

Honolulu, Hawaii

FEB 20 2026

RE: S.B. No. 3025
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 3025 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL DEBT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Office of Wellness and Resilience to develop, implement, and administer a Medical Debt Acquisition and Forgiveness Program to acquire and forgive outstanding medical debt for certain individuals in the State beginning with the medical debt of the 50,016 Hawaii residents that has already been acquired by medical debt and consolidation organizations;
- (2) Require reports to the Legislature; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the Office of Wellness and Resilience, Healthcare Association of Hawaii, The Queen's Health Systems, American Cancer Society Cancer Action Network, Holomua Collaborative, Hawai'i Health & Harm Reduction Center, AlohaCare, Hawai'i Data Collaborative, Hawaii Appleseed Center for Law & Economic Justice, and two individuals.



Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that unlike most other forms of debt, medical debt is rarely voluntary, as people do not choose to get sick or injured. Medical debt often arises unexpectedly and can exceed a person's ability to pay, damaging their credit, limiting access to housing and jobs, and causing people to delay needed care. Your Committee further finds that medical debt acquisition and forgiveness programs strengthen communities by buying medical debt in large, bundled portfolios, and eliminating the debt of those most in need. This measure strengthens the State's support system to help break down financial barriers that are impacting the well-being of families.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that the Office of Wellness and Resilience is not exempt from chapters 103D or 103F, Hawaii Revised Statutes, the Hawaii Public Procurement Code and state law governing purchases of health and human services, and is required to procure and contract with an entity in accordance with chapter 103D or 103F, Hawaii Revised Statutes, as applicable;
- (2) Changing the appropriation amount from \$500,000 to an unspecified amount, to facilitate further discussion on the measure;
- (3) Inserting an effective date of January 30, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3025, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3025, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY M. SAN BUENAVENTURA, Chair



