

Honolulu, Hawaii

APR 29 2022

RE: S.B. No. 1138
S.D. 2
H.D. 2
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1138, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF HEALTHCARE ASSURANCE SPECIAL FUND,"

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 the annual expenditure ceiling of the Office of Health Care Assurance Special Fund through the state budget process and to fund increasing operational expenses, including contracts to implement a new management information system and background checks system.

Your Committee on Conference finds that the Office of Health Care Assurance performs all state licensing activities on health care facilities, agencies, and organizations in Hawaii. Although the Office of Health Care Assurance is partially funded through the Office of Health Care Assurance Special Fund, the special fund has a

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spending ceiling, and any expenses the Office of Health Care Assurance accrues above the spending ceiling must come from general funds. This was problematic during the coronavirus disease 2019 (COVID-19) pandemic, due to the detrimental financial impacts of pandemic response. Your Committee on Conference finds that the Office of Health Care Assurance requires more fiscal flexibility, particularly in a post-COVID-19 world, in order to cover the costs of contracted health care facility inspectors, fund investigations, and modernize operations. Accordingly, this measure establishes the ceiling of the Office of Health Care Assurance Special Fund through the state budget process.

Your Committee on Conference has amended this measure by:


- (1) Changing the effective date to upon its approval; provided that section 3 of this measure shall take effect on July 1, 2022; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1138, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1138, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



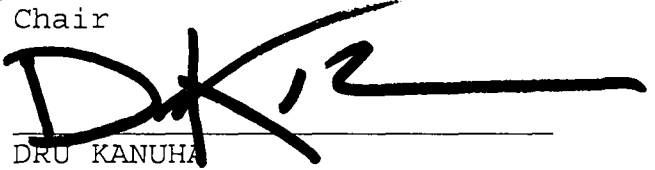
RYAN I. YAMANE
Co-Chair



ADRIAN K. TAM
Co-Chair



FARRETT KEOHOKALOOLE
Chair



DRU KANUHA
Co-Chair



**Record of Votes of a
Conference Committee**

Bill / Concurrent Resolution No.: SB 1138, SD 2, HD 2	Date/Time: April 29, 2022 / 4:30 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KEOHOKALOPE, Jarrett, Chr.	/				YAMANE, Ryan I., Co-Chr.	/			
KANUHA, Dru Mamo, Co-Chr.	/				TAM, Adrian K., Co-Chr.	/			
FEVELLA, Kurt	/				HAR, Sharon E.				/
					WARD, Gene	/			
TOTAL	3				TOTAL	3			1

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

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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