July 5, 2019  GOV. MSG. NO. 1364

The Honorable Ronald D. Kouchi,  The Honorable Scott K. Saiki,
President  Speaker and Members of the
and Members of the Senate  House of Representatives
Thirtieth State Legislature  Thirtieth State Legislature
State Capitol, Room 409  State Capitol, Room 431
Honolulu, Hawai‘i 96813  Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 5, 2019, the following bill was signed into law:

SB1404 SD2 HD1 CD1  RELATING TO LOAN REPAYMENT FOR HEALTH
CARE PROFESSIONALS.  ACT 262 (19)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAI'I:

SECTION 1. The legislature finds that many Hawai'i residents are unable to obtain timely and appropriate health care due to shortages of primary health care providers in the State. These shortages not only threaten individual health but also cumulatively affect the State's health care costs. Rural areas of Hawai'i, which have been designated by the federal government as medically underserved areas, have been most significantly affected by shortages of primary and behavioral health care providers. Social workers, marriage and family therapists, and nurses are also urgently needed.

In many cases, the increasingly high cost of education for health care professionals binds graduates to a career path that provides sufficient income to repay often exorbitant student loans. These career paths most frequently lead to professional practice in highly specialized areas of care in urban areas rather than in general practice on the neighbor islands or in rural areas, where the need is greatest. The legislature further finds that counties in the United States with robust...
primary health care systems have lower costs and improved patient outcomes. Recognizing this correlation, many states have made the policy decision to dedicate public funds to the development of a strong primary health care workforce.

The only loan repayment program currently available in the State is administered by the John A. Burns school of medicine at the University of Hawaii at Manoa. This program leverages private donations to access matching federal funds through the State Loan Repayment Program of the National Health Service Corps of the Department of Health and Human Services. Since September 1, 2012, the loan repayment program has supported forty-two recipients in exchange for work in underserved geographic and practice areas in Hawaii. Currently, health care professionals who have benefited from the loan repayment program serve the communities of Waianae, Hilo, and Wailuku; at health clinics in Kalihi-Palama Health Center, Queen Emma Clinic, and Waikiki Health Center; and in public institutional settings at the Federal Detention Center in Honolulu and the Halawa correctional facility.

The legislature recognizes the considerable public outcomes achieved from the general funds allocated in each year of the
2017-2019 biennium to educate, train, and facilitate health care professionals to work in underserved areas. At this time, the loan repayment program supports twenty-four providers in Hawaii. The purpose of this Act is to appropriate funds to the department of health to fund the health care provider loan repayment program administered through the John A. Burns school of medicine to provide loan repayment for physicians, physician assistants, psychologists, nurse practitioners, social workers, marriage and family therapists, and nurses who agree to work in a federally-designated health professional shortage area or in a geographic area of Hawaii found to be underserved.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of $150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the health care provider loan repayment program; provided that no funds shall be released unless matched on a dollar-for-dollar basis by funds from a private or another public source.

The sum appropriated shall be expended by the department of health in coordination with the John A. Burns school of medicine at the University of Hawaii at Manoa for the purposes of this Act.
SECTION 3. This Act shall take effect on July 1, 2019.

APPROVED this 05 day of JUL, 2019

[Signature]
GOVERNOR OF THE STATE OF HAWAII
THE SENATE OF THE STATE OF HAWAI‘I

Date: April 30, 2019
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the
Senate of the Thirtieth Legislature of the State of Hawai‘i, Regular Session of 2019.

[Signature]
President of the Senate

[Signature]
Clerk of the Senate
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2019
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.

Scott K. Saiki
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives