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# A BILL FOR AN ACT

RELATING TO TRAUMA CARE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that trauma care in  
2 Hawaii is in a state of crisis and recognizes that trauma care  
3 is a public health priority.

4           Injury is the leading cause of death for persons between  
5 the ages of one to forty-four in the State of Hawaii. This is  
6 more than the deaths caused by cancer and heart disease  
7 combined. This underscores the seriousness of traumatic injury  
8 as a public health problem in the State.

9           When injuries are serious, specialized equipment and prompt  
10 access to physicians and other trained health care providers  
11 make a significant difference in a trauma patient's health  
12 outcome. A weak trauma system decreases the State's readiness  
13 to respond not only to a normal flow of critically injured  
14 patients, but to unforeseen disasters and emergencies as well.

15           As the American College of Surgeons ("ACS") noted in its  
16 October 2005 Hawaii Trauma System Consultation report, extreme  
17 isolation and limited physician re-supply capability renders  
18 Hawaii uniquely vulnerable to natural disasters that may occur

1 in a mid-Pacific environment. A functional trauma system with  
2 the capacity to handle a surge in demand is a fundamental  
3 necessity in responding to natural disasters and man-made  
4 disasters.

5 Typically, the cost of providing care to trauma patients is  
6 far higher than the total payments received from those patients.  
7 Without additional resources, it is unlikely that Hawaii's  
8 system will develop greater capacity and it is at risk of losing  
9 what specialized trauma care is currently available.

10 A January 2006 report by Hawaii's Legislative Reference  
11 Bureau entitled, "On Call Crisis in Trauma Care: Government  
12 Response," concluded that "the rationale for public support of  
13 uncompensated trauma services is the same as for critical police  
14 and fire services; a trauma system is a necessary public service  
15 that ought to be publicly supported."

16 Therefore, the purpose of this Act is to establish a trauma  
17 system fund to ensure and encourage the availability of care for  
18 trauma patients in the State and to establish dedicated sources  
19 of revenue to finance the fund.

20 SECTION 2. Chapter 321, Hawaii Revised Statutes, is  
21 amended by adding a new section to be appropriately designated  
22 and to read as follows:



1           "§321- Trauma system fund. (a) There is established  
2 within the state treasury a special fund to be known as the  
3 trauma system special fund to be administered and expended by  
4 the department. The fund is a non-lapsing fund that is not  
5 subject to chapter 103D and 103F.

6           (b) The moneys in the special fund shall be used by the  
7 department to support the continuing development and operation  
8 of a comprehensive state trauma system. The fund shall be used  
9 to subsidize the documented costs for the comprehensive state  
10 trauma system including, but not limited to, the following:

11           (1) Of uncompensated trauma care incurred by hospitals  
12 providing care to trauma patients; and

13           (2) Incurred by hospitals providing care to trauma  
14 patients to maintain on-call physicians for trauma  
15 care.

16 The money in the special fund shall not be used to supplant  
17 funding for trauma services authorized prior to the effective  
18 date of this section, and shall not be used for ambulance  
19 services.

20           (c) Fees remitted pursuant to section 249-31, interest and  
21 investment earnings attributable to the moneys in the special  
22 fund, federal funding, legislative appropriations, and grants,



1 donations, and contributions from private or public sources for  
2 the purposes of the fund, shall be deposited into the special  
3 fund.

4 (d) Disbursements from the fund shall be made in  
5 accordance with a methodology established by the department.

6 (e) To receive reimbursement, a hospital providing care to  
7 trauma patients shall apply to the fund on a form and in a  
8 manner approved by the department.

9 (f) Necessary administrative expenses to carry out this  
10 section shall not exceed five percent of the total amount  
11 collected.

12 (g) The department shall submit an annual report to the  
13 legislature no later than twenty days prior to the convening of  
14 each regular session that outlines the receipts of, and  
15 expenditures from, the special fund."

16 SECTION 3. Section 249-31, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 **"§249-31 State registration fee.** (a) All vehicles and  
19 motor vehicles in the State as defined in section 249-1,  
20 including antique motor vehicles, except as otherwise provided  
21 in sections 249-3 to 249-6 shall be subject to a [~~\$25~~] \$30  
22 annual vehicle registration fee. The fee shall become due and



1 payable on January 1, and shall be paid before April 1 in each  
2 year together with all other taxes and fees levied by this  
3 chapter; provided that should any county elect to renew motor  
4 vehicle registrations on a staggered basis as authorized by  
5 section 286-51, the state registration for that county shall  
6 likewise be staggered so that the state registration fee is due  
7 and payable at the same time and shall be collected together  
8 with the county fee. The state registration fee shall be deemed  
9 delinquent if not paid with the county registration fee. The  
10 respective counties shall collect this fee together with the  
11 vehicle registration tax collected for the county and shall  
12 transfer the moneys collected under this section to the State to  
13 be paid into the state highway fund.

14 (b) From each annual motor vehicle registration fee, the  
15 director shall deposit \$20 into the state highway fund [~~and~~], \$5  
16 into the emergency medical services special fund, and \$5 into  
17 the trauma system special fund."

18 SECTION 4. Section 36-27, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "**§36-27 Transfers from special funds for central service**  
21 **expenses.** Except as provided in this section, and  
22 notwithstanding any other law to the contrary, from time to



1 time, the director of finance, for the purpose of defraying the  
2 prorated estimate of central service expenses of government in  
3 relation to all special funds, except the:

- 4 (1) Special out-of-school time instructional program fund  
5 under section 302A-1310;
- 6 (2) School cafeteria special funds of the department of  
7 education;
- 8 (3) Special funds of the University of Hawaii;
- 9 (4) State educational facilities improvement special fund;
- 10 (5) Convention center enterprise special fund under  
11 section 201B-8;
- 12 (6) Special funds established by section 206E-6;
- 13 (7) Housing loan program revenue bond special fund;
- 14 (8) Housing project bond special fund;
- 15 (9) Aloha Tower fund created by section 206J-17;
- 16 (10) Funds of the employees' retirement system created by  
17 section 88-109;
- 18 (11) Unemployment compensation fund established under  
19 section 383-121;
- 20 (12) Hawaii hurricane relief fund established under chapter  
21 431P;
- 22 (13) Hawaii health systems corporation special funds;



- 1 (14) Tourism special fund established under section  
2 201B-11;
- 3 (15) Universal service fund established under chapter 269;
- 4 (16) Integrated tax information management systems special  
5 fund under section 231-3.2;
- 6 (17) Emergency and budget reserve fund under section  
7 328L-3;
- 8 (18) Public schools special fees and charges fund under  
9 section 302A-1130(f);
- 10 (19) Sport fish special fund under section 187A-9.5;
- 11 (20) Neurotrauma special fund under section 321H-4;
- 12 (21) Deposit beverage container deposit special fund under  
13 section 342G-104;
- 14 (22) Glass advance disposal fee special fund established by  
15 section 342G-82;
- 16 (23) Center for nursing special fund under section 304D-5;
- 17 (24) Passenger facility charge special fund established by  
18 section 261-5.5;
- 19 (25) Solicitation of funds for charitable purposes special  
20 fund established by section 467B-15;
- 21 (26) Land conservation fund established by section 173A-5;
- 22 [~~and~~]



1    [+] (27) [+] Court interpreting services revolving fund [+]  
2            section 607-1.5[+7]; and  
3            (28) Trauma system fund under section 321- ; shall deduct  
4            five per cent of all receipts of all other special  
5            funds, which deduction shall be transferred to the  
6            general fund of the State and become general  
7            realizations of the State. All officers of the State  
8            and other persons having power to allocate or disburse  
9            any special funds shall cooperate with the director in  
10           effecting these transfers. To determine the proper  
11           revenue base upon which the central service assessment  
12           is to be calculated, the director shall adopt rules  
13           pursuant to chapter 91 for the purpose of suspending  
14           or limiting the application of the central service  
15           assessment of any fund. No later than twenty days  
16           prior to the convening of each regular session of the  
17           legislature, the director shall report all central  
18           service assessments made during the preceding fiscal  
19           year."

20           SECTION 5. Section 36-30, Hawaii Revised Statutes, is  
21    amended by amending subsection (a) to read as follows:

22           "(a) Each special fund, except the:





- 1 (1) Transportation use special fund established by section
- 2 261D-1;
- 3 (2) Special out-of-school time instructional program fund
- 4 under section 302A-1310;
- 5 (3) School cafeteria special funds of the department of
- 6 education;
- 7 (4) Special funds of the University of Hawaii;
- 8 (5) State educational facilities improvement special fund;
- 9 (6) Special funds established by section 206E-6;
- 10 (7) Aloha Tower fund created by section 206J-17;
- 11 (8) Funds of the employees' retirement system created by
- 12 section 88-109;
- 13 (9) Unemployment compensation fund established under
- 14 section 383-121;
- 15 (10) Hawaii hurricane relief fund established under chapter
- 16 431P;
- 17 (11) Convention center enterprise special fund established
- 18 under section 201B-8;
- 19 (12) Hawaii health systems corporation special funds;
- 20 (13) Tourism special fund established under section
- 21 201B-11;
- 22 (14) Universal service fund established under chapter 269;



- 1 (15) Integrated tax information management systems special  
2 fund under section 231-3.2;
- 3 (16) Emergency and budget reserve fund under section  
4 328L-3;
- 5 (17) Public schools special fees and charges fund under  
6 section 302A-1130(f);
- 7 (18) Sport fish special fund under section 187A-9.5;
- 8 (19) Neurotrauma special fund under section 321H-4;
- 9 (20) Center for nursing special fund under section 304D-5;
- 10 (21) Passenger facility charge special fund established by  
11 section 261-5.5; [and]
- 12 (22) Court interpreting services revolving fund [+]section  
13 607-1.5 [+]; and
- 14 (23) Trauma system fund under section 321- ; shall be  
15 responsible for its pro rata share of the  
16 administrative expenses incurred by the department  
17 responsible for the operations supported by the  
18 special fund concerned."

19 SECTION 6. There are established such positions as  
20 necessary to implement the provisions of this section. These  
21 positions shall be appointed by the director without regard to  
22 chapters 76 and 77. These positions shall be included in any



1 benefit program generally applicable to the officers and  
2 employees of the State.

3 SECTION 7. The department of health shall adopt rules  
4 pursuant to chapter 91 to effectuate the purpose of this Act.

5 SECTION 8. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$3,000,000, or so  
7 much thereof as may be necessary for fiscal year 2006-2007, to  
8 be deposited into the trauma system special fund.

9 SECTION 9. The sum appropriated shall be expended by the  
10 department of health for the purposes of this Act. The  
11 department of health shall submit an annual report on the  
12 expenditures of the special fund and the progress toward  
13 developing a fully integrated statewide trauma system twenty  
14 days prior to convening of the Legislature of 2007 and each year  
15 thereafter.

16 SECTION 10. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 11. This Act shall take effect on July 1, 2006;  
19 provided that section 3 shall take effect on October 1, 2006.



SB2764, SD1

**Report Title:**

Trauma Care

**Description:**

Establishes a trauma system fund to ensure and encourage the availability of trauma care in the State. Establishes dedicated sources of revenue for the fund. (SD1)

