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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. Section 323F-2, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           " (b) The corporate organization shall be divided into  
4 [~~five~~] four regional systems, as follows:

5           ~~[(1) The Oahu regional health care system,~~

6           ~~+(2)]~~ (1) The Kauai regional health care system;

7           ~~[(3)]~~ (2) The Maui regional health care system;

8           ~~[(4)]~~ (3) The [~~east~~] East Hawaii regional health care

9           system, comprising the Puna district, north Hilo

10           district, south Hilo district, Hamakua district, and

11           Kau district; and

12           ~~[(5)]~~ (4) The [~~west~~] West Hawaii regional health care

13           system, comprising the north Kohala district, south

14           Kohala district, north Kona district, and south Kona

15           district~~+~~].

16 and shall be identified as regional systems I, II, III, and IV,

17 [~~and V,~~] respectively."



1 SECTION 2. Section 323F-3, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) The members of the corporation board shall be  
4 appointed as follows:

5 (1) The director of health as an ex officio, voting  
6 member;

7 (2) The [~~five~~] four regional chief executive officers as  
8 ex officio, nonvoting members;

9 (3) Three members who reside in the county of Maui, two of  
10 whom shall be appointed by the Maui regional system  
11 board and one of whom shall be appointed by the  
12 governor, all of whom shall serve as voting members;

13 (4) Two members who reside in the eastern section of the  
14 county of Hawaii, one of whom shall be appointed by  
15 the East Hawaii regional system board and one of whom  
16 shall be appointed by the governor, both of whom shall  
17 serve as voting members;

18 (5) Two members who reside in the western section of the  
19 county of Hawaii, one of whom shall be appointed by  
20 the West Hawaii regional system board and one of whom



1 shall be appointed by the governor, both of whom shall  
2 serve as voting members;

3 (6) Two members who reside on the island of Kauai, one of  
4 whom shall be appointed by the Kauai regional system  
5 board and one of whom shall be appointed by the  
6 governor, both of whom shall serve as voting members;

7 (7) Two members who reside on the island of Oahu, [~~one of~~  
8 ~~whom shall be appointed by the Oahu regional system~~  
9 ~~board and one of whom]~~ who shall be appointed by the  
10 governor, both of whom shall serve as voting members;  
11 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 of the  
19 members who are appointed by their respective regional system  
20 boards shall be as follows: one of the initial members from the  
21 county of Maui shall be appointed to serve a term of two years



1 and the other member shall be appointed to serve a term of four  
2 years; the initial member from East Hawaii shall be appointed to  
3 serve a term of two years; the initial member from West Hawaii  
4 shall be appointed to serve a term of four years; and the  
5 initial member from the island of Kauai shall be appointed to  
6 serve a term of two years; [~~and the initial member from the~~  
7 ~~island of Oahu shall be appointed to serve a term of four~~  
8 ~~years;~~] and provided further that the terms of the initial  
9 appointments of the members who are appointed by the governor  
10 shall be four years. The at-large member appointed by the  
11 governor shall serve a term of two years.

12 Any vacancy shall be filled in the same manner provided for  
13 the original appointments. The corporation board shall elect  
14 its own chair from among its members. Appointments to the  
15 corporation board shall be as representative as possible of the  
16 system's stakeholders as outlined in this subsection. The board  
17 member appointments shall strive to create a board that includes  
18 expertise in the fields of medicine, finance, health care  
19 administration, government affairs, human resources, and law."

20 SECTION 3. Section 323F-3.5, Hawaii Revised Statutes, is  
21 amended by amending subsection (a) to read as follows:



1        "(a) There is hereby established a regional system board  
2 of directors to govern each of the [~~five~~] four regional systems  
3 specified in section 323F-2[~~, no later than January 1, 2008~~].  
4 The regional system boards of directors shall carry out the  
5 duties and responsibilities as set forth in this chapter and as  
6 further delegated by the corporation."

7        SECTION 4. All rights, powers, functions, and duties of  
8 the Oahu regional health care system are transferred to the  
9 board of directors of the Hawaii health systems corporation.

10       All employees who occupy civil service positions and whose  
11 functions are transferred to the board of directors of the  
12 Hawaii health systems corporation by this Act shall retain their  
13 civil service status, whether permanent or temporary. Employees  
14 shall be transferred without loss of salary, seniority (except  
15 as prescribed by applicable collective bargaining agreements),  
16 retention points, prior service credit, any vacation and sick  
17 leave credits previously earned, and other rights, benefits, and  
18 privileges, in accordance with state personnel laws and this  
19 Act; provided that the employees possess the minimum  
20 qualifications and public employment requirements for the class  
21 or position to which transferred or appointed, as applicable;



1 provided further that subsequent changes in status may be made  
2 pursuant to applicable civil service and compensation laws.

3 Any employee who, prior to this Act, is exempt from civil  
4 service and is transferred as a consequence of this Act may  
5 retain the employee's exempt status, but shall not be appointed  
6 to a civil service position as a consequence of this Act. An  
7 exempt employee who is transferred by this Act shall not suffer  
8 any loss of prior service credit, vacation or sick leave credits  
9 previously earned, or other employee benefits or privileges as a  
10 consequence of this Act; provided that the employee possesses  
11 legal and public employment requirements for the position to  
12 which transferred or appointed, as applicable; provided further  
13 that subsequent changes in status may be made pursuant to  
14 applicable employment and compensation laws. The chief  
15 executive officer of the Hawaii health systems corporation may  
16 prescribe the duties and qualifications of these employees and  
17 fix their salaries without regard to chapter 76, Hawaii Revised  
18 Statutes.

19 SECTION 5. All appropriations, records, equipment,  
20 machines, files, supplies, contracts, books, papers, documents,  
21 maps, and other personal property heretofore made, used,



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1 acquired, or held by the Oahu regional health care system  
 2 relating to the functions transferred to the board of directors  
 3 of the Hawaii health systems corporation shall be transferred  
 4 with the functions to which they relate.

5 SECTION 6. Statutory material to be repealed is bracketed  
 6 and stricken. New statutory material is underscored.

7 SECTION 7. This Act shall take effect upon its approval.  
 8

INTRODUCED BY:

*Hakubana*

*Debra A. Bellotti*

~~*[Signature]*~~

*J. K. C.*

*John M. [Signature]*

*[Signature]*

~~*[Signature]*~~

JAN 24 2019



# H.B. NO. 1539

**Report Title:**

HHSC; Oahu Region; Consolidation

**Description:**

Integrates the Oahu regional health care system into the Hawaii Health Systems Corporation board.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

