STAND. COM. REP. NO.

Honolulu, Hawaii **Ebryary 15**, 2013 RE: H.B. No. 576 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 576, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to provide enhanced executive and legislative oversight of loans from foreign nationals under the Immigrant Investor Pilot Program (Pilot Program) obtained by the Hawaii Health Systems Corporation (Corporation).

More specifically, this measure:

- Requires the Corporation to obtain written approval of the Governor prior to executing any agreement to obtain a loan under the Pilot Program;
- (2) Stipulates that the Corporation only expend the proceeds of the loan for a project if the Legislature has made an appropriation of funds in the amount of the loan for that project; and
- (3) Requires the Corporation to request the amount necessary to repay the loan in its annual budget submitted to the Governor.



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The Department of Budget and Finance testified in support of this measure. The Hawaii Health Systems Corporation submitted comments on this measure.

Your Committee finds that, currently, the Corporation has the authority to enter into financing agreements, including agreements with foreign nationals, without approval of the Director of Finance and Attorney General, provided that any financing agreement is less than \$5,000,000 and the aggregate in any fiscal year does not exceed \$25,000,000. This measure would establish proper oversight by the Executive and Legislative branches of loans received by the Corporation from foreign nationals under the Immigrant Investor Pilot Program.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 576, H.D. 1, and recommends that it be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Health,

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DELLA AU BELATTI, Chair



State of Hawaii House of Representatives The Twenty-seventh Legislature

HOCR 505

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Record of Votes of the Committee on Health

	Committee Referral: VMI, HLT, FIM		Date: 2(13)13	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)				
2. MORIKAWA, Dee (VC)				
3. CABANILLA, Rida T.R.				
4. CARROLL, Mele				
5. JORDAN, Jo				
6. KOBAYASHI, Bertrand				
7. WOODSON, Justin H.				
8. CHEAPE, Lauren Kealohilani				
TOTAL (8)	1			1
The recommendation is: Adopted Not Adopted If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				