

SB 169

LATE

WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 169, S.D. 1

March 3, 2009

RELATING TO HAWAII HEALTH CORPS

Senate Bill No. 169, S.D. 1, establishes the Hawaii Health Corps program, loan repayment program, and recruitment program to address the shortage of professional health care services in various areas within the State. The bill also establishes the Hawaii Health Corps special fund to receive funds from legislative appropriations, stipend repayments, earned interest, and funds from other sources which would be expended by the Department of Business, Economic Development and Tourism. The special fund would be used to provide stipends to attract and retain qualifying physicians and dentists to serve in shortage areas.

As a matter of general policy, this department does not support the creation of any special fund that does not meet the requirements of Section 37-52.3 of the Hawaii Revised Statutes. Special funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. It is difficult to determine whether the Hawaii Health Corps special fund meets any of these criteria.