

Honolulu, Hawaii

APR 05 2007

RE: H.B. No. 843
H.D. 2
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 843, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO KAHUKU HOSPITAL,"

begs leave to report as follows:

The purpose of this measure is to enable Kahuku Hospital to remain in operation and continue to serve the residents and visitors of the north shore of Oahu.

Specifically, this measure authorizes the Hawaii Health Systems Corporation to acquire Kahuku Hospital and appropriates funds for this purpose. This acquisition will enable the hospital to remain in operation and retain its certificate of need and critical access hospital designation. This measure requires the Director of Health to act as honest broker to facilitate the acquisition.

Your Committee received comments in support of this measure from the Department of Health, the Healthcare Association of Hawaii, and eight individuals. The State Procurement Office commented in opposition. The Office of Information Practices offered comments.

Your Committee finds that Kahuku Hospital is the only medical facility offering emergency services to the north shore community and that, therefore, it is critical to keep the hospital operating to serve the residents and visitors of the north shore of Oahu.



Upon further consideration, your Committee has amended this measure by:

- (1) Clarifying that the board of directors, if any, of Kahuku Hospital is exempt from only part I of chapter 92, Hawaii Revised Statutes, relating to public meetings; and
- (2) Adding a provision to exempt the acquisition of Kahuku Hospital from part VII of chapter 323D, Hawaii Revised Statutes, relating to hospital acquisition.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 843, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 843, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



