

Honolulu, Hawaii

APR 25 2013

RE: S.B. No. 1339
S.D. 1
H.D. 1
C.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1339, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RURAL AREAS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to establish a definition of rural that would protect existing programs in remote areas of the State, such as the critical access hospital designation for Kahuku Medical Center, and expand opportunities for other communities that are designated as rural within the State but do not otherwise meet federal definitions to qualify as such.

Your Committee on Conference finds that the 2010 Census determined that Oahu no longer contains any areas that federally qualify as rural. This endangers Kahuku Medical Center's designation as a critical access hospital and disqualifies all communities on Oahu from participating in federal rural programs.



Since 2010, rural communities in Hawaii have qualified for \$1,890,000 in federal grants from the Health Resources and Services Administration's Office of Rural Health Policy alone, with about half going to Oahu. With the release of the latest census figures, communities on Oahu no longer qualify for these and other federal programs. While the federal definitions of rural will keep some communities from participating in federal programs, there are several federal programs that recognize state definitions of rural. This measure establishes a state definition of rural that would protect existing programs in remote areas of the State.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2013.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1339, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1339, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

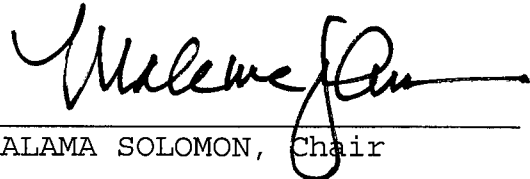
ON THE PART OF THE SENATE



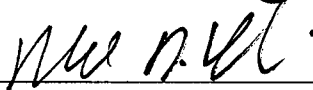
DELLA AU BELATTI, Co-Chair



DEE MORIKAWA, Co-Chair



MALAMA SOLOMON, Chair



RONALD D. KOUCHI, Co-Chair



CLARENCE K. NISHIHARA, Co-Chair



Hawaii State Legislature

CCR 42

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 1339, SD 1, HD 1 Date/Time: April 22, 2013 1:35p

[X] The recommendation of the House and Senate managers is to pass with amendments (CD).

[] The Committee is reconsidering its previous decision.

[] The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

[] The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Table with columns for Senate Managers (A, WR, N, E) and House Managers (A, WR, N, E). Rows include SOLOMON, Malama, Chr.; KOUCHI, Ronald D., Co-Chr.; NISHIHARA, Clarence K., Co-Chr.; DELA CRUZ, Donovan M.; IGE, David Y.; SHIMABUKURO, Maile S.L.; SLOM, Sam; BELATTI, Della Au, Co-Chr.; MORIKAWA, Dee, Co-Chr.; CARROLL, Mele; FUKUMOTO, Beth. Totals: Senate 4 Ayes, 3 Excused; House 3 Ayes, 1 Excused.

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: [X] Adopted [] Not Adopted

House Recommendation is: [X] Adopted [] Not Adopted

Senate Lead Chair's or Designee's Signature: [Signature]

House Lead Chair's or Designee's Signature: [Signature]

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