

STAND. COM. REP. NO.

2917

Honolulu, Hawaii

MAR 11 2008

RE: H.B. No. 3161
S.D. 1

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

Madam:

Your Committee on Health, to which was referred H.B. No. 3161
entitled:

"A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE
HAWAII HEALTH SYSTEMS CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to ensure that the Hawaii
Health Systems Corporation can pay for the operation and provision
of current levels of service at its facilities.

Specifically, this measure makes an emergency appropriation
in the amount of \$14,000,000 to be used by the Hawaii Health
Systems Corporation to pay accounts payable within forty-five days
from the date of the invoice for Hawaii Health Systems
Corporation's facilities.

Your Committee received testimony in support of this measure
from the Hawaii Health Systems Corporation, the Kauai Regional
Board of the Hawaii Health Systems Corporation, the Oahu Regional
Board of the Hawaii Health Systems Corporation, the East Hawaii
Regional Board of the Hawaii Health Systems Corporation, Hilo
Medical Center, Kona Community Hospital, Maui Memorial Medical
Center, Hawaii Government Employees Association, and the United
Public Workers/AFSCME, Local 646.

Your Committee finds that the Hawaii Health Systems
Corporation is in a financial crisis and unable to pay many of its
vendors within a reasonable time frame. Your Committee further

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finds that this emergency appropriation is necessary to ensure the protection of public health and the provision of essential health care services.

Your Committee is aware that Maui Memorial Medical Center requires additional funds to continue its operations at current levels. Your Committee also is aware that Maui Memorial Medical Center currently is engaged in negotiations to obtain a loan for this purpose and it is likely that the loan will close prior to the time this measure takes effect. To ensure continued operations at Maui Memorial Medical Center, your Committee has amended this measure to appropriate an additional \$11,000,000 and to clarify that that while the appropriation of \$14,000,000 to the Hawaii Health Systems Corporation is made unconditionally, the additional sum of \$11,000,000 will be appropriated for Maui Memorial Medical Center only if the operating loan currently under negotiation fails to close by the time this measure takes effect.

Your Committee further amended this measure by making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3161, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3161, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Health,



DAVID Y. IGE, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:* HB3161	Committee Referral: HTH, WAM	Date: 3/10/08
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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	4			1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes