

STAND. COM. REP. NO.

1465

Honolulu, Hawaii

MAR 25 , 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 Consumer Protection & Commerce, to which
was referred S.B. No. 506, S.D. 2, H.D. 1, 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 the Hawaii Nurses' Association.
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 financial difficulties
due to several circumstances, including the reopening of The
Queen's Medical Center West Oahu in Ewa, Oahu; reductions in
Medicare, Medicaid, and private insurance reimbursements; new
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

2021-2764 SB506 HD1 HSCR HMSO



increasing need for the provision of indigent care, which includes the homeless population. Additionally, the COVID-19 pandemic has created even further financial challenges for Wahiawa General Hospital. Because of these financial difficulties, Wahiawa General Hospital has had to cut a few of its programs, services, and personnel while allowing basic infrastructure repair and maintenance needs to go unmet.

Your Committee recognizes that Wahiawa General Hospital is important to providing a continuum of health care services in Hawaii. Your Committee believes that this measure will enable Wahiawa General Hospital to restructure its debt and position itself to continue its long-standing mission of serving the health care needs of Central Oahu, the North Shore, and other communities.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 506, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

Aaron Ling Johanson for

AARON LING JOHANSON, Chair



HSCR 1465

Bill/Resolution No.: SB 506 SD2 HD1	Committee Referral: HHH, CPC, FIN	Date: 3/24/21		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HAR, Sharon E.	✓			
5. HASHEM, Mark J.	✓			
6. KONG, Sam Satoru	✓			
7. MIZUNO, John M.	✓			
8. MORIKAWA, Dee	✓			
9. ONISHI, Richard H.K.	✓			
10. TARNAS, David A.	✓			
11. MATSUMOTO, Lauren	✓			
TOTAL (11)	11	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ <div style="text-align: center; font-size: small;">Signature of Vice Chair or designee</div>				
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