

Honolulu, Hawaii
Feb 12, 2008

RE: H.B. No. 2306
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Public Safety & Military Affairs, to which was referred H.B. No. 2306 entitled:

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

begs leave to report as follows:

The purpose of this bill is to clarify that amounts received by TriWest as reimbursements of costs or advances made pursuant to a contract for the administration of the federal TRICARE program are exempt from general excise tax (GET).

TriWest and Hawaii Medical Service Association supported this bill. The Department of Taxation and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this bill by:

- (1) Clarifying that the GET exemption will be for amounts for reimbursement of costs or advances made to health care providers; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Public Safety & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2306, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Public Safety &
Military Affairs,

Cindy Evans

CINDY EVANS, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSUR 346-08

Record of Votes of the Committee on Public Safety & Military Affairs

Bill/Resolution No.: HB 2306	Committee Referral: PSM FIN	Date: 2/7/08		
<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)				
PSM Members	Ayes	Ayes (WR)	Nays	Excused
1. EVANS, Cindy (C)	X			
2. HAR, Sharon E. (VC)	X			
3. LEE, Marilyn B.	X			
4. LUKE, Sylvia	X			
5. McKELVEY, Angus L.K.	X			
6. NAKASONE, Bob				X
7. NISHIMOTO, Scott Y.	X			
8. SONSON, Alex M.	X			
9. SOUKI, Joseph M.	X			
10. TAKAMINE, Dwight Y.	X			
11. TAKUMI, Roy M.	X			
12. FINNEGAN, Lynn	X			
13. PINE, Kymberly Marcos	X			
TOTAL (13)	12			1
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				