

STAND. COM. REP. NO.

667

Honolulu, Hawaii

FEB 17 , 2023

RE: H.B. No. 1050

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committees on Economic Development and Health & Homelessness, to which was referred H.B. No. 1050 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX EXEMPTIONS,"

beg leave to report as follows:

The purpose of this measure is to exempt certain groceries, feminine hygiene products, incontinence products, and over-the-counter drugs from the general excise tax.

Your Committees received testimony in support of this measure from the Office of the Governor, Department of Human Services, Hawaii State Council on Developmental Disabilities, Hawai'i Public Health Institute, Ma'i Movement Hawai'i, Hawaii Food Industry Association, Hawai'i Farm Bureau, Local Food Coalition, Hawai'i Health & Harm Reduction Center, Period Law, Maui Chamber of Commerce, Hawai'i Food Bank, Period. Inc., and nine individuals. Your Committees received comments on this measure from the Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, and Grassroot Institute of Hawaii.

Your Committees find that the high cost of living in Hawaii has made it difficult for households to afford basic necessities. Your Committees further find that lower income households spend a higher percentage of their income on food and essential items.

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Taxes on these items disproportionately impact lower income families in Hawaii. Your Committees believe that a general excise tax exemption on groceries, feminine hygiene products, incontinence products, and over-the-counter medicines will help make these essential household items more affordable.

Your Committees have amended this measure by:

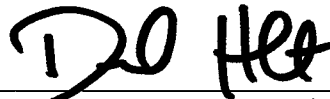
- (1) Changing its effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development and Health & Homelessness that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1050, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1050, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development and Health &
Homelessness,



DELLA AU BELATTI, Chair



DANIEL HOLT, Chair



State of Hawaii
House of Representatives
The Thirty-second Legislature

HSCR 667

Record of Votes of the Committee on Health & Homelessness

Bill/Resolution No.: HR1050	Committee Referral: ECD/HLT, FIN	Date: 2/10/23		
<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)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)	/			
2. TAKENOUCHI, Jenna (VC)	/			
3. AMATO, Terez	/			
4. ILAGAN, Greggor	/			
5. KOBAYASHI, Bertrand	/			
6. MIZUNO, John M.				/
7. NISHIMOTO, Scott Y.				/
8. GARCIA, Diamond				/
TOTAL (8)	5			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				