for more than 50 years.

I stand in strong support of SB 2954. I feel it is important for our community to further support females and menstruating people by providing tax relief for the constant need of feminine products, specifically pads, and tampons.

I encourage this Committee to pass this bill out of committee. Thank you for the opportunity to testify on this issue.

SB-2954

Submitted on: 2/8/2022 5:14:15 PM

Testimony for HTH on 2/9/2022 1:35:00 PM

LATE

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Tami Whitney	Individual	Support	No

Comments:

Dear Chair Keohokalole, Vice Chair Baker and members of the HTH committee,

I am in strong support of this measure which would provide an exemption from the GET, beginning July 1, 2022, for the sale of feminine hygiene products in the State.

Thank you for the opportunity to submit testimony.

Tami Whitney