

STAND. COM. REP. NO.

2930

Honolulu, Hawaii

MAR 13 2008

RE: H.B. No. 2758
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committees on Health and Human Services and Public Housing, to which was referred H.B. No. 2758, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this measure is to ensure the continued strength of Hawaii's health care safety net by requiring the Department of Taxation to defer general excise tax collections for any private hospital located in a county with a population greater than 500,000 that has an annual patient population consisting of 60 per cent or more of uninsured, Medicaid, and Medicare patients.

Your Committees received testimony in support of this measure from Faith Action for Community Equity, Hawaii Building and Construction Trades Council, and one individual. Your Committees received testimony in opposition to this measure from one individual. The Department of Taxation submitted comments on this measure.

Your Committees find that hospitals in our State are in a severe financial crisis. Alternative, long-term financial solutions need to be explored in order to ensure the availability of quality health care services in Hawaii.

Your Committees further find that providing partial financial assistance to hospitals in the form of a loan guarantee program is a step, and by no means a solution, towards ensuring the survival



of struggling hospitals. Your Committees also find that hospitals should explore the possibility of special purpose revenue bonds as an alternative funding source.

Accordingly, your Committees have amended this measure by deleting its language and inserting language that:

- (1) Establishes a Hospital Loan Guarantee Program, and a temporary Hospital Loan Guarantee Trust Fund;
- (2) Makes an appropriation out of the general fund for deposit into the temporary Hospital Loan Guarantee Trust Fund; and
- (3) Makes an appropriation out of the temporary Hospital Loan Guarantee Trust Fund as loan guarantees; and
- (4) Changes the effective date to encourage further discussions on this matter.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Public Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2758, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2758, H.D. 2, S.D. 1, and be referred to the Committee on Economic Development and Taxation.

Respectfully submitted on
behalf of the members of the
Committees on Health and Human
Services and Public Housing,

Suzanne Chun Oakland

SUZANNE CHUN OAKLAND, Chair

David Y. Ige

DAVID Y. IGE, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:
HB 2758 HD 2	HTH / HSP, EDT, WAM	3/10/08

The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
FUKUNAGA, Carol (VC)	✓			
BAKER, Rosalyn H.		✓		
MENOR, Ron				✓
WHALEN, Paul	✓			
TOTAL	3	1		1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes

The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Human Services and Public Housing
HSP

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2758 HD 2	HTH/HSP, EDT	3/10/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)				✓
HOOSER, Gary L.				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
TOTAL	3	-	-	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>N Sakamoto</i>				
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