

STAND. COM. REP. NO.

1042

Honolulu, Hawaii

MAR 19 , 2021

RE: S.B. No. 506
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Health, Human Services, & Homelessness, to which was referred S.B. No. 506, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST WAHIAWA GENERAL HOSPITAL,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Wahiawa General Hospital with its long-term debt restructuring.

Your Committee received testimony in support of this measure from Wahiawa General Hospital and ILWU Local 142. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that for over the past fifteen years, Wahiawa General Hospital has experienced severe financial difficulties, due to the impacts of several factors, including the reopening of The Queen's Medical Center West Oahu in Ewa, Oahu; reductions in Medicare, Medicaid, and private insurance requirements under the federal Patient Protection and Affordable Care Act; the ongoing shortage of physicians in the State; uncertainty in the availability of federal and state funding caused by instability in federal health care policy; and an

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increasing need for the provision of indigent care, which includes the homeless population. In addition, the COVID-19 pandemic has exacerbated Wahiawa General Hospital's fiscal challenges.

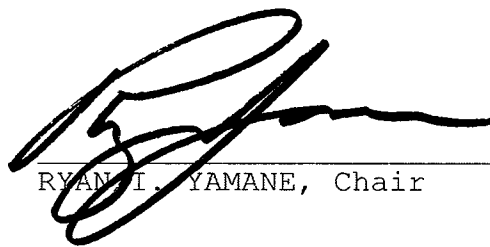
Your Committee recognizes that Wahiawa General Hospital is critical to providing a continuum of health care services in the State. It provides critical health care service needs to many residents and serves as a major employer in Wahiawa, Oahu. This measure will enable Wahiawa General Hospital to restructure its long-term debt and position itself to continue its mission of serving the health care needs of Central Oahu, North Shore, and other communities.

Your Committee has amended this measure by:

- (1) Changing the special purpose revenue bond amount to an unspecified amount;
- (2) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health, Human Services, & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 506, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 506, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Health, Human
Services, & Homelessness,



RYAN I. YAMANE, Chair



Record of Votes of the Committee on Health, Human Services, & Homelessness

Bill/Resolution No.: <i>SB 506, SD2</i>	Committee Referral: <i>HHH, CPC, FIN</i>	Date: <i>3/16/2021</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HHH Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. TAM, Adrian K. (VC)	✓			
3. GATES, Cedric Asuega	✓			
4. HAR, Sharon E.	✓			
5. KAPELA, Jeanne	✓			
6. LoPRESTI, Matthew S.				✓
7. NISHIMOTO, Scott Y.	✓			
8. WARD, Gene				✓
TOTAL (8)	<i>6</i>			<i>2</i>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 150px;">committee acronym(s)</small>				
Vice Chair's or designee's signature: _____ <i>[Signature]</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				