

## TESTIMONY OF THE DEPARTMENT OF THE ATTORNEY GENERAL KA 'OIHANA O KA LOIO KUHINA THIRTY-SECOND LEGISLATURE, 2024

## ON THE FOLLOWING MEASURE:

S.B. NO. 2837, S.D. 2, H.D. 1, RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH SYSTEMS CORPORATION.

## BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE:	Wednesday, March 27, 2024	<b>TIME:</b> 2:00 p.m.	
LOCATION:	State Capitol, Room 308 and Videoconference		
<b>TESTIFIER(S):</b> Anne E. Lopez, Attorney General Blair A. Goto, Deputy Attorney General		•	

Chair Yamashita and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purposes of the bill are to: (1) by June 30 2027, grant temporary ownership and oversight of the operations and management agreement of the Maui State Veterans Home (MSVH) to the Oahu regional health care system (Oahu region); (2) require the Maui regional health care system (Maui region) to secure ownership of the land on which the MSVH is located; (3) by June 30, 2028, transfer ownership and oversight of the operations and management agreement of the MSVH from the Oahu region to the Maui region; (4) require the Maui region to submit reports to the Legislature prior to the regular sessions of 2025, 2026, and 2027 on the Maui region's efforts to reconstitute its board and management; and (5) require the Hawaii Department of Defense, Maui region, and Oahu region to submit joint reports to the Legislature prior to the regular sessions of 2025, 2026, and 2027 on the progress of the MSVH, including the securing of federal funds, if any.

Article III, section 14, of the Hawaii Constitution provides, in part: "Each law shall embrace but one subject, which shall be expressed in its title." The title of the bill is: "A Bill for an Act Relating to the Oahu Regional Health Care System, Hawaii Health Systems Corporation." Testimony of the Department of the Attorney General Thirty-Second Legislature, 2024 Page 2 of 2

The bill's purposes (2) and (4) above require the Maui region to secure ownership of the land on which the MSVH is located and require the Maui region to submit reports to the Legislature prior to the regular sessions of 2025, 2026, and 2027 on the Maui region's efforts to reconstitute its board and management, respectively, establish requirements for the Maui region that do not explicitly relate to the Oahu region. Accordingly, the added requirements may be subject to challenge as being in violation of article III, section 14, of the Hawaii Constitution.

Both of these requirements were added in House Draft 1. To avoid possible challenges to the validity of the bill, we recommend the deletion of the added wording on page 2, lines 16-20, and of the Maui region report requirement on page 4, lines 3-14, of the bill.

Thank you for the opportunity to provide comments on this bill.



# OAHU REGION HAWAII HEALTH SYSTEMS CORPORATION

#### Committee on Finance Representative Kyle T. Yamashita, Chair Representative Lisa Kitagawa, Vice-Chair

March 27, 2024, 2:00 P.M. Via Video Conference Conference Room 308 Hawaii State Capitol

Sean Sanada Oahu Region Chief Administrative Officer Hawaii Health Systems Corporation **Re: Testimony in Support** 

SB 2837, SD2, HD1 RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH SYSTEMS CORPORATION

Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee on Finance:

SB 2837, SD2, HD1 grants the Oahu Regional Health Care System (hereinafter, "Oahu Region") temporary ownership and oversight over the operations and management agreement of the proposed state veterans home on Maui and then transfers such ownership and oversight responsibilities to the Maui Regional Health Care System on a permanent basis.

The Oahu Region recognizes that, despite the high need, there is currently no state veterans home on the island of Maui to provide long-term care services for their veteran community. The Oahu Region further recognizes that management responsibilities for the Maui state veterans home should be placed under a state agency with the expertise to manage a long-term care facility. Until such time that the Maui Regional Healthcare System is able to generate the resources required to manage a new facility on the island, the Oahu Region is willing to take on this role.

Should our participation become necessary, however, please bear in mind that construction of the Daniel K. Akaka State Veterans Home on Oahu (hereinafter, "DKASVH") will not be completed until March 2024 at the earliest. Thus, while much time and effort has gone into operational planning and construction support, we have yet to fully grasp the magnitude of our responsibilities in regard to this venture. Accordingly, we respectfully ask for the legislature's continued understanding and support as we deal with the many unforeseen legal and logistical issues that will likely arise for the DKASVH and, if given the responsibility, the planned Maui facility.

Thank you for the opportunity to provide testimony on this important measure.

MALUHIA • 1027 HALA DRIVE • HONOLULU, HAWAII 96817 • PHONE: (808) 832-3000 • FAX: (808) 832-3402

#### TESTIMONY ON SENATE BILL 2837 SD2 HD1 A BILL RELATING TO THE OAHU REGIONAL HEALTHCARE SYSTEM, HEALTH SYSTEMS CORPORATION

#### PRESENTATION TO HOUSE COMMITTEE ON FINANCE

ΒY

#### Senator Avery B. Chumbley (Retired) Hawaii Health Systems Corporation, Maui Regional Board phone: 808.244.7079 cell: 808.276.3595 email: abc@aloha.net

March 27, 2024

2:00 PM

#### In Strong Support with one proposed language amendment

Chair. Kyle T. Yamashita, Vice Chair Lisa Kitagawa and Members of the Committee,

At this moment, the Maui Regional Health Care System of HHSC is non-operational, but our community remains in strong support of SB2837 SD2 HD1 and recommends passing this bill out of committee on to a final House Floor vote. We appreciate that the Department of Defense (DOD), State of Hawaii (SOH) must have qualified contract management operational oversight legislated for a 3D Hawaii State Veterans Home, (HI SVH) on Maui to come to fruition. That authority resides in the Hawaii Health Systems Corporation (HHSC) HRS 323F-3.5 as the Regional System Boards, and more specifically I feel the Maui Regional Health System Board (MRB).

DOD has made it clear that they must have proper oversight authority put in place this legislative session, but they do not prefer transferring ownership and oversight responsibility to any particular HHSC Region. I believe the Maui Regional Healthcare System (MRB) is capable to reconstitute itself in order to take on this responsibility.

The 3D HI SVH Maui project is direly needed by our Maui Veterans, their spouses and our Gold Star parents, and this project will give a much-needed boost to our Maui Community. Please pass this legislation forward so this project can proceed without delay. Our Veterans and our Community are depending upon you.

As the existing Maui Regional Board Chairperson, I can personally assure you I have the past experience and knowledge to ensure the proper oversight and management of this proposed Maui Veterans Home. I served on the HHSC Corporate Board from 2007 to 2014 with the last 5 years as its Chairperson. When I termed out of HHSC, I then moved to the Maui Regional Board (MRB) in 2014 and became its Chairperson in 2015. Working closely with all of the parties to achieve the Maui Health System (MHS) Transfer Agreement and MHS 30 year Master Lease, I was the signatory to the transfers in January 2016. That 17 years of board & management experience qualifies me to lead this effort on behalf of our Maui veterans and the

Maui community, reconstituting the MRB with the requisite membership will not be difficult with the focus of this new effort.

Lastly, I do not believe there would be any substantial new Legislative appropriations necessary to HHSC to provide the required administrative and legal support to "<u>stand-up</u>" the Maui Regional Board to its fully functioning ability, this was confirmed to me during a recent discussion I had with the HHSC President & CEO, Ed Chu. This can be accomplished within the existing cash balances in the MRB accounts held in HHSC.

I would propose one suggested amendment to the existing HD1 version before you, for the new Akaka Veterans Home in Kapolei on Oahu, the underlying land is held by Hawaii Housing Finance and Development Corp. (HFDC) by a long term 99 years lease to the Oahu Region. For the proposed Maui Veterans home, the potential best site is located on University of Hawaii Maui College property in Kahului. Under the HD1 version on page 2 lines 16 & 17, it states:

" which shall secure ownership of the land of the proposed state veterans home on Maui...."

The word "land" is problematic as the University of Hawaii is the existing landowner and it is unlikely that the area would be subdivided out and transferred to HHSC. The better alternative like what was done at the Akaka Veterans home on Oahu, would be to have the University System enter into a similar long term 99 year lease of the underlying land. Therefor the proposed amendment would be to strike the word "land" and replace it with "facility", the proposed langue for a HD2 would them be:

<u>on Maui....</u>" "<u>which shall secure ownership of the facility</u> of the proposed state veterans home

Thank you for your consideration of this important legislation. Should you have any additional questions about the reconstitution of the Maui Regional Board of HHSC, please feel free to contact me.

With rea ha

Senator Avery B. Chymbley (Retired) Chairperson Maul Regional Board, HHSC

J**OSH GREEN** GOVERNOR KE KIA'ĀINA



KENNETH S. HARA MAJOR GENERAL ADJUTANT GENERAL KA 'AKUKANA KENELALA

BRUCE E. OLIVEIRA BRIGADIER GENERAL USA (Ret.) INTERIM DIRECTOR

STATE OF HAWAI'I KA MOKU'AINA O HAWAI'I

DEPARTMENT OF DEFENSE KA 'OIHANA PILI KAUA

OFFICE OF VETERANS' SERVICES 459 PATTERSON ROAD, E-WING, ROOM 1-A103 HONOLULU, HAWAII 96819-1522 Telephone Number (808) 433-0420

## TESTIMONY ON SENATE BILL 2837 SD2 HD1 RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH SYSTEMS CORPORATION BEFORE THE COMMITTEE ON FINANCE

BY BG BRUCE E. OLIVEIRA, USA, RETIRED INTERIM DIRECTOR OF HAWAI'I OFFICE OF VETERN SERVICES

March 25, 2024

Aloha Chair Yamashita, Vice-Chair Kitagawa, and members of the committee:

I am Bruce Oliveira, Interim Director of Hawai'i Office of Veterans Services, State of Hawai'i, Department of Defense.

The Department of Defense (DOD) provides written testimony in **SUPPORT** of SB2837 SD2 HD1.

Hawai'i Veterans served our country and state at great personal and family cost. Now we need to provide for their long-term care. There are approximately 100,000 Veterans in the State of Hawaii, of which 41,000 are aged 65 and older. Veterans Affairs authorized 268 beds for Hawaii's State Veteran Homes (SVH). Our first SVH on Hawaii Island has 95 beds. The second SVH on Oahu has 120 beds. There is currently no SVH to serve the 7,500 veterans on Maui, and we still have additional SVH beds authorized for use.

The benefits of a Maui SVH include creation of jobs, development of training programs in collaboration with the University of Hawaii Maui College, a significant increase to Maui's long-term care (LTC) bed capacity, and reduction of the acute care facility "wait list" at Maui Memorial Medical Center. Moreover, the Maui SVH will bring a new source of Federal revenue and will ultimately be a self-sustaining operation with no annual state subsidy required. The Maui SVH Project will also support four major health services and facilities plan goals. First, focus on increasing cost -effective access to necessary health care services. Second, promote the financial viability of the health care delivery system. Third, encourage optimization of services and expensive technology by ensuring that supply meets the need and costs are reasonable. Fourth, promote regionalization of services where appropriate.

J**OSH GREEN** GOVERNOR KE KIA'ĀINA



KENNETH S. HARA MAJOR GENERAL ADJUTANT GENERAL KA 'AKUKANA KENELALA

BRUCE E. OLIVEIRA BRIGADIER GENERAL USA (Ret.) INTERIM DIRECTOR

STATE OF HAWAI'I KA MOKU'AINA O HAWAI'I

DEPARTMENT OF DEFENSE KA 'OIHANA PILI KAUA OFFICE OF VETERANS' SERVICES

459 PATTERSON ROAD, E-WING, ROOM 1-A103 HONOLULU, HAWAII 96819-1522 Telephone Number (808) 433-0420

The construction of the Maui SVH is currently being undertaken by our department. However, the DOD does not have the medical expertise for continued operational oversight of a LTC health facility and requires the management, operation, and staffing of the Maui state veterans home placed under a state agency able to manage a long-term care facility.

This proposed transfer of the Maui SVH to the Oahu regional HHSC, part of the Hawaii health systems corporation established pursuant to section 323F-2, Hawaii Revised Statutes. The Maui state veterans home on Maui shall be assimilated into the Oahu regional health care system in a manner and to an extent that may be negotiated between the Oahu regional health care system and the department of defense. After assimilation, the physical assets and the ground lease of the Maui state veterans home shall become property of the Oahu regional health care system and the Maui state veterans home shall be managed by the Oahu regional health care system. May I suggest one change on Page 2, Section 2 (b)(3) second line where it reads "land," change to read "facility."

The Oahu regional health care system, at the discretion of its regional board of directors, is authorized to petition the Hawaii health systems corporation's board of directors to delegate and reassign ownership and oversight responsibility of the Maui state veterans home to another Hawaii health systems corporation region.

I urge you to support this proposal and invest in the long-term care of our veterans. Hawaii Veterans deserve the best possible healthcare and services available.

I thank you for the opportunity to provide testimony in **SUPPORT** on SB2837 SD2 HD1.

Bruce Oliveira, Bruce.e.oliveira@hawaii.gov, 808-672-1260



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Second Legislature, State of Hawaii House of Representatives Committee on Finance

Testimony by Hawaii Government Employees Association

March 27, 2024

## S.B. 2837, S.D. 2, H.D. 1 — RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH SYSTEMS CORPORATION.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of S.B.2837, S.D. 2, H.D. 1, which temporarily authorizes the Oahu regional health care system to oversee the operations and management agreement of the proposed state veterans home on Maui and establishes a timeline and process for the permanent oversight of the operations and management agreement of the proposed veterans home on Maui to be reassigned to the Maui regional health care system.

For decades, Maui stakeholders, including Maui Legislators, have been outspoken proponents about keeping Maui based health facilities under the jurisdiction of their island. We appreciate the current (H.D. 1) version of this measure and applaud the respective House Committees intention of keeping a Maui based health facility under Maui jurisdiction. Granting the Oahu Regional Health Care System temporary authority to oversee this facility will give Maui Regional Health Care System adequate time to take on this responsibility. We believe that the current measure will better serve and be in the best interest of all stakeholders involved.

Thank you for the opportunity to provide testimony in support of S.B. 2837, S.D. 2, H.D. 1.

Respectfully submitted,

Randy Perreira Executive Director



HAWAII HEALTH SYSTEMS

C O R P O R A T I O M

"Quality Healthcare For All"

# <u>COMMITTEE ON FINANCE</u> Representative Kyle T. Yamashita, Chair Representative Lisa Kitagawa, Vice-Chair

March 27, 2024 2:00 PM Hawaii State Capitol Room 308 & Via Videoconference

## Comments on SB 2837, SD2, HD1, with a Request for an Amendment RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH SYSTEMS CORPORATION

Temporarily authorizes the Oahu regional health care system to oversee the operations and management agreement of the proposed state veterans home on Maui. Establishes a timeline and process for the permanent oversight of the operations and management agreement of the proposed veterans home on Maui to be reassigned to the Maui regional health care system. Effective 7/1/3000.

> Edward N. Chu President & Chief Executive Officer Hawaii Health Systems Corporation

On behalf of the Hawai'i Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony with comments of SB 2837, SD2, HD1, with a request for an amendment.

Should it be the will of the Legislature to pass this measure, we respectfully request the previous language in SB 2837, SD2, be utilized as that will allow the State Veterans home on Maui to be initially included as part of the O'ahu region, and at the same time enable other state agencies the option of management. We respectfully suggest this language as an introductory step towards building this needed facility on Maui.

HHSC appreciates the intent of the HD1 of ultimately aligning the operations of the Maui Veterans Home with a state agency that represents that community. However, in accordance with HRS §323F-3.5, each regional board is responsible for its local governance, operations, and administration. As such, it is the responsibility of the Maui Regional Board to ensure that it meets the minimum membership requirements and maintain its participatory status within the Hawaii Health Systems Corporation. The Maui Regional Board will need to achieve that minimum membership and fulfill the powers, duties, and responsibilities of a regional board as defined in HRS §323F, HHSC. Until that, HHSC suggests that broadening of the scope of potential operators

Page 2 S.B. 2837, SD1, HD1

as proposed in SB2837 SD2 would be a more effective way of moving the Maui Veterans Home project forward while still allowing the Maui Regional Board to have the ability to operate the facility should it be able to reconstitute itself.

Thank you for the opportunity to provide testimony on this matter.

<u>SB-2837-HD-1</u> Submitted on: 3/25/2024 2:02:29 PM Testimony for FIN on 3/27/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
William Clayton Sam Park	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2837 on behalf of our veterans.

#### <u>SB-2837-HD-1</u> Submitted on: 3/25/2024 9:17:19 PM Testimony for FIN on 3/27/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ohad Amidor	Individual	Support	Written Testimony Only

Comments:

To the Chair, Vice-chair and members of the committee

My name is Ohad Amidor; I am a student in the social work program at UH Manoa.. As a concerned citizen and advocate for our veterans, I am writing to express my full and strong support for Senate Bill 2837, relating to the Oahu Regional Health Care System and the establishment of a veterans home on Maui. This bill is a crucial step toward addressing the unmet needs of our veterans community on the island of Maui.

The absence of a state veterans home on Maui has left a significant gap in providing long-term care and rehabilitation services for our veterans and their spouses. This is an unacceptable oversight considering the sacrifices these individuals have made for our country. We must provide them with the care and support they deserve.

This bill not only addresses the immediate need for a veterans home on Maui but also ensures that it is managed and operated by a state agency capable of providing the highest level of care.

In conclusion, I urge all members of the legislature to support Senate Bill 2837. By passing this bill, we demonstrate our dedication to caring for those who have served our country. It is our moral obligation to ensure that they receive the care and support they need and deserve. Thank you for letting me testify today.

Sincerely,

Ohad Amidor,

Haiku, Maui, HI

#### <u>SB-2837-HD-1</u> Submitted on: 3/25/2024 10:43:08 PM Testimony for FIN on 3/27/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kathleen M McNamara	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2837 SD2 HD1. As a psychologist who served the veterans of Maui and Molokai through the Maui VA Community Clinic for over 25 years I am personally aware of the need for long term care for the veterans of Maui. This legislation is an important step in assuring the Maui veterans, their spouses, and our Gold Star families that they are not forgotten. You may not hear directly from those who will benefit from the long term care that this State veterans home will make possible. Many will only know of the need and have no understanding of the delay that could occur if an authority is not in place sooner rather than later to provide the necessary oversight for the operation and management. Passing SB2837 SD2 HD1 during this session affirms this Legislature's commitment to their needs. I hope that this testimony will serve as a voice on behalf of the Maui veterans and their loved ones from whom you may not directly hear. Mahalo for considering the passage of SB2837 SD2 HD1. Again, I strongly support this legislation so that this project can move forward.

### TESTIMONY ON SENATE BILL 2837 SD2 HD1 A BILL RELATING TO THE OAHU REGIONAL HEALTHCARE SYSTEM, HEALTH SYSTEMS CORPORATION

#### PRESENTATION TO HOUSE COMMITTEE FINANCE

BY



2 pm

Chair Kyle Yamashita, Vice Chair Lias Kitagawa and Members of the Committee,

I am Tommy Driskill and I am testifying in strong **SUPPORT** of SB 2837 SD2 HD1 Relating to the Oahu Regional Healthcare System, Hawaii Health Systems Corporation.

Based upon my past years of experience as President/CEO, Hawaii Health Systems Corp (HHSC) Aug 1997 to Dec 2009, during which time I oversaw the planning, construction, opening and initial operation of the Yukio Okutsu State Veterans Home, Hilo and my work over the past two years and ten months overseeing construction of the Daniel K. Akaka State Veterans Home (DKA SVH), Kapolei for the Director, Office of Veterans Services, DOD, SOH, I feel uniquely qualified to strongly **SUPPORT** this legislation.

In 2021/2022, The Department of Defense (DOD) worked hard to align the DKA SVH under their administration with a goal of ultimately providing oversight of a contracted manager once the new facility was operationalized. Moving through that process, DOD determined they had NEITHER the medical expertise for continued operational oversight of a long-term care facility, NOR the legal flexibility to contract, administer and provide operational oversight for a long-term care facility. Additionally, DOD lacked legislative authority to create 501-c3 tax-free structures like HHSC. Faced with this challenging situation, Representative Ryan Yamane, District 19, introduced HB 1893 to the 2022 legislature. Recognizing the need for proper contract management oversight, this bill mandated ownership transfer of the DKA SVH from DOD to the Oahu Region, HHSC not later than June 30, 2023. The 2022 legislature passed the bill as HB 1893 HD1, SD2 CD1 and it was later signed into law by Governor David Ige as ACT 285 Session Laws of Hawaii 2022. Without this transfer of oversight authority, the DKA SVH would never have become a reality, but thanks to legislative intervention, our 120 bed Long-Term Care facility in Kapolei for Veterans, their spouses and Gold Star parents is now 99% complete. Oahu Region, HHSC has recently announced the selection of our new contract manager, Ohana Pacific Health (a local LTC corporation), furniture and equipment delivery is now taking place, substantial construction completion / beneficial occupancy certification is projected end of April 2024 and initial patient intake is anticipated to begin in Fall 2024.

In addition to our 1<sup>st</sup> SVH, a 95 bed facility in Hilo, our new 2D SVH, a 120 bed facility in Kapolei, will help meet our Veterans and community long-term care needs, but a greater need still exists especially on our neighbor islands with particular emphasis on Maui. Accordingly, the Office of Veterans Services, DOD, SOH submitted a pre-application to the Veterans Administration Office of State Veterans Homes March, 2023 for a 3D SVH to be located on Maui. That pre-application was accepted in April, 2023 and is under continuing review. The 3D SVH, Maui is scoped to be a 60 bed, 82,500 sq ft facility, costing approximately \$93M with construction cost to be approximately shared 35% State and 65% Federal.

Today we face basically the same situation on Maui that we faced with DKA SVH on Oahu two years ago in that DOD has neither the medical expertise nor the authority to contract, administer and provide operational oversight for a long-term care facility on Maui. The legislation we are strongly supporting herein will establish authority so that operation of a 3D SVH Maui can be properly overseen by a State Agency qualified to provide this oversight. That could be the Oahu Region, HHSC which is already managing oversight for our 2D SVH, Kapolei or it could be a reconstituted Mau Region, HHSC if the Maui Community so desires.

In order to prepare to ask our Governor to submit a request to our State legislature in 2025 for our \$35M State match, that will trigger a \$58M Federal match for the 3D SVH Maui construction cost, two things much be accomplished this year:

- We must put in place legislative authority so that proper contact management oversight can be provided for operation of a 3D SVH Maui.
- We must identify state land on Maui where our new facility can be constructed. This effort is on-going as we speak.

If we fail to accomplish either of these two tasks this year, then at a minimum, this project will be set back at least another year best case. When we point out that under the most optimal circumstances, if all approvals can be obtained in a timely fashion, the very earliest we could hope to open our 3D SVH Maui for patient intake would be CY 2029 and more likely it would be CY 2030. Adding another year to this already arduous process would result in simply further delaying sorely needed care for our most deserving Veterans, their spouses and Gold Star parents.

**Bottom Line**: This self-sustaining project will greatly benefit Maui Veterans and the entire Maui Community with new construction, new jobs, new education opportunities, new Federal funding and long-term care relief for Maui. DOD is not concerned if ultimately Maui Region, HHSC, Oahu Region, HHSC or any other Region HHSC accepts ownership and provides operational oversight for our new 3D SVH Maui. However, some authority for proper contract management operational oversight must be put in place in this 2024 Hawaii State Legislative session in order for this important project to move forward.

I offer one small, but important suggested language change to the current SB2837 SD2 HD1 as follows:

As Reads on Page 2, Line 17: "---secure ownership of the land of the proposed state---"

Change to read on Page 2, Line 17: "---secure ownership of the facility of the proposed state---"

This change is necessary because this new Maui facility will undoubtedly be located on state land owned by some other state agency, perhaps the University of Hawaii. Accordingly, just as is the case with Oahu Regional Healthcare System, HHSC owning the new Daniel K. Akaka State Veterans Home "Facility" in Kapolei, the land on which this facility sits is owned by the Hawaii Housing and Financial Development Corporation (HHFDC) which has negotiated a 99 year ground use lease arrangement. Thus ultimately the Maui Regional Healthcare System, HHSC would own the "facility" not the "land" on which it is situated.

Thank you for your consideration of this legislation which we strongly support on behalf of both our Maui Veterans and our State-wide Hawaii Veterans, their families and our Gold Star Parents.

