

STAND. COM. REP. NO.

2490

Honolulu, Hawaii

FEB 15 2008

RE: S.B. No. 2703
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 S.B. No. 2703
entitled:

"A BILL FOR AN ACT RELATING TO THE HOSPITAL LOAN GUARANTEE
PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a Hospital Loan Guarantee Program, and a
temporary Hospital Loan Guarantee Trust Fund;
- (2) Make an appropriation out of the general fund for
deposit into the temporary Hospital Loan Guarantee Trust
Fund; and
- (3) Make an appropriation out of the temporary Hospital Loan
Guarantee Trust Fund as loan guarantees.

Your Committee received testimony in support of this measure
from six individuals. Testimony in opposition to this measure was
received from the Department of Health.

Under the program, the Department of Health may guarantee a
portion of a loan by a private lender to a hospital that is
experiencing short-term financial problems. The Department may
make a guarantee only if general funds are appropriated and
deposited into the temporary Hospital Loan Guarantee Trust Fund
established under this measure.

2008-1455 SSCR SMA.doc

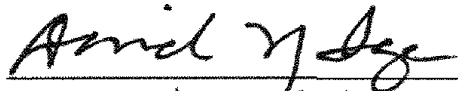


Your Committee finds that hospitals are suffering from severe financial problems, which is a complicated situation engendered by complex economics. This measure is intended to provide partial financial assistance from the State in critical financial times that may threaten the survival of a hospital. This measure is by no means a solution to the problem and is not intended to solve the financial woes of hospitals. Your Committee believes that better alternative long-term solutions need to be identified, explored, and if feasible, implemented for hospitals to become healthy themselves.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to continue discussions in this matter.

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 S.B. No. 2703, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2703, 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.:* SB 2703	Committee Referral: HTH	Date: 02-14-08		
<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
IGE, David Y. (C)	✓			
FUKUNAGA, Carol (VC)	✓			
BAKER, Rosalyn H.		✓		
MENOR, Ron	✓			
WHALEN, Paul	✓			
TOTAL	4	1		
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes