

A Bill for an Act Relating to Kalaupapa Settlement.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. During the 2003 regular session, the legislature adopted house concurrent resolution no. 165 that requested the auditor to conduct an audit of Kalaupapa Settlement operations and expenditures. Many residents of Kalaupapa Settlement flew to Honolulu to testify in support of the concurrent resolution.

Many years ago, Hansen's disease patients were forced into exile at Kalaupapa Settlement to be isolated from society. While the patients are now free to come and go as they please, the State has acknowledged the injustice that occurred and has pledged that the remaining patients may live out their lives at Kalaupapa, their home, and has committed to caring for them.

The legislature finds that there are approximately thirty-nine patients living in Kalaupapa and an estimated forty-nine state workers, all of whom are believed to be necessary because the State operates all of the services in Kalaupapa, including the community store, service station, and the hospital.

The legislature further finds that there are numerous allegations of excessive or inappropriate expenditures and preferential treatment toward the workers. While the workers are needed in Kalaupapa, the legislature found an audit was necessary to ensure that the allocated funds were expended for their true purpose: to care for the remaining patients who have chosen to live the rest of their lives in a town that is their home.

The auditor conducted an audit (*Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures*) which confirmed many of the allegations. The auditor found, among other things, that formal rulemaking was limited and the development of policies and procedures for nonmedical needs was ignored. Additionally, patients' concerns were not taken seriously by the department of health or Kalaupapa administration. Further findings show that the department of health did not ensure the competency of the administrator or compliance with job requirements. While the audit found that the patients' medical needs were addressed, poor oversight resulted in the inability to distinguish between patient and nonpatient costs.

The purpose of this Act is to implement the auditor's recommendations to improve the quality of life for the remaining patients of Kalaupapa Settlement.

SECTION 2. Chapter 326, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§326- Annual report. The department of health shall submit a report to the legislature no later than twenty days prior to the convening of each regular session that addresses the following with regard to Kalaupapa Settlement:

- (1) The department's provision of medical and basic living needs of the patients;
- (2) The department's progress toward defining and addressing the nonmedical needs of patients;
- (3) The department's progress toward promoting a positive living environment;
- (4) The department's management of state resources, including benefits given to employees that are not statutorily defined;
- (5) The department's progress toward establishing written policies and procedures for Kalaupapa store;

- (6) The department's progress toward establishing and maintaining a complaint file and adequately addressing complaints;
- (7) The performance of the administrator, including compliance with job duties;
- (8) The department's progress toward adequate accountability of state property; and
- (9) Details and justification of approved employee air travel requests and trail pay."

SECTION 3. Section 326-13, Hawaii Revised Statutes, is amended to read as follows:

“§326-13 Expenses; rules. (a) The department of health shall bear all expenses of travel and other necessary expenses incurred under sections 326-1 to 326-14[;] and may [~~prescribe~~] adopt all rules[~~, regulations,~~] and forms and perform all acts necessary and proper for carrying out their provisions.

(b) Expenses related to patients shall be tracked separately from nonpatient costs, whenever appropriate and possible.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval.

(Became law on July 13, 2004, without the Governor's signature, pursuant to Art III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.