JOSH GREEN, M.D.
GOVERNOR OF HAWAIʻI
KE KIAʻĀINA O KA MOKUʻĀINA ʻO HAWAIʻI

DEPT. COMM. No. 276

KENNETH S. FINK, M.D., M.P.H., M.G.A.
DIRECTOR OF HEALTH
KA LUNA HOʻOKELE

STATE OF HAWAI'I
DEPARTMENT OF HEALTH
KA ʻOIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378

In reply, please refer to:
File:

January 05, 2026

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura,
Speaker
and Members of the House of
Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Annual Report on the Receipt and Expenditures from the Trauma System Special Fund to the Legislature, pursuant to Chapter 321, Section 22.5, Hawaii Revised Statutes.

In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:

https://health.hawaii.gov/opppd/department-of-health-reports-to-2026-legislature/

Sincerely,

Kenneth S. Fink, M.D., M.P.H., M.G.A.
Director of Health

Enclosures

c: Legislative Reference Bureau
Hawaii State Library System (2)
Hamilton Library

# REPORT TO THE THIRTY-THIRD LEGISLATURE
# STATE OF HAWAII
# 2026

## PURSUANT TO SECTION §321-22.5 (f), HAWAII REVISED STATUTES, REQUIRING THE DEPARTMENT OF HEALTH TO SUBMIT AN ANNUAL REPORT ON THE RECEIPT AND EXPENDITURES FROM THE TRAUMA SYSTEM SPECIAL FUND

PREPARED BY:
STATE OF HAWAII
DEPARTMENT OF HEALTH

December 2025

**REPORT TO THE LEGISLATURE**
**IN COMPLIANCE WITH SECTION 321-22.5 (f), HAWAII REVISED STATUTES,**
**TRAUMA SYSTEM SPECIAL FUND**

The trauma system special fund, established in section 321-22.5, Hawaii Revised Statutes (HRS), was created by Act 305, Session Laws of Hawaii (SLH) 2006, to provide funds to support the continuing development and operation of a comprehensive state trauma system to ensure the availability of care for trauma patients in the state. Section 321-22.5(b), HRS, was amended by Act 276, SLH 2012, to include costs to staff and operate the State's injury prevention program. The statutory language, as enacted, is as follows:

§321-22.5 Trauma system special fund. (a) There is established within the state treasury a special fund to be known as the trauma system special fund to be administered and expended by the department of health. The fund shall consist of:

(1) Surcharges collected pursuant to sections 291-15, 291C-2, and 291E-7;

(2) Cigarette tax revenues designated under section 245-15;

(3) Federal funds granted by Congress or executive order for the purpose of this chapter; provided that the acceptance and use of federal funds shall not commit state funds for services and shall not place an obligation upon the legislature to continue the purpose for which the federal funds are made available;

(4) Funds appropriated by the legislature for this purpose, including grants-in-aid;

(5) Grants, donations, and contributions from private or public sources for the purposes of the trauma system special fund; and

(6) Interest on and other income from the fund, which shall be separately accounted for.

The unexpended and unencumbered moneys in the fund in excess of $7,400,000 on June 30 of each fiscal year shall be transferred by the director of finance into and become a realization of the general fund on that date. Expenditures from the trauma system special fund shall be exempt from chapters 103D and 103F.

(b) The moneys in the trauma system special fund shall be used by the department to support the continuing development and operation of a comprehensive state trauma system. The trauma system special fund shall be used to subsidize the documented costs for the comprehensive state trauma system, including but not limited to the following:

(1) Costs of under-compensated and uncompensated trauma care incurred by hospitals providing care to trauma patients;

(2) Costs incurred by hospitals providing care to trauma patients to maintain on-call physicians for trauma care; and

(3) Costs to staff and operate the State's injury prevention program.

The money in the trauma system special fund shall not be used to supplant funding for trauma services authorized prior to July 1, 2006, and shall not be used for ambulance or medical air transport services.

(c) Disbursements from the fund shall be made in accordance with a methodology established by the department of health to calculate costs incurred by a hospital providing care to trauma patients that are eligible to receive reimbursement under subsection (d). The methodology shall take into account:

(1) Physician on-call coverage that is demonstrated to be essential for trauma services within the hospital;

(2) Equipment that is demonstrated to be essential for trauma services within the hospital;

(3) The creation of overflow or surge capacity to allow a trauma center to respond to mass casualties resulting from an act of terrorism or natural disaster; and

(4) All other hospital services and resources that are demonstrated to be essential for trauma services within the hospital.

The department shall adopt rules pursuant to chapter 91 to effectuate the purposes of this section.

(d) To receive reimbursement, a hospital providing care to trauma patients shall apply to the trauma system special fund on a form and in a manner approved by the department; provided that recipients of reimbursements from the trauma system special fund shall be subject to the following conditions:

(1) The recipient of a reimbursement shall:

(A) Comply with applicable federal, state, and county laws;

(B) Comply with any other requirements the director may prescribe;

(C) Allow the director, the legislative bodies, and the state auditor access to records, reports, files, and other related documents, to the extent permissible under applicable state and federal law, so that the program, management, and fiscal practices of the recipient may be monitored and evaluated to ensure the proper and effective expenditure of public funds;

(D) Provide care to all injured patients regardless of their ability to pay; and

(E) Participate in data collection and peer review activities for the purpose of system evaluation and improvement of patient care; and

(2) Every reimbursement shall be monitored according to rules established by the director under chapter 91 to ensure compliance with this section.

(e) Necessary administrative expenses to carry out this section shall not exceed five per cent of the total amount collected in any given year.

(f) The department shall submit an annual report to the legislature no later than twenty days prior to the convening of each regular session that outlines the receipts of and expenditures from the trauma system special fund.

(g) For the purposes of this section:

"Comprehensive state trauma system" means a coordinated integrated system providing a spectrum of medical care throughout the State designed to reduce death and disability by appropriate and timely diagnosis and specialized treatment of injuries, which includes hospitals with successive levels of advanced capabilities for trauma care in accordance with nationally accepted standards established by the American College of Surgeons Committee on Trauma.

"Hospital providing care to trauma patients" means a hospital with emergency services that receives and treats injured patients.

"Trauma care" means specialized medical care intended to reduce death and disability from injuries.

"Trauma center" means a facility verified by the American College of Surgeons or designated by the department applying American College of Surgeons recommendations as guidelines as being a level I, level II, level III, or level IV trauma center. Level I represents the highest level attainable by a verified trauma center, and level IV represents the lowest level attainable by a verified trauma center.

The statutory language for section 291-15, HRS is as follows:

[§291-15] Trauma system surcharge. (a) In addition to any other civil penalties ordered by the court, a person who violates any offense under this part may be ordered to pay a trauma system surcharge, provided that:

(1) The maximum of which may be $10 if the violator is not already required to pay a trauma system surcharge pursuant to the violation of the offense; and

(2) The maximum of which may be $100 if the violation is an offense under section 291-12.

(b) The surcharge shall not be ordered when the court determines that the defendant is unable to pay the surcharge.

(c) The person shall pay the surcharge to the clerk of the court. The surcharge shall be deposited with the state director of finance who shall transmit the surcharge to the trauma system special fund pursuant to section 321-22.5.

The statutory language for section 291C-2, HRS is as follows:

[§291C-2] Trauma system surcharge. (a) In addition to any other civil penalties ordered by the court, a person who violates any offense under this part may be ordered to pay a trauma system surcharge, provided that:

(1) The maximum of which may be $10 if the violator is not already required to pay a trauma system surcharge pursuant to the violation of the offense;

(2) The maximum of which may be $100 if the violation is an offense under sections 291C-12.6, 291C-13, 291C-14, 291C-15, 291C-16, 291C-103, 291C-104, or 291C-105;

(3) The maximum of which may be $500 if the violation is an offense under section 291C-12; and

(4) The maximum of which may be $250 if the violation is an offense under section 291C-12.5.

(b) The surcharge shall not be ordered when the court determines that the defendant is unable to pay the surcharge.

(c) The person shall pay the surcharge to the clerk of the court. The surcharge shall be deposited with the state director of finance who shall transmit the surcharge to the trauma system special fund pursuant to section 321-22.5.

The statutory language for section 291E-7, HRS is as follows:

§291E-7 Trauma system surcharge. (a) In addition to any other civil penalties ordered by the court, a person who violates any offense under this part may be ordered to pay a trauma system surcharge, provided that:

(1) The maximum of which may be $10 if the violator is not already required to pay a trauma system surcharge pursuant to the violation of the offense;

(2) The maximum of which may be $25 if the violation is an offense under section 291E-61(a)(1), 291E-61(a)(3), or 291E-61(a)(4);

(3) The maximum of which may be $50 if the violation is an offense under section 291E-61(a)(2) or 291E-61.5 or if the offense under section 291E-61(a)(3) or 291E-61(a)(4) is a second or subsequent offense that occurred within five years of the first offense.

(b) The surcharge shall not be ordered when the court determines that the defendant is unable to pay the surcharge.

(c) The person shall pay the surcharge to the clerk of the court. The surcharge shall be deposited with the state director of finance who shall transmit the surcharge to the trauma system special fund pursuant to section 321-22.5.

The statutory language for section 245-15, HRS is as follows:

§245-15 Disposition of revenues. All moneys collected pursuant to this chapter shall be paid into the state treasury as state realizations to be kept and accounted for as provided by law; provided that, of the moneys collected under the tax imposed pursuant to:

(1) Section 245-3(a)(5), after September 30, 2006, and prior to October 1, 2007, 1.0 cent per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for research and operating expenses and for capital expenditures;

(2) Section 245-3(a)(6), after September 30, 2007, and prior to October 1, 2008:

(A) 1.5 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for research and operating expenses and for capital expenditures;

(B) 0.25 cents per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5; and

(C) 0.25 cents per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234;

(3) Section 245-3(a)(7), after September 30, 2008, and prior to July 1, 2009:

(A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for research and operating expenses and for capital expenditures;

(B) 0.5 cents per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;

(C) 0.25 cents per cigarette shall be deposited to the credit of the community health centers special fund established pursuant to section 321-1.65; and

(D) 0.25 cents per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234;

(4) Section 245-3(a)(8), after June 30, 2009, and prior to July 1, 2013:

(A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for research and operating expenses and for capital expenditures;

(B) 0.75 cents per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;

(C) 0.75 cents per cigarette shall be deposited to the credit of the community health centers special fund established pursuant to section 321-1.65; and

(D) 0.5 cents per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234;

(5) Section 245-3(a)(11), after June 30, 2013, and prior to July 1, 2015:

(A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for research and operating expenses and for capital expenditures;

(B) 1.5 cents per cigarette shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;

(C) 1.25 cents per cigarette shall be deposited to the credit of the community health centers special fund established pursuant to section 321-1.65; and

(D) 1.25 cents per cigarette shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234; and

(6) Section 245-3(a)(11), after June 30, 2015, and thereafter:

(A) 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for research and operating expenses and for capital expenditures;

(B) 1.125 cents per cigarette, but not more than $7,400,000 in a fiscal year, shall be deposited to the credit of the trauma system special fund established pursuant to section 321-22.5;

(C) 1.25 cents per cigarette, but not more than $8,800,000 in a fiscal year, shall be deposited to the credit of the community health centers special fund established pursuant to section 321-1.65; and

(D) 1.25 cents per cigarette, but not more than $8,800,000 in a fiscal year, shall be deposited to the credit of the emergency medical services special fund established pursuant to section 321-234.

The department shall provide an annual accounting of these dispositions to the legislature.

Receipts

In FY 2025, revenue collected from 1.50 cents per cigarette sold pursuant to section §245-15, HRS, was deposited into the trauma system special fund. The trauma system special fund revenues from cigarette sales (source code 0012) in FY 2025 were $4,381,090.83.

In Act 231, SLH 2008, moneys earmarked from surcharges that range between $10 and $500 for a variety of traffic violations shall be deposited to the trauma system special fund, effective July 1, 2008. The trauma system special fund revenues from traffic fines (source code 1550) in FY 2025 were $49,564.69.

The trauma system special fund revenues from the investment pool account (source code 0288) in FY 2025 were $236,243.55.

The trauma system special fund revenues (total) in FY 2025 were $4,669,086.02.

Expenditures

Expenditures in FY 2025 were $6,500,576.69.

Encumbrances

The remaining encumbrances as of December 30, 2025, are $1,310,140.41.

Achievements

The Emergency Medical Services & Injury Prevention Systems Branch (EMSIPSB) has achieved major milestones in strengthening Hawaii's trauma and emergency care system.

(1) The branch provided financial support to all designated trauma centers statewide, ensuring resources for critical patient care.

(2) In partnership with The Queen's Medical Center, EMSIPSB successfully rebooted the Hawaiian Islands Trauma Symposium, offering statewide scholarships and promoting best practices among trauma professionals.

(3) A key quality improvement initiative, led by EMSIPSB, unified Hawaii's trauma system under a single, statewide data reporting platform, enabling comprehensive public health surveillance and performance improvement. This achievement was showcased nationally as a model during the American College of Surgeons Trauma Quality Improvement Program (ACS/TQIP) Annual Conference through three poster presentations and one main session

presentation, highlighting Hawaii's leadership in trauma system modernization.

(4) EMSIPSB advanced data integration by implementing the Health Data Exchange (HDE) system and onboarding neighbor island trauma centers for registry participation, improving statewide trauma data sharing and post-crash coordination.

(5) Disaster readiness was strengthened by incorporating trauma system functions into state emergency response plans, and the Air Medical Resource Tracking Board was launched to streamline interfacility transfers and emergency response.

(6) Additional initiatives included conducting the Hawaii Trauma System Subspecialty Resource Survey and publishing the updated Hawaii Trauma Subspecialty Transfer Guide (April 2025) to standardize interfacility transfer protocols.

(7) EMSIPSB launched internal state resource for near real time tracking of electric bicycle (e-bike) traumatic injury surveillance based on Emergency Medical Services (EMS) encounters statewide.

(8) In August 2025, EMSIPSB and statewide EMS and trauma leaders convened a strategic planning meeting with Governor Josh Green, MD, focused on modernizing Hawaii's EMS and trauma systems under the theme "Right Patient, Right Place, Right Time, Right Now."

   (A) An official strategic plan outline is scheduled for release in early 2026 to guide modernization efforts and establish strategic focus areas.

These initiatives collectively demonstrate EMSIPSB's commitment to improving trauma care, aligning with national standards, and ensuring a safer, more prepared Hawaii.