

Honolulu, Hawaii

FEB 11 2021

RE: S.B. No. 1018
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 1018
entitled:

"A BILL FOR AN ACT RELATING TO EFFECTIVE GOVERNMENT
OPERATIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the
Department of Health to establish a reorganization pilot project
to reorganize the Department of Health Behavioral Health Services
Administration.

Your Committee received testimony in support of this measure
from the Department of Health, Hawai'i Psychological Association,
and one individual. Your Committee received testimony in
opposition to this measure from the State Procurement Office.

Your Committee finds that the coronavirus disease 2019
(COVID-19) pandemic has caused an enormous budgetary shortfall in
the State. Your Committee further finds that to adjust to this
deficit, state government and its agencies must have the authority
and flexibility to reorganize to meet the ongoing and emerging
needs resulting from the COVID-19 pandemic. This measure
establishes a pilot program for the Department of Health to
reorganize its Behavioral Health Services Administration.



Your Committee heard testimony from the Department of Health, which proposed to expand the scope of the pilot project to reorganize all divisions. Your Committee also heard testimony from the State Procurement Office, which expressed concerns that exempting the Department of Health from the Hawaii Public Procurement Code could lead to higher costs due to lack of competition.

As such, your Committee has amended this measure by:

- (1) Amending section 2 to add the Environmental Health Administration; general administration, including the Office of the Director of Health; and Health Resources Administration to the reorganization pilot projects;
- (2) Removing the exemption from chapters 103D and 103F, Hawaii Revised Statutes, which govern public procurement; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1018, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1018, S.D. 1, and be referred to your Committee on Ways and Means.

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

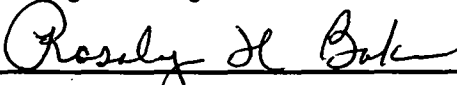


JARRETT KEOHOKALOLE, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB1018	HTH, WAM	2-8-2021		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
BAKER, Rosalyn (VC)	✓			
MORIWAKI, Sharon Y.	✓			
SAN BUENAVENTURA, Joy A.	✓			
FEVELLA, Kurt	✓			
TOTAL	5	—	—	—
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes