

A Bill for an Act Relating to the Hospital and Medical Facilities Special Fund.

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

SECTION 1. Section 321-1.4, Hawaii Revised Statutes, is amended by amending the title and subsections (a) and (b) to read as follows:

**“§321-1.4 [Hospital and medical facilities] Office of health care assurance special fund; deposits; expenditures.** (a) There is established within the department of health, to be administered by the department of health, the [hospital and medical facilities] office of health care assurance special fund into which shall be deposited<sup>1</sup> moneys collected under section 321-11.5(b)[-] and all administrative penalties imposed and collected by the office of health care assurance pursuant to section 321-20.

(b) Moneys in the special fund shall be expended by the department of health:

- (1) To assist in offsetting operating costs and educational program expenses of the [department’s hospital and medical facilities branch; department of health’s office of health care assurance; and
- (2) For the purpose of enhancing the capacity of [hospital and medical facilities] office of health care assurance programs to:
  - (A) Improve public health outreach efforts, program and community development, and consultations to industries regulated; and
  - (B) Educate the public, the staff of the department of health, [hospitals, nursing homes, and care homes, and industries] other departments within the State, as well as staff and providers of all health care facilities and agencies regulated.

Not more than [\$230,000] \$300,000 of the special fund may be used during any fiscal year for [education-] the activities carried out by the office of health care assurance.”

SECTION 2. Section 321-11.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

**“(b) All fees paid and collected pursuant to this section and rules adopted in accordance with chapter 91 from facilities seeking licensure or certification by the department of health, including hospitals, nursing homes, home health agencies, intermediate care facilities for the mentally retarded, freestanding outpatient surgical facilities, adult day health care centers, rural health centers, laboratories, adult residential care homes, expanded adult residential care homes, developmental disability domiciliary homes, assisted living facilities, therapeutic living programs, and special treatment facilities, shall be deposited into the [hospital and medical facilities] office of health care assurance special fund created under section 321-1.4. Any other entities required by law to be licensed by the department of health shall also be subject to reasonable fees established by the department of health by rules adopted in accordance with chapter 91.”**

SECTION 3. Section 321-15.6, Hawaii Revised Statutes, is amended by amending subsection (g) to read as follows:

**“(g) Any fines collected by the department of health for violations of this section shall be deposited into the [general] office of health care assurance special fund.”**

**SECTION 4.** Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

**SECTION 5.** This Act shall take effect upon its approval.

(Approved May 23, 2007.)

**Note**

1. Prior to amendment “all” appeared here.