

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 1231  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1231 entitled:

"A BILL FOR AN ACT RELATING TO HAWAII HEALTH SYSTEMS CORPORATION,"

begs leave to report as follows:

The purpose of this bill is to strengthened the State's health care safety net by establishing a transitional management team within the Hawaii Health Systems Corporation (HHSC) to plan for necessary restructuring.

The HHSC Board of Directors, West Hawaii Region of HHSC, United Public Workers, and several concerned individuals opposed this bill.

Your Committee has amended this bill by:

- (1) Prohibiting the transitional management team from incurring debt through any finance agreement or the issuance of revenue bonds;
- (2) Clarifying that the transitional management team's plan will be submitted to the Legislature prior to the 2010 Regular Session;
- (3) Changing the effective date to July 1, 2020, to encourage further discussion; and

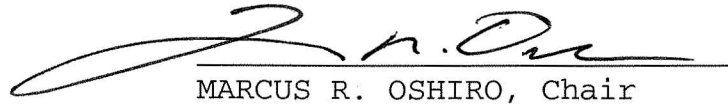
HB1231 HD1 HSCR FIN HMS 2009-2692



- (4) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1231, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1231, H.D. 1, and be placed on the calendar for Third Reading.

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



MARCUS R. OSHIRO, Chair



