Honolulu, Hawaii

## APR 2 5 2025

RE: S.B. No. 1422

S.D. 1 H.D. 1 C.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1422, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS OF THE DEPARTMENT OF HEALTH."

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:

- (1) Repeal the requirement that a portion of the fees collected for certified copies of birth, marriage, divorce, or death certificates issued by the Department of Health be deposited to the credit of the general fund;
- (2) Repeal the Birth Defects Special Fund; and

(3) Require a portion of the fees collected for issuance of marriage licenses to be deposited into the Vital Statistics Improvement Special Fund.

Your Committee on Conference finds that in the Office of the Auditor's Report No. 21-03, Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Department of Health, 2021, the Auditor found that the Birth Defects Special Fund did not meet the criteria of a special fund, in part because there was no clear link between the birth defects program and marriage license fees, and therefore recommended its repeal. Your Committee on Conference further finds that there is a need to overhaul the Department's vital statistics business functions, especially as there has been lengthy backlogs in customer requests due to a decades-old, unreliable computer system that drives a sub-optimal manual workflow, as well as overall increases in customer orders. Accordingly, this measure redirects the deposits of marriage license fees from the Birth Defects Special Fund into the Vital Statistics Special Fund to provide a more reliable stream of resources to offset costs for the daily operations of the vital statistics systems and to rectify the Auditor's concerns regarding the Birth Defects Special Fund.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have appropriated funds out of the Vital Statistics Improvement Special Fund for the operations of the Vital Statistics Program, including the operations of the Office of Health Status Monitoring of the Department of Health;
- (2) Changing the effective date to July 1, 2025; and
- (3) 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. 1422, 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. 1422, 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

L. KEOHOKAPU Chair

Co-Chair

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.:  SB 1422, SD 1, HD 1					Date/Time:	3:34 DM			
The recommendation of the House	and S	Senate	mana	gers	is to pass with amendments (CD).				
☐ The Committee is reconsidering it	s prev	ious de	ecisio	n.					
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.				
Senate Managers	A	WR	N	Е	House Managers	Α	WR	N	Е
SAN BUENAVENTURA, Joy A., Chr.					TAKAYAMA, Gregg, Co-Chr.	$   \overline{}$			
INOUYE, Lorraine R., Co-Chr.	/				KEOHOKAPU-LEE LOY, Sue L., Co-	<b>1</b> /			
HASHIMOTO, Troy N.	/				GARCIA, Diamond				
FEVELLA, Kurt									
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Senate Recommendation is:					House Recommendation is:				
Adopted Not Adopted					Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
To Do				Charly Lann					
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