

STAND. COM. REP. NO.

7732

Honolulu, Hawaii

FEB 11, 2025

RE: H.B. No. 572
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which
was referred H.B. No. 572 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Exempt food and groceries from the General Excise Tax;
and
- (2) Expand General Excise Tax exemptions to include certain
healthcare-related goods or services that were not
purchased under the Medicare, Medicaid, and TRICARE
programs.

Your Committee received testimony in support of this measure
from the Hawai'i Association of Professional Nurses; Hawaii Food
Industry Association; University of Hawai'i System; AlohaCare;
Hawaii Association of Health Plans; Grassroot Institute of Hawaii;
Maui Chamber of Commerce; Hawaii Cattlemen's Council, Inc.;
Chamber of Commerce Hawaii; and numerous individuals. Your
Committee received comments on this measure from the Department of
Taxation and Tax Foundation of Hawaii.

2025-1474 HB572 HD1 HSCR HMSO



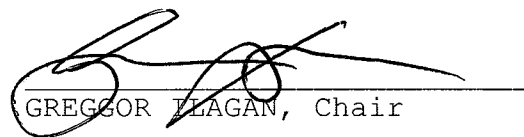
Your Committee finds that expenses related to healthcare and food and groceries contribute heavily to the high cost of living in Hawaii. This measure seeks to lower the cost of living in the State by exempting food and groceries from the General Excise Tax and expanding General Excise Tax exemptions to include certain healthcare-related goods or services that were not purchased under the Medicare, Medicaid, and TRICARE programs.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) 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 Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 572, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 572, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,


GREGOR ILAGAN, Chair



HSCR 332

Bill/Resolution No.: HB 572		Committee Referral: ECD, FIN		Date: 2/5/00	
<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)					
ECD Members		Ayes	Ayes (WR)	Nays	Excused
1. ILAGAN, Greggor (C)		/			
2. HUSSEY, Ikaika (VC)		/			
3. HOLT, Daniel		/			
4. TAM, Adrian K.		/			
5. TEMPLO, Shirley Ann		/			
6. TODD, Chris		/			
7. MATSUMOTO, Lauren		/			
TOTAL (7)		7	—	—	—
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: _____					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					