



GOV. MSG. NO. 1229

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

June 15, 2011

The Honorable Shan Tsutsui, President  
and Members of the Senate  
Twenty-Sixth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker  
and Members of the House  
Twenty-Sixth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on June 15, 2011, the following bill was signed into law:

SB1300 SD2 HD2

RELATING TO THE HAWAII HEALTH SYSTEMS  
CORPORATION  
Act 126 (11)

Sincerely,

NEIL ABERCROMBIE  
Governor, State of Hawaii

JUN 15 2011

on

THE SENATE  
TWENTY-SIXTH LEGISLATURE, 2011  
STATE OF HAWAII

ACT 126  
S.B. NO. 1300  
S.D. 2  
H.D. 2

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# A BILL FOR AN ACT

RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the Hawaii health  
2 systems corporation is the fourth largest public hospital system  
3 in the nation and operates public health care facilities that  
4 provide essential safety-net hospital and long-term care  
5 services throughout the State. Due to rapid changes in the  
6 health care industry and the impending implementation of  
7 national health care reform, the legislature acknowledges that  
8 the corporation's governing board of directors (board) must have  
9 the appropriate flexibility and autonomy needed for community  
10 hospitals to compete and remain viable.

11           The director of health is currently an ex-officio,  
12 nonvoting member of the board. The legislature finds that to  
13 increase the input of the administration and further the  
14 implementation of public health policies, the director of health  
15 should be given voting rights. To create an uneven number of  
16 board members for voting purposes, an additional member shall be  
17 appointed by the governor and serve as an at-large member.



1           The purpose of this Act is to affirm the State's commitment  
2 to provide quality health care for the people of the State by  
3 including an at-large member on the board and designating the  
4 director of health as a voting member.

5           SECTION 2. Section 323F-3, Hawaii Revised Statutes, is  
6 amended by amending subsections (a) and (b) to read as follows:

7           "(a) The corporation shall be governed by a [~~twelve-~~  
8 ~~member~~] thirteen-member board of directors that shall carry out  
9 the duties and responsibilities of the corporation other than  
10 those duties and responsibilities relating to the establishment  
11 of any captive insurance company pursuant to section 323F-  
12 7(c)(20) and the operation thereof.

13           (b) The members of the corporation board shall be  
14 appointed as follows:

15           (1) The director of health as an ex-officio, [~~nonvoting~~]  
16 voting member;

17           (2) The five regional chief executive officers as ex-  
18 officio, voting members; [~~and~~]

19           (3) Two members who reside in the county of Maui who shall  
20 be appointed by the Maui regional system board;



- 1 (4) One member who resides in the eastern section of the  
2 county of Hawaii who shall be appointed by the East  
3 Hawaii regional system board;
- 4 (5) One member who resides in the western section of the  
5 county of Hawaii who shall be appointed by the West  
6 Hawaii regional system board;
- 7 (6) One member who resides on the island of Kauai who  
8 shall be appointed by the Kauai regional system board;  
9 [and]
- 10 (7) One member who resides on the island of Oahu who shall  
11 be appointed by the Oahu regional system board[-]; and
- 12 (8) One member who shall be appointed by the governor and  
13 serve as an at-large voting member.

14 The appointed board members who reside in the county of  
15 Maui, eastern section of the county of Hawaii, western section  
16 of the county of Hawaii, on the island of Kauai, and on the  
17 island of Oahu shall each serve for a term of four years;  
18 provided that the terms of the initial appointments shall be as  
19 follows: one of the initial members from the county of Maui  
20 shall be appointed to serve a term of two years and the other  
21 member shall be appointed to serve a term of four years; the  
22 initial member from East Hawaii shall be appointed to serve a



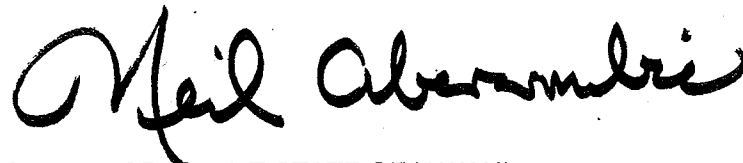
1 term of two years; the initial member from West Hawaii shall be  
2 appointed to serve a term of four years; the initial member from  
3 the island of Kauai shall be appointed to serve a term of two  
4 years; and the initial member from the island of Oahu shall be  
5 appointed to serve a term of four years. The at-large member  
6 appointed by the governor shall serve a term of two years.

7 Any vacancy shall be filled in the same manner provided for  
8 the original appointments. The corporation board shall elect  
9 its own chair from among its members. Appointments to the  
10 corporation board shall be as representative as possible of the  
11 system's stakeholders as outlined in this subsection."

12 SECTION 3. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect on July 1, 2011.

APPROVED this 15 day of JUN, 2011



GOVERNOR OF THE STATE OF HAWAII