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# A BILL FOR AN ACT

RELATING TO NURSING FACILITIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the nursing facility  
2 sustainability program was established in 2012 and has served a  
3 critical role in strengthening the long-term care system in the  
4 State. In the eleven years since its inception, the nursing  
5 facility sustainability program has helped long-term care  
6 facilities treat the most vulnerable patients in the State,  
7 especially low-income individuals who require these services.  
8 The program has been carried out in a public-private partnership  
9 to ensure that patients in the State can access quality,  
10 affordable care.

11           The legislature further finds that, even with this program,  
12 nursing facilities in the State face major challenges. These  
13 challenges are due in part to the health and financial pressures  
14 related to the ongoing coronavirus disease 2019 pandemic.  
15 Medicaid is jointly financed by the federal and state  
16 governments by statutory formula whereby the federal government  
17 pays between fifty per cent and seventy-four per cent, with



1 assistance levels determined by each state's per capita income.  
2 States with the lowest per capita income relative to the  
3 national average receive higher federal matching rates. Under  
4 federal rules, the state share must be public funds that are not  
5 federal funds. The legislature finds that public funding to  
6 help financially sustain Hawaii's nursing facilities should  
7 continue to be assessed through the nursing facility  
8 sustainability program's provider fee, which is currently  
9 scheduled to repeal in 2024.

10 The legislature further finds that provider fees exist in  
11 forty-nine states and the District of Columbia as a means of  
12 drawing down federal funds to sustain their medicaid programs,  
13 increase the number of health care providers, and expand  
14 medicaid enrollment. Provider fees, which are collected from  
15 specific categories of health care providers, may be imposed on  
16 different classes of health care services, including inpatient  
17 and outpatient hospital and nursing facility services.

18 The legislature also finds that a provider fee on nursing  
19 facilities in the State has resulted in a substantial increase  
20 in medicaid payments without putting additional constraints on  
21 the State's budget. The additional federal funds obtained via



1 the nursing facility sustainability program have also maintained  
2 access to care for medicaid recipients. This has allowed  
3 nursing facilities in the State to continue to serve under- or  
4 uninsured patients in a timely, effective manner, and helped to  
5 ensure the overall sustainability of the health care system in  
6 the State.

7 Therefore, the purpose of this Act is to preserve access to  
8 health care for medicaid recipients and strengthen the nursing  
9 sustainability program by:

- 10 (1) Repealing the sunset dates of Act 156, Session Laws of  
11 Hawaii 2012, and Act 124, Session Laws of Hawaii 2014,  
12 thereby making the program permanent and permanently  
13 exempting the nursing facility sustainability program  
14 special fund from the central service and  
15 administrative expenses assessments;
- 16 (2) Making various amendments to the nursing facility  
17 sustainability program and nursing facility  
18 sustainability program special fund;
- 19 (3) Repealing the nursing facility tax; and
- 20 (4) Appropriating funds out of the nursing facility  
21 sustainability program special fund.



1 SECTION 2. Section 23-78, Hawaii Revised Statutes, is  
2 amended by amending subsection (c) to read as follows:

3 "(c) This section shall apply to the following:

4 (1) Section 237-24.7(1)--Amounts received by hotel  
5 operators and hotel suboperators for employee wages  
6 and fringe benefits;

7 (2) Section 237-24.7(2)--Amounts received by a county  
8 transportation system operator under a contract with  
9 the county;

10 (3) Section 237-24.7(4)--Amounts received by orchard  
11 property operators for employee wages and fringe  
12 benefits;

13 (4) Section [~~237-24.7(6)~~] 237-24.7(5)--Amounts received  
14 from insurers for damage or loss of inventory of  
15 businesses located in a natural disaster area;

16 (5) Section [~~237-24.7(7)~~] 237-24.7(6)--Amounts received by  
17 community organizations, school booster clubs, and  
18 nonprofit organizations for precinct and other  
19 election-related activities;

20 (6) Section [~~237-24.7(8)~~] 237-24.7(7)--Interest received  
21 by persons domiciled outside the State from trust



1 companies acting as payment agents or trustees on  
2 behalf of issuers or payees of interest-bearing  
3 instruments or obligations;

4 (7) Section [~~237-24.7(9)~~] 237-24.7(8)--Amounts received by  
5 management companies from related entities engaged in  
6 interstate or foreign common carrier  
7 telecommunications services for employee wages and  
8 fringe benefits; and

9 (8) Section [~~237-24.7(10)~~] 237-24.7(9)--Amounts received  
10 from technology research and development grants."

11 SECTION 3. Section 237-24.7, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**§237-24.7 Additional amounts not taxable.** In addition to  
14 the amounts not taxable under section 237-24, this chapter shall  
15 not apply to:

16 (1) Amounts received by the operator of a hotel from the  
17 owner of the hotel or from a time share association,  
18 and amounts received by the suboperator of a hotel  
19 from the owner of the hotel, from a time share  
20 association, or from the operator of the hotel, in  
21 amounts equal to and [~~which~~] that are disbursed by the



1 operator or suboperator for employee wages, salaries,  
2 payroll taxes, insurance premiums, and benefits,  
3 including retirement, vacation, sick pay, and health  
4 benefits. As used in this paragraph:

5 "Employee" means employees directly engaged in  
6 the day-to-day operation of the hotel and employed by  
7 the operator or suboperator.

8 "Hotel" means an operation as defined in section  
9 445-90 or a time share plan as defined in section  
10 514E-1.

11 "Operator" means any person who, pursuant to a  
12 written contract with the owner of a hotel or time  
13 share association, operates or manages the hotel for  
14 the owner or time share association.

15 "Owner" means the fee owner or lessee under a  
16 recorded lease of a hotel.

17 "Suboperator" means any person who, pursuant to a  
18 written contract with the operator, operates or  
19 manages the hotel as a subcontractor of the operator.

20 "Time share association" means an "association"  
21 as that term is defined in section 514E-1;



1 (2) Amounts received by the operator of a county  
2 transportation system operated under an operating  
3 contract with a political subdivision, where the  
4 political subdivision is the owner of the county  
5 transportation system. As used in this paragraph:

6 "County transportation system" means a mass  
7 transit system of motorized buses providing regularly  
8 scheduled transportation within a county.

9 "Operating contract" or "contract" means a  
10 contract to operate and manage a political  
11 subdivision's county transportation system, which  
12 provides that:

13 (A) The political subdivision shall exercise  
14 substantial control over all aspects of the  
15 operator's operation;

16 (B) The political subdivision controls the  
17 development of transit policy, service  
18 planning, routes, and fares; and

19 (C) The operator develops in advance a draft  
20 budget in the same format as prescribed for  
21 agencies of the political subdivision. The



1 budget must be subject to the same  
2 constraints and controls regarding the  
3 lawful expenditure of public funds as any  
4 public sector agency, and deviations from  
5 the budget must be subject to approval by  
6 the appropriate political subdivision  
7 officials involved in the budgetary process.

8 "Operator" means any person who, pursuant to an  
9 operating contract with a political subdivision,  
10 operates or manages a county transportation system.

11 "Owner" means a political subdivision that owns  
12 or is the lessee of all the properties and facilities  
13 of the county transportation system (including buses,  
14 real estate, parking garages, fuel pumps, maintenance  
15 equipment, office supplies, etc.), and that owns all  
16 revenues derived therefrom;

17 (3) Surcharge taxes on rental motor vehicles imposed by  
18 chapter 251 and passed on and collected by persons  
19 holding certificates of registration under that  
20 chapter;





1 (4) Amounts received by the operator of orchard properties  
 2 from the owner of the orchard property in amounts  
 3 equal to and ~~[which]~~ that are disbursed by the  
 4 operator for employee wages, salaries, payroll taxes,  
 5 insurance premiums, and benefits, including  
 6 retirement, vacation, sick pay, and health benefits.  
 7 As used in this paragraph:

8 "Employee" means an employee directly engaged in  
 9 the day-to-day operations of the orchard properties  
 10 and employed by the operator.

11 "Operator" means a producer who, pursuant to a  
 12 written contract with the owner of the orchard  
 13 property, operates or manages the orchard property for  
 14 the owner where the property contains an area  
 15 sufficient to make the undertaking economically  
 16 feasible.

17 "Orchard property" means any real property that  
 18 is used to raise trees with a production life cycle of  
 19 fifteen years or more producing fruits or nuts having  
 20 a normal period of development from the initial



1 planting to the first commercially saleable harvest of  
2 not less than three years.

3 "Owner" means a fee owner or lessee under a  
4 recorded lease of orchard property;

5 ~~[(5) Taxes on nursing facility income imposed by chapter~~  
6 ~~346E and passed on and collected by operators of~~  
7 ~~nursing facilities;~~

8 ~~+(6)]~~ (5) Amounts received under property and casualty  
9 insurance policies for damage or loss of inventory  
10 used in the conduct of a trade or business located  
11 within the State or a portion thereof that is declared  
12 a natural disaster area by the governor pursuant to  
13 section 209-2;

14 ~~+(7)]~~ (6) Amounts received as compensation by community  
15 organizations, school booster clubs, and nonprofit  
16 organizations under a contract with the chief election  
17 officer for the provision and compensation of precinct  
18 officials and other election-related personnel,  
19 services, and activities, pursuant to section 11-5;

20 ~~+(8)]~~ (7) Interest received by a person domiciled outside  
21 the State from a trust company (as defined in section



1           412:8-101) acting as payment agent or trustee on  
2           behalf of the issuer or payees of an interest bearing  
3           instrument or obligation, if the interest would not  
4           have been subject to tax under this chapter if paid  
5           directly to the person domiciled outside the State  
6           without the use of a paying agent or trustee; provided  
7           that if the interest would otherwise be taxable under  
8           this chapter if paid directly to the person domiciled  
9           outside the State, it shall not be exempt solely  
10          because of the use of a Hawaii trust company as a  
11          paying agent or trustee;

12          [~~(9)~~] (8) Amounts received by a management company from  
13          related entities engaged in the business of selling  
14          interstate or foreign common carrier  
15          telecommunications services in amounts equal to and  
16          [~~which~~] that are disbursed by the management company  
17          for employee wages, salaries, payroll taxes, insurance  
18          premiums, and benefits, including retirement,  
19          vacation, sick pay, and health benefits. As used in  
20          this paragraph:



1 "Employee" means employees directly engaged in  
2 the day-to-day operation of related entities engaged  
3 in the business of selling interstate or foreign  
4 common carrier telecommunications services and  
5 employed by the management company.

6 "Management company" means any person who,  
7 pursuant to a written contract with a related entity  
8 engaged in the business of selling interstate or  
9 foreign common carrier telecommunications services,  
10 provides managerial or operational services to that  
11 entity.

12 "Related entities" means:

13 (A) An affiliated group of corporations within  
14 the meaning of section 1504 (with respect to  
15 affiliated group defined) of the federal  
16 Internal Revenue Code of 1986, as amended;

17 (B) A controlled group of corporations within  
18 the meaning of section 1563 (with respect to  
19 definitions and special rules) of the  
20 federal Internal Revenue Code of 1986, as  
21 amended;



- 1 (C) Those entities connected through ownership  
2 of at least eighty per cent of the total  
3 value and at least eighty per cent of the  
4 total voting power of each [~~such~~] entity (or  
5 combination thereof), including  
6 partnerships, associations, trusts, S  
7 corporations, nonprofit corporations,  
8 limited liability partnerships, or limited  
9 liability companies; and
- 10 (D) Any group or combination of the entities  
11 described in paragraph (C) constituting a  
12 unitary business for income tax purposes;  
13 whether or not the entity is located within or without  
14 the State or licensed under this chapter; and
- 15 [~~(10)~~] (9) Amounts received as grants under  
16 section 206M-15."

17 SECTION 4. Section 346D-4.5, Hawaii Revised Statutes, is  
18 amended by amending subsection (a) to read as follows:

19 "(a) There may be established a monthly needs allowance  
20 for individuals living in:



- 1 (1) Adult residential care home type I and type II
- 2 facilities;
- 3 (2) Licensed developmental disabilities domiciliary homes
- 4 as defined in section 321-15.9;
- 5 (3) Community care foster family homes as defined in
- 6 section 321-481;
- 7 (4) Certified adult foster homes as defined in
- 8 section 321-11.2;
- 9 (5) Domiciliary care as defined in section 346-1;
- 10 (6) A nursing facility [~~as defined in section 346E-1~~]; or
- 11 (7) A community-based residence as part of the residential
- 12 alternatives community care program."

13 SECTION 5. Section 346F-2, Hawaii Revised Statutes, is  
 14 amended to read as follows:

15 "[+]§346F-2[+] **Findings and declaration of necessity.** It  
 16 is the intent of the legislature to establish a special fund  
 17 within the state treasury to receive revenue from the imposition  
 18 of a nursing facility sustainability fee to be administered by  
 19 the department, which shall use the revenue from the fee and  
 20 associated federal medicaid matching funds exclusively to make



1 payments to nursing facilities and for other purposes as set  
2 forth in this chapter."

3 SECTION 6. Section 346F-4, Hawaii Revised Statutes, is  
4 amended by amending subsections (b) through (d) to read as  
5 follows:

6 "(b) Moneys in the special fund shall consist of:

7 (1) All revenues collected or received by the department  
8 from the nursing facility sustainability fee as  
9 required by this chapter;

10 [~~2~~] ~~All federal medicaid funds received by the department~~  
11 ~~as a result of matching expenditures made with the~~  
12 ~~nursing facility sustainability fees;~~

13 [~~3~~] (2) Any interest or penalties levied in conjunction  
14 with the administration of this chapter; and

15 [~~4~~] (3) Any designated appropriations, federal funds,  
16 donations, gifts, or moneys from any other sources.

17 (c) Revenue from the nursing facility sustainability fee  
18 shall be used exclusively as follows:

19 (1) No less than eighty-eight per cent of the revenue from  
20 the nursing facility sustainability fee shall be used  
21 for one or more of the following:



- 1 (A) To match federal medicaid funds, with the  
2 combined total to be used to enhance capitated  
3 rates to medicaid managed care health plans for  
4 the purpose of increasing medicaid payments to  
5 private nursing facilities to support the  
6 availability of services and ensure access to  
7 care for the medicaid managed care health plan  
8 enrollees; or
- 9 (B) To match federal medicaid funds, with the  
10 combined total to enhance capitated rates for the  
11 purpose of paying quality incentives; and
- 12 (2) Twelve per cent of the revenue from the nursing  
13 facility sustainability fee may be used by the  
14 department for other departmental purposes[; ~~and~~
- 15 ~~(3) All moneys remaining in the special fund on June 30,~~  
16 ~~2024, shall be distributed to nursing facilities~~  
17 ~~within thirty days in the same proportions as received~~  
18 ~~from the nursing facilities].~~
- 19 (d) The department shall utilize federal funds derived  
20 from state long-term care facility certified expenditures to  
21 make [supplemental] payments to state long-term care facilities





1 to the extent permitted by federal law. The department may  
2 receive intergovernmental transfers from the state long-term  
3 care facilities to support [~~direct supplemental~~] payments and  
4 increased capitation rates to health plans for the benefit of  
5 the state long-term care facilities. During any period in which  
6 the nursing facility sustainability fee is in effect, certified  
7 expenditures of state long-term care facilities shall not be  
8 used to make or support [~~direct~~] payments to private nursing  
9 facilities."

10 SECTION 7. Section 346F-5, Hawaii Revised Statutes, is  
11 amended by amending subsections (b) through (d) to read as  
12 follows:

13 "(b) The nursing [+]facility[+] sustainability fee shall  
14 be based on the [~~net patient service revenue~~] total resident  
15 days of all nursing facilities that are subject to the  
16 sustainability fee, as determined by the department.

17 (c) The nursing facility sustainability fee shall not  
18 exceed [~~5.5~~] six per cent of overall net patient service revenue  
19 and shall be calculated and paid on a per resident day basis,  
20 unless the facility qualifies for an exemption identified in  
21 subsection (d) (1). The facilities described in subsection



1 (d) (2) shall pay a reduced daily fee compared to other  
2 facilities participating in the program.

3 (d) In accordance with the redistribution method set forth  
4 in title 42 Code of Federal Regulations section 433.68(e) (1) and  
5 (2), the department shall seek a waiver of the broad-based and  
6 uniformity provider fee requirements under federal law from  
7 which to exclude certain nursing facilities and to permit  
8 certain high volume medicaid nursing facilities or facilities  
9 with a high number of total annual patient days to pay the  
10 sustainability fee at a lesser amount per resident day, as  
11 follows:

12 (1) The department shall exempt the following nursing  
13 facility providers from the nursing facility  
14 sustainability fee subject to federal approval under  
15 title 42 Code of Federal Regulations  
16 section 433.68(e) (2):

17 (A) Nursing facilities with twenty-eight or fewer  
18 licensed beds;

19 (B) Nursing facilities owned, operated by, or  
20 affiliated with the Hawaii health systems  
21 corporation; and



1 (C) Continuing care retirement communities~~[-];~~  
2 (2) The department shall reduce the fee for [~~high volume~~  
3 ~~medicaid nursing facilities or facilities with high~~  
4 ~~patient volumes~~] facilities with high medicaid  
5 resident days in order to meet the redistributive  
6 tests of title 42 Code of Federal Regulations  
7 section 433.68(e) (2) ~~[-];~~ and  
8 (3) The department, [~~with agreement by~~] upon good faith  
9 consultation and negotiation with the nursing facility  
10 trade [~~associations~~] association located in [~~Hawaii,~~  
11 the State, may modify, add to, or [~~reduce the~~  
12 ~~categories of~~] exclude facilities [~~exempt~~] from the  
13 assessment if necessary to obtain and maintain  
14 approval of the waiver by the Centers for Medicare and  
15 Medicaid Services, if the modification, addition, or  
16 exclusion is consistent with the purposes of this  
17 chapter."

18 SECTION 8. Section 346F-6, Hawaii Revised Statutes, is  
19 amended by amending subsection (c) to read as follows:

20 "(c) The department shall [~~collect and each nursing~~  
21 ~~facility shall pay in twelve equal installments~~] impose the



1 nursing facility sustainability fee [~~in section 346F-5 on a~~  
2 ~~monthly basis, subject to the terms of this section. The fee~~  
3 ~~shall be due within sixty days after the end of each month, with~~  
4 ~~the initial payment due on the later of July 31, 2012, or forty-~~  
5 ~~five days after the required federal approvals for the~~  
6 ~~assessment and any increase in health plan capitation payments~~  
7 ~~have been secured from the Centers for Medicare and Medicaid~~  
8 ~~Services.] on a monthly basis, which a nursing facility shall  
9 pay no later than the sixtieth day after the end of the calendar  
10 month that the department imposed the fee; provided that if  
11 required federal approvals have not been secured by the end of a  
12 calendar month, the fees for that month shall be paid within ten  
13 days after the notification to the nursing facilities that the  
14 required approvals have been received."~~

15 SECTION 9. Section 346F-9, Hawaii Revised Statutes, is  
16 amended by amending subsection (a) to read as follows:

17 "(a) If a nursing facility fails to pay the full amount of  
18 the nursing facility sustainability fee when due, there shall be  
19 added to the fee, unless waived by the department for reasonable  
20 cause, a penalty equal to two per cent of the fee that was not  
21 paid when due. Any subsequent payments shall be credited first



1 to unpaid fee amounts [~~rather than to penalty or interest~~  
2 ~~amounts,~~] beginning with the most delinquent installment~~[-]~~,  
3 rather than to penalty or interest amounts."

4 SECTION 10. Section 346F-10, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "**§346F-10 Enhanced rates to medicaid managed care health**  
7 **plans.** (a) In accordance with title 42 Code of Federal

8 Regulations part 438, the department shall use revenues from the  
9 nursing facility sustainability fee and federal matching funds  
10 to enhance the capitated rates paid to medicaid managed care  
11 health plans [~~for the period of July 1 through December 31,~~  
12 ~~2021, and calendar years 2022 and 2023,~~] consistent with the  
13 following objectives:

14 (1) The [~~rate enhancement shall be used exclusively for~~  
15 ~~increasing reimbursements to private nursing~~  
16 ~~facilities to support the availability of services and~~  
17 ~~to ensure access to care to the medicaid managed care~~  
18 ~~health plan enrollees;~~] department shall use moneys  
19 from the nursing facility sustainability program  
20 solely to fulfill the requirements of  
21 section 346F-4 (c);



- 1           (2) The rate enhancement shall be [~~made part of the~~  
2           ~~monthly capitated rates~~] paid by the department to  
3           medicaid managed care health plans, which shall  
4           provide documentation to the department and the  
5           nursing facility trade association located in [~~Hawaii~~]  
6           the State certifying that the revenues received under  
7           paragraph [~~(1)~~] (3) are used in accordance with this  
8           section;
- 9           (3) The rate enhancement shall be used exclusively to  
10           increase reimbursements to private nursing facilities  
11           to support the availability of services and ensure  
12           access to care for medicaid managed care health plan  
13           enrollees;
- 14          [~~(3)~~] (4) The rate enhancement shall be actuarially sound  
15           and approved by the federal government for federal  
16           fund participation;
- 17          [~~(4)~~] (5) The department shall modify the fee-for-service  
18           reimbursement rates of the nursing facilities to  
19           recognize the medicaid portion of the nursing facility  
20           sustainability fee as an additional cost of serving



1           medicaid patients, and to provide a uniform percentage  
2           increase in preexisting facility-specific rates; [~~and~~  
3       ~~(5)~~] (6) Payments made by the medicaid managed care health  
4           plans shall be made within thirty calendar days upon  
5           receipt of [~~monthly capitation rates~~] payment from the  
6           department[~~;~~]; and

7       (7) Each medicaid managed care health plan shall expend  
8           one hundred per cent of any increased payments it  
9           receives under this section to carry out the goals of  
10          the nursing facility sustainability program.

11       (b) If federal approval pursuant to section 346F-7 is not  
12       received until after the end of any month for which the nursing  
13       facility sustainability fee is applicable, the department shall  
14       make the initial monthly payments within five days after receipt  
15       of the nursing facility sustainability fee for the respective  
16       month.

17       (c) To the extent the nursing facility sustainability  
18       program is not effective for the entire year, the nursing  
19       facility sustainability fee, the state medicaid expenses and  
20       administrative fee, and the corresponding payments to fulfill



1 the requirements of section 346F-4(c) shall be based on the  
2 proportion of the fiscal year the program is in effect."

3 SECTION 11. Section 346F-13, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "**S346F-13 Termination.** (a) Collection of the nursing  
6 facility sustainability fee under section 346F-5 shall be  
7 discontinued if:

- 8 (1) The waiver in section 346F-7 or the enhanced  
9 capitation rates in section 346F-10 have not been  
10 approved by the Centers for Medicare and Medicaid  
11 Services;
- 12 (2) The department reduces [~~funding for nursing facility~~  
13 ~~services below the state appropriation in effect on~~  
14 ~~June 30, 2021;~~] reimbursement rates for private  
15 nursing facility services to medicaid patients with  
16 the intention of using the sustainability funds to  
17 supplant the planned or permanent reduction in rates;
- 18 (3) The department or any other state agency uses the  
19 money in the special fund for any use other than the  
20 uses permitted pursuant to this chapter; or





1 (4) Federal financial participation to match the nursing  
2 facility sustainability fee becomes unavailable under  
3 federal law[~~. In such~~], in which case, the department  
4 shall terminate the collection of the fee beginning on  
5 the effective date of the federal statutory,  
6 regulatory, or interpretive change.

7 (b) If [~~collection of~~] the nursing facility sustainability  
8 fee is discontinued [~~as provided in this section~~], any  
9 [~~remaining~~] money remaining in the nursing facility  
10 sustainability program special fund shall be [~~returned~~]  
11 distributed to the nursing facilities [~~from which the fee was~~  
12 ~~collected~~] within [~~thirty days~~] six months of the date of  
13 discontinuation in the same proportions as received from the  
14 nursing facilities."

15 SECTION 12. Chapter 346E, Hawaii Revised Statutes, is  
16 repealed.

17 SECTION 13. Act 156, Session Laws of Hawaii 2012, as  
18 amended by section 3 of Act 142, Session Laws of Hawaii 2013, as  
19 amended by section 2 of Act 124, Session Laws of Hawaii 2014, as  
20 amended by section 2 of Act 69, Session Laws of Hawaii 2015, as  
21 amended by section 2 of Act 59, Session Laws of Hawaii 2016, as



1 amended by section 5 of Act 60, Session Laws of Hawaii 2017, as  
2 amended by section 6 of Act 163, Session Laws of Hawaii 2019, as  
3 amended by section 7 of Act 24, Session Laws of Hawaii 2021, is  
4 amended by amending section 5 to read as follows:

5 "SECTION 5. This Act shall take effect on July 1, 2012[~~7~~  
6 and shall be repealed on December 31, 2023; provided that  
7 section ~~4~~, Hawaii Revised Statutes, established by section 2  
8 of this Act, and the amendment made to section ~~36-30(a)~~, Hawaii  
9 Revised Statutes, in section 3 of this Act, shall be repealed on  
10 June 30, 2024]."

11 SECTION 14. Act 124, Session Laws of Hawaii 2014, as  
12 amended by section 3 of Act 69, Session Laws of Hawaii 2015, as  
13 amended by section 3 of Act 59, Session Laws of Hawaii 2016, as  
14 amended by section 6 of Act 60, Session Laws of Hawaii 2017, as  
15 amended by section 7 of Act 163, Session Laws of Hawaii 2019, as  
16 amended by section 8 of Act 24, Session Laws of Hawaii 2021, is  
17 amended by amending section 7 to read as follows:

18 "SECTION 7. This Act shall take effect on June 29, 2014[~~+~~  
19 provided that:

20 ~~(1) Section 5 shall take effect on July 1, 2014; and~~



1       ~~(2) The amendments made to sections 36-27(a) and 36-30(a),~~  
2       ~~Hawaii Revised Statutes, in sections 3 and 4 of this~~  
3       ~~Act shall be repealed on June 30, 2024]."~~

4       SECTION 15. There is appropriated out of the nursing  
5       facility sustainability program special fund the sum of  
6       \$27,000,000 or so much thereof as may be necessary for fiscal  
7       year 2023-2024 and the same sum or so much thereof as may be  
8       necessary for fiscal year 2024-2025 for purposes consistent with  
9       section 346F-4, Hawaii Revised Statutes.

10       The sums appropriated shall be expended by the department  
11       of human services for the purposes of this Act.

12       SECTION 16. Statutory material to be repealed is bracketed  
13       and stricken. New statutory material is underscored.

14       SECTION 17. This Act shall take effect upon its approval;  
15       provided that sections 14 and 15 shall take effect on July 1,  
16       2023.



**Report Title:**

Nursing Facility Sustainability Program; Nursing Facility Sustainability Fee; Special Fund; Nursing Facility Tax; Long-Term Care; Department of Human Services; Repeal; Appropriation

**Description:**

Repeals the sunset dates of Act 156, SLH 2012, and Act 124, SLH 2014, to make the nursing facility sustainability program permanent and permanently exempt the nursing sustainability program special fund from the central service and administrative expenses assessments. Makes various amendments to the nursing facility sustainability program and nursing facility sustainability special fund. Repeals the nursing facility tax. Appropriates funds out of the nursing facility sustainability program special fund. (CD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

