

STAND. COM. REP. NO.

2877

Honolulu, Hawaii

FEB 14 2020

RE: S.B. No. 2472
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committees on Higher Education and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2472 entitled:

"A BILL FOR AN ACT RELATING TO TUITION WAIVERS FOR PHYSICIANS IN RURAL AREAS,"

beg leave to report as follows:

The purpose and intent of this measure is to appropriate funds to the John A. Burns School of Medicine at the University of Hawaii at Manoa for the Hawaii to establish a program that awards tuition waivers and other subsidies to up to ten students per year to cover their entire term of study at the University of Hawaii John A. Burns School of Medicine.

Your Committees received testimony in support of this measure from Hawaii Primary Care Association and Hawaii Medical Service Association. Your Committees received comments on this measure from the University of Hawaii System.

Your Committees find that Hawaii's medical professional shortage is most acute in rural areas. High student loan payments, together with a higher cost of living and other expenses in the State, result in fewer physicians choosing to practice in the underserved and rural areas of our State.



Your Committees further find that one of the fastest and least expensive methods for recruiting medical professionals is through a loan repayment program. The Hawaii State Loan Repayment Program, administered through the John A. Burns School of Medicine, has helped over forty health care professionals since its inception in 2012. As of last year, almost two-thirds of the program graduates are still practicing in underserved areas of the State.

Your Committees have amended this measure by:

- (1) Replacing the language regarding tuition waivers with language requiring the John A. Burns School of Medicine to establish a loan forgiveness program to cover a student's tuition balance after any grants and scholarships received;
- (2) Requiring the loan forgiveness recipient to commit to practicing medicine in a rural area of the state for five consecutive years after residency;
- (3) Deleting the limit of students that may participate in the program per year; and
- (4) Amending the definition of "rural areas" to mean an area, as defined by zip code, with fewer than thirty thousand residents.

Your Committees note that the appropriation amount in this measure remains blank to encourage further discussion as the measure progresses. Your Committees further note that last year, the Legislature appropriated \$150,000 to fund the health care provider loan repayment program administered through the John A. Burns school of medicine.

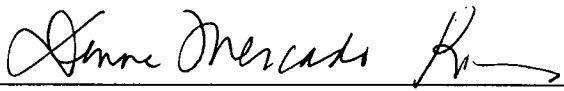
As affirmed by the records of votes of the members of your Committees on Higher Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2472, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2472, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Higher Education
and Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



DONNA MERCADO KIM, Chair



