

A Bill for an Act Relating to the Department of Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 304-61, Hawaii Revised Statutes, is renumbered and amended to read as follows:

“Sec. 323-6 Transfer of employees; management of hospital, University of Hawaii programs, etc., cooperation. The employees of Leahi Hospital employed on July 1, 1976, are transferred to the department of health and shall thereafter be state employees and enjoy all of the rights, privileges, and benefits and be subject to the duties and responsibilities of employees of the State.

The department shall operate and manage Leahi Hospital and perform all acts necessary or convenient to such management and control. All acts heretofore performed in this connection by the university are hereby ratified and confirmed.

Nothing in this section shall affect in any way the educational, training, and research programs and activities, including the program under which child psychiatric services are provided, of the university of Hawaii at Leahi Hospital, on the existing date of this Act, and thereafter.

The department of health and the university of Hawaii shall, pursuant to contract or informal agreement, cooperate in arrangements appropriate to their respective jurisdictions and functions at Leahi Hospital.

Any other law to the contrary notwithstanding, Leahi Hospital shall place its revenues and all other moneys collected or acquired or made available for the use of the hospital into a special fund to be used for the payment of its lawful expenditures.”

SECTION 2. Section 323-2, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 323-2 Admittance to Leahi Hospital. Leahi Hospital may admit as patients, indigent and medically indigent persons who are suffering from chronic disease and such other patients as the director of health determines can be accommodated by the facility; provided that sufficient beds are at all times available to persons with tuberculosis eligible for admission to the hospital. The department of health may promulgate rules and regulations concerning the admission of such chronic disease and other patients and the reimbursement for their care and treatment.

Money appropriated to the Leahi Hospital for the care and treatment of tuberculosis patients may be used to care for patients suffering from chronic and other diseases who are admitted to the hospital.”

SECTION 3. The functions and duties relating to Leahi Hospital are transferred from the university of Hawaii to the department of health as of July 1, 1976. The department of health shall succeed to all rights and powers exercised, and all of the duties and obligations exercised under contracts executed by the university in the exercise of the functions transferred, except as otherwise provided in this Act.

SECTION 4. (a) Every officer or employee of Leahi Hospital on the effective date of this Act who is a University of Hawaii faculty member and whose functions are transferred by this Act shall with the same pay and classification, be transferred to some other office or position within the university of Hawaii for which such officer or employee is eligible under the applicable personnel laws of the university of Hawaii as determined by the president of the university. Such officers and employees shall not suffer any loss of salary, seniority, prior service credit, vacation, sick leave, education benefits granted employees of the university, or other employee benefit or privilege as a consequence of this Act; provided that subsequent changes in status may be made pursuant to section 304-11, Hawaii Revised Statutes.

(b) All officers and employees of Leahi Hospital on the effective date of this Act, other than those mentioned in subsection (a) whose functions are transferred by this Act shall be transferred with their functions to the department of health and shall continue to perform their regular duties upon transfer, subject to the provisions of state personnel laws and of this Act.

No tenured officer or employee of the State shall suffer loss of salary, seniority, prior service credit, vacation, sick leave, education benefits granted employees of the university, or other employee benefit or privilege as a consequence of this Act. Any such tenured officer or employee may be transferred or appointed to a civil service position without the necessity of examination; provided that such employee possesses the minimum qualifications for the position to which he is transferred or appointed; and provided that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

An employee of the State who does not have tenure and who is transferred or appointed to a civil service position as a consequence of this Act shall become a civil service employee without the loss of salary, seniority, prior service credit, vacation, sick leave, education benefits granted employees of the university, or other employee benefits or privileges and without the necessity of examination;

provided that such employee or officer possesses the minimum qualifications for the position to which he is transferred or appointed.

In the event that an office or position held by a tenured officer or employee is abolished, the officer or employee shall not thereby be separated from public employment, but shall remain in the employment of the State with the same pay and classification and shall be transferred to some other office or position for which the officer or employee is eligible under the personnel laws of the State as determined by the head of the department or the governor.

SECTION 5. (a) Any other law to the contrary notwithstanding, all moneys appropriated by the eighth legislature and prior legislatures to the university of Hawaii for the use of Leahi Hospital and the management of the hospital pursuant to section 323-2, Hawaii Revised Statutes, and the appropriated and unexpended funds for that purpose in the biennium budget for the fiscal years beginning July 1, 1975 and ending on June 30, 1977, for Leahi Hospital shall be transferred from the university of Hawaii to the department of health, except with approval of the governor the university of Hawaii may retain such positions and related funds to absorb the costs of the faculty members who elect to remain with the university.

(b) Any other law to the contrary notwithstanding, all capital improvement appropriations for Leahi Hospital authorizing expenditure by the university of Hawaii shall be transferred to the department of accounting and general services for use as stated in such appropriations.

SECTION 6. The university of Hawaii may, in its discretion, transfer to the department of health such Leahi Hospital records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property, under such terms and conditions as it deems appropriate for purposes of operating and managing Leahi Hospital.

SECTION 7. The department of health and the university of Hawaii may enter into contracts for the continuation of faculty members in their present positions or for the placement of future faculty members in positions at Leahi Hospital. Such contracts may provide for full-time or less than full-time employment at Leahi Hospital. The department of health and the university of Hawaii may enter into such other contracts as may be necessary.

SECTION 8. Except as otherwise provided in this Act, this Act shall not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date; provided that on July 1, 1976 the State of Hawaii shall be substituted for the university of Hawaii as a party in any court action begun prior to July 1, 1976.

SECTION 9. Nothing in this Act shall constitute or be construed to constitute a transfer of any right or interest in or to any real property or any improvement thereto held by the university, nor shall this Act or any provision herein derogate in any manner from the right, interest, or title of the university of Hawaii in or to any such real property or improvement thereto, including but not limited to:

- (1) Leahi Hospital lands and improvements now held by the university of Hawaii under a sixty-five year general lease no. S-4220, dated January

29, 1969, from the State of Hawaii by the board of land and natural resources;

- (2) All rights now held or hereafter acquired by the university of Hawaii in the lands and improvements of the Leahi foundation through the complaint of eminent domain (Civil 36044), dated January 27, 1972; and
- (3) All moneys in the process of appropriation to the university of Hawaii to pay the Leahi foundation the principal and interest for the lands and improvements acquired by condemnation.

SECTION 10. If any provision of this Act, or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 11. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 12. This Act shall take effect on July 1, 1976.

(Approved May 10, 1976.)

*Edited accordingly.