

September 3, 2020

MEMO TO: GET-3(2) File

F R O M: Michael J. Molina, Committee Chair

SUBJECT: **TRANSMITTAL OF LEGISLATIVE PROPOSALS RELATING TO  
2021 HAWAII STATE ASSOCIATION OF COUNTIES  
LEGISLATIVE PACKAGE** (GET-3(2))

The attached legislative proposals pertains to Item 3(2) on the Committee's agenda.

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Attachment

# Resolution

No. \_\_\_\_\_

APPROVING FOR INCLUSION IN THE 2021 HAWAII  
STATE ASSOCIATION OF COUNTIES LEGISLATIVE  
PACKAGE A STATE BILL TO GIVE COUNTIES  
AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS

WHEREAS, by Resolution 19-98, the Council affirmed Maui County's commitment to the Paris Climate Agreement and its goals of mitigating greenhouse-gas emissions and adapting to impacts of climate change; and

WHEREAS, reducing rental cars on the road would contribute to meeting these goals by reducing dependency on petroleum and greenhouse gas emissions generated from for ground-transportation vehicles; and

WHEREAS, the United States Environmental Protection Agency states that a typical passenger vehicle emits about 4.6 metric tons of carbon dioxide per year; and

WHEREAS, over 20,000 rental cars on Maui adversely impact the County's ability to mitigate greenhouse-gas emissions; and

WHEREAS, the United States Department of Transportation states that reducing traffic can improve the environment by reducing vehicle miles traveled, which reduces fuel consumed and emissions generated by acceleration and decelerations; and

WHEREAS, counties do not have the ability to limit rental cars under State law; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allow counties to establish rental-car limits, is approved for inclusion in the 2021 Hawaii State Association of Counties Legislative Package; and
2. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

\_\_\_\_.B. NO.\_\_\_\_

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# A BILL FOR AN ACT

RELATING TO RENTAL MOTOR VEHICLES.

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

1       SECTION 1.   Hawai'i is committed to mitigating emissions and  
2   creating a clean energy pathway by investing in renewable energy  
3   and energy efficiency. Utilities and transportation currently  
4   account for the majority of emissions in Hawai'i.

5       Reducing cars on the road will contribute to meeting Hawai'i's  
6   clean energy goals by reducing dependency on petroleum and  
7   greenhouse gas emissions generated from for ground transportation  
8   vehicles. However, over 20,000 rental motor vehicles on Maui  
9   adversely impact Hawai'i's intent to mitigate greenhouse gas  
10   emissions.

11       SECTION 2.   Section 46-1.5, Hawaii Revised Statutes, is  
12   amended to read as follows:

13       "Subject to general law, each county shall have the following  
14   powers and shall be subject to the following liabilities and  
15   limitations:

16       (1) Each county shall have the power to frame and adopt a  
17   charter for its own self-government that shall establish the county  
18   executive, administrative, and legislative structure and

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1 organization, including but not limited to the method of  
2 appointment or election of officials, their duties,  
3 responsibilities, and compensation, and the terms of their office;

4 (2) Each county shall have the power to provide for and  
5 regulate the marking and lighting of all buildings and other  
6 structures that may be obstructions or hazards to aerial  
7 navigation, so far as may be necessary or proper for the protection  
8 and safeguarding of life, health, and property;

9 (3) Each county shall have the power to enforce all claims on  
10 behalf of the county and approve all lawful claims against the  
11 county, but shall be prohibited from entering into, granting, or  
12 making in any manner any contract, authorization, allowance  
13 payment, or liability contrary to the provisions of any county  
14 charter or general law;

15 (4) Each county shall have the power to make contracts and to  
16 do all things necessary and proper to carry into execution all  
17 powers vested in the county or any county officer;

18 (5) Each county shall have the power to:

19 (A) Maintain channels, whether natural or artificial,  
20 including their exits to the ocean, in suitable condition to carry  
21 off storm waters;

22 (B) Remove from the channels, and from the shores and beaches,  
23 any debris that is likely to create an unsanitary condition or

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1   become a public nuisance; provided that, to the extent any of the  
2   foregoing work is a private responsibility, the responsibility may  
3   be enforced by the county in lieu of the work being done at public  
4   expense;

5       (C) Construct, acquire by gift, purchase, or by the exercise  
6   of eminent domain, reconstruct, improve, better, extend, and  
7   maintain projects or undertakings for the control of and protection  
8   against floods and flood waters, including the power to drain and  
9   rehabilitate lands already flooded;

10       (D) Enact zoning ordinances providing that lands deemed  
11   subject to seasonable, periodic, or occasional flooding shall not  
12   be used for residence or other purposes in a manner as to endanger  
13   the health or safety of the occupants thereof, as required by the  
14   Federal Flood Insurance Act of 1956 (chapter 1025, Public Law  
15   1016); and

16       (E) Establish and charge user fees to create and maintain any  
17   stormwater management system or infrastructure;

18       (6) Each county shall have the power to exercise the power of  
19   condemnation by eminent domain when it is in the public interest  
20   to do so;

21       (7) Each county shall have the power to exercise regulatory  
22   powers over business activity as are assigned to them by chapter  
23   445 or other general law;

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1           (8) Each county shall have the power to fix the fees and  
2 charges for all official services not otherwise provided for;

3           (9) Each county shall have the power to provide by ordinance  
4 assessments for the improvement or maintenance of districts within  
5 the county;

6           (10) Except as otherwise provided, no county shall have the  
7 power to give or loan credit to, or in aid of, any person or  
8 corporation, directly or indirectly, except for a public purpose;

9           (11) Where not within the jurisdiction of the public utilities  
10 commission, each county shall have the power to regulate by  
11 ordinance the operation of motor vehicle common carriers  
12 transporting passengers and the number of rental motor vehicles  
13 within the county and adopt and amend rules the county deems  
14 necessary for the public convenience and necessity;

15           (12) Each county shall have the power to enact and enforce  
16 ordinances necessary to prevent or summarily remove public  
17 nuisances and to compel the clearing or removal of any public  
18 nuisance, refuse, and uncultivated undergrowth from streets,  
19 sidewalks, public places, and unoccupied lots. In connection with  
20 these powers, each county may impose and enforce liens upon the  
21 property for the cost to the county of removing and completing the  
22 necessary work where the property owners fail, after reasonable  
23 notice, to comply with the ordinances. The authority provided by

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1 this paragraph shall not be self-executing, but shall become fully  
2 effective within a county only upon the enactment or adoption by  
3 the county of appropriate and particular laws, ordinances, or rules  
4 defining "public nuisances" with respect to each county's  
5 respective circumstances. The counties shall provide the property  
6 owner with the opportunity to contest the summary action and to  
7 recover the owner's property;

8 (13) Each county shall have the power to enact ordinances  
9 deemed necessary to protect health, life, and property, and to  
10 preserve the order and security of the county and its inhabitants  
11 on any subject or matter not inconsistent with, or tending to  
12 defeat, the intent of any state statute where the statute does not  
13 disclose an express or implied intent that the statute shall be  
14 exclusive or uniform throughout the State;

15 (14) Each county shall have the power to:

16 (A) Make and enforce within the limits of the county all  
17 necessary ordinances covering all:

18 (i) Local police matters;

19 (ii) Matters of sanitation;

20 (iii) Matters of inspection of buildings;

21 (iv) Matters of condemnation of unsafe structures, plumbing,  
22 sewers, dairies, milk, fish, and morgues; and

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1           (v) Matters of the collection and disposition of rubbish and  
2 garbage;

3           (B) Provide exemptions for homeless facilities and any other  
4 program for the homeless authorized by part XVII of chapter 346,  
5 for all matters under this paragraph;

6           (C) Appoint county physicians and sanitary and other  
7 inspectors as necessary to carry into effect ordinances made under  
8 this paragraph, who shall have the same power as given by law to  
9 agents of the department of health, subject only to limitations  
10 placed on them by the terms and conditions of their appointments;  
11 and

12           (D) Fix a penalty for the violation of any ordinance, which  
13 penalty may be a misdemeanor, petty misdemeanor, or violation as  
14 defined by general law;

15           (15) Each county shall have the power to provide public  
16 pounds; to regulate the impounding of stray animals and fowl, and  
17 their disposition; and to provide for the appointment, powers,  
18 duties, and fees of animal control officers;

19           (16) Each county shall have the power to purchase and  
20 otherwise acquire, lease, and hold real and personal property  
21 within the defined boundaries of the county and to dispose of the  
22 real and personal property as the interests of the inhabitants of  
23 the county may require, except that:



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1           (A) Any property held for school purposes may not be disposed  
2 of without the consent of the superintendent of education;

3           (B) No property bordering the ocean shall be sold or otherwise  
4 disposed of; and

5           (C) All proceeds from the sale of park lands shall be expended  
6 only for the acquisition of property for park or recreational  
7 purposes;

8           (17) Each county shall have the power to provide by charter  
9 for the prosecution of all offenses and to prosecute for offenses  
10 against the laws of the State under the authority of the attorney  
11 general of the State;

12           (18) Each county shall have the power to make appropriations  
13 in amounts deemed appropriate from any moneys in the treasury, for  
14 the purpose of:

15           (A) Community promotion and public celebrations;

16           (B) The entertainment of distinguished persons as may from  
17 time to time visit the county;

18           (C) The entertainment of other distinguished persons, as well  
19 as, public officials when deemed to be in the best interest of the  
20 community; and

21           (D) The rendering of civic tribute to individuals who, by  
22 virtue of their accomplishments and community service, merit civic  
23 commendations, recognition, or remembrance;

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1           (19) Each county shall have the power to:

2           (A) Construct, purchase, take on lease, lease, sublease, or  
3 in any other manner acquire, manage, maintain, or dispose of  
4 buildings for county purposes, sewers, sewer systems, pumping  
5 stations, waterworks, including reservoirs, wells, pipelines, and  
6 other conduits for distributing water to the public, lighting  
7 plants, and apparatus and appliances for lighting streets and  
8 public buildings, and manage, regulate, and control the same;

9           (B) Regulate and control the location and quality of all  
10 appliances necessary to the furnishing of water, heat, light,  
11 power, telephone, and telecommunications service to the county;

12           (C) Acquire, regulate, and control any and all appliances for  
13 the sprinkling and cleaning of the streets and the public ways,  
14 and for flushing the sewers; and

15           (D) Open, close, construct, or maintain county highways or  
16 charge toll on county highways; provided that all revenues received  
17 from a toll charge shall be used for the construction or  
18 maintenance of county highways;

19           (20) Each county shall have the power to regulate the renting,  
20 subletting, and rental conditions of property for places of abode  
21 by ordinance;

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1 (21) Unless otherwise provided by law, each county shall have  
2 the power to establish by ordinance the order of succession of  
3 county officials in the event of a military or civil disaster;

4 (22) Each county shall have the power to sue and be sued in  
5 its corporate name;

6 (23) Each county shall have the power to:

7 (A) Establish and maintain waterworks and sewer works;

8 (B) Implement a sewer monitoring program that includes the  
9 inspection of sewer laterals that connect to county sewers, when  
10 those laterals are located on public or private property, after  
11 providing a property owner not less than ten calendar days' written  
12 notice, to detect leaks from laterals, infiltration, and inflow,  
13 any other law to the contrary notwithstanding;

14 (C) Compel an owner of private property upon which is located  
15 any sewer lateral that connects to a county sewer to inspect that  
16 lateral for leaks, infiltration, and inflow and to perform repairs  
17 as necessary;

18 (D) Collect rates for water supplied to consumers and for the  
19 use of sewers;

20 (E) Install water meters whenever deemed expedient; provided  
21 that owners of premises having vested water rights under existing  
22 laws appurtenant to the premises shall not be charged for the  
23 installation or use of the water meters on the premises; and

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1           (F) Take over from the State existing waterworks systems,  
2 including water rights, pipelines, and other appurtenances  
3 belonging thereto, and sewer systems, and to enlarge, develop, and  
4 improve the same; and

5           (G) For purposes of subparagraphs (B) and (C):

6           (i) "Infiltration" means groundwater, rainwater, and  
7 saltwater that enters the county sewer system through cracked,  
8 broken, or defective sewer laterals; and

9           (ii) "Inflow" means non-sewage entering the county sewer  
10 system via inappropriate or illegal connections;

11          (24) (A) Each county may impose civil fines, in addition to  
12 criminal penalties, for any violation of county ordinances or rules  
13 after reasonable notice and requests to correct or cease the  
14 violation have been made upon the violator. Any administratively  
15 imposed civil fine shall not be collected until after an  
16 opportunity for a hearing under chapter 91. Any appeal shall be  
17 filed within thirty days from the date of the final written  
18 decision. These proceedings shall not be a prerequisite for any  
19 civil fine or injunctive relief ordered by the circuit court;

20          (B) Each county by ordinance may provide for the addition of  
21 any unpaid civil fines, ordered by any court of competent  
22 jurisdiction, to any taxes, fees, or charges, with the exception  
23 of fees or charges for water for residential use and sewer charges,

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1 collected by the county. Each county by ordinance may also provide  
2 for the addition of any unpaid administratively imposed civil  
3 fines, which remain due after all judicial review rights under  
4 section 91-14 are exhausted, to any taxes, fees, or charges, with  
5 the exception of water for residential use and sewer charges,  
6 collected by the county. The ordinance shall specify the  
7 administrative procedures for the addition of the unpaid civil  
8 fines to the eligible taxes, fees, or charges and may require  
9 hearings or other proceedings. After addition of the unpaid civil  
10 fines to the taxes, fees, or charges, the unpaid civil fines shall  
11 not become a part of any taxes, fees, or charges. The county by  
12 ordinance may condition the issuance or renewal of a license,  
13 approval, or permit for which a fee or charge is assessed, except  
14 for water for residential use and sewer charges, on payment of the  
15 unpaid civil fines. Upon recordation of a notice of unpaid civil  
16 fines in the bureau of conveyances, the amount of the civil fines,  
17 including any increase in the amount of the fine which the county  
18 may assess, shall constitute a lien upon all real property or  
19 rights to real property belonging to any person liable for the  
20 unpaid civil fines. The lien in favor of the county shall be  
21 subordinate to any lien in favor of any person recorded or  
22 registered prior to the recordation of the notice of unpaid civil  
23 fines and senior to any lien recorded or registered after the

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1 recordation of the notice. The lien shall continue until the unpaid  
2 civil fines are paid in full or until a certificate of release or  
3 partial release of the lien, prepared by the county at the owner's  
4 expense, is recorded. The notice of unpaid civil fines shall state  
5 the amount of the fine as of the date of the notice and maximum  
6 permissible daily increase of the fine. The county shall not be  
7 required to include a social security number, state general excise  
8 taxpayer identification number, or federal employer identification  
9 number on the notice. Recordation of the notice in the bureau of  
10 conveyances shall be deemed, at such time, for all purposes and  
11 without any further action, to procure a lien on land registered  
12 in land court under chapter 501. After the unpaid civil fines are  
13 added to the taxes, fees, or charges as specified by county  
14 ordinance, the unpaid civil fines shall be deemed immediately due,  
15 owing, and delinquent and may be collected in any lawful manner.  
16 The procedure for collection of unpaid civil fines authorized in  
17 this paragraph shall be in addition to any other procedures for  
18 collection available to the State and county by law or rules of  
19 the courts;

20 (C) Each county may impose civil fines upon any person who  
21 places graffiti on any real or personal property owned, managed,  
22 or maintained by the county. The fine may be up to \$1,000 or may  
23 be equal to the actual cost of having the damaged property repaired

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1 or replaced. The parent or guardian having custody of a minor who  
2 places graffiti on any real or personal property owned, managed,  
3 or maintained by the county shall be jointly and severally liable  
4 with the minor for any civil fines imposed hereunder. Any such  
5 fine may be administratively imposed after an opportunity for a  
6 hearing under chapter 91, but such a proceeding shall not be a  
7 prerequisite for any civil fine ordered by any court. As used in  
8 this subparagraph, "graffiti" means any unauthorized drawing,  
9 inscription, figure, or mark of any type intentionally created by  
10 paint, ink, chalk, dye, or similar substances;

11 (D) At the completion of an appeal in which the county's  
12 enforcement action is affirmed and upon correction of the violation  
13 if requested by the violator, the case shall be reviewed by the  
14 county agency that imposed the civil fines to determine the  
15 appropriateness of the amount of the civil fines that accrued while  
16 the appeal proceedings were pending. In its review of the amount  
17 of the accrued fines, the county agency may consider:

18 (i) The nature and egregiousness of the violation;

19 (ii) The duration of the violation;

20 (iii) The number of recurring and other similar violations;

21 (iv) Any effort taken by the violator to correct the  
22 violation;

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(v) The degree of involvement in causing or continuing the violation;

(vi) Reasons for any delay in the completion of the appeal; and

(vii) Other extenuating circumstances.

The civil fine that is imposed by administrative order after this review is completed and the violation is corrected shall be subject to judicial review, notwithstanding any provisions for administrative review in county charters;

(E) After completion of a review of the amount of accrued civil fine by the county agency that imposed the fine, the amount of the civil fine determined appropriate, including both the initial civil fine and any accrued daily civil fine, shall immediately become due and collectible following reasonable notice to the violator. If no review of the accrued civil fine is requested, the amount of the civil fine, not to exceed the total accrual of civil fine prior to correcting the violation, shall immediately become due and collectible following reasonable notice to the violator, at the completion of all appeal proceedings; and

(F) If no county agency exists to conduct appeal proceedings for a particular civil fine action taken by the county, then one shall be established by ordinance before the county shall impose the civil fine;



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1           (25) Any law to the contrary notwithstanding, any county  
2 mayor, by executive order, may exempt donors, provider agencies,  
3 homeless facilities, and any other program for the homeless under  
4 part XVII of chapter 346 from real property taxes, water and sewer  
5 development fees, rates collected for water supplied to consumers  
6 and for use of sewers, and any other county taxes, charges, or  
7 fees; provided that any county may enact ordinances to regulate  
8 and grant the exemptions granted by this paragraph;

9           (26) Any county may establish a captive insurance company  
10 pursuant to article 19, chapter 431; and

11           (27) Each county shall have the power to enact and enforce  
12 ordinances regulating towing operations.”

13           SECTION 3. Statutory material to be repealed is bracketed  
14 and in strikethrough. New statutory material is underscored.

15           SECTION 4. This Act shall take effect upon its approval.

16

17                                   INTRODUCED BY: \_\_\_\_\_

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19           get:misc:003(2)amisc(rental-car limits)02:ske

# Resolution

No. \_\_\_\_\_

APPROVING FOR INCLUSION IN THE 2021  
HAWAII STATE ASSOCIATION OF COUNTIES  
LEGISLATIVE PACKAGE A STATE BILL TO  
CREATE A SINGLE-PAYER HEALTHCARE  
SYSTEM COVERING ALL HAWAII RESIDENTS

WHEREAS, the economic and fiscal health and survival of the County of Maui is tightly connected to the economic and fiscal health and survival of the State of Hawaii itself; and

WHEREAS, a *Reuters-Ipsos* survey published on August 23, 2018, showed 70 percent of Americans support a single-payer healthcare system, guaranteeing healthcare for all people living in the United States; and

WHEREAS, every person in the State of Hawaii, including every person in the County of Maui, deserves high-quality healthcare; and

WHEREAS, managed care and other market-based reforms have failed to contain healthcare costs; and

WHEREAS, the current COVID-19 pandemic has led to record levels of unemployment, loss of employer-sponsored health insurance, a severely strained healthcare system, widespread illness, and taken a profound toll on our community's mental health; and

WHEREAS, the United States spends roughly one-third of its \$3.5 trillion healthcare budget on non-medical expenses; and

WHEREAS, under a single-payer healthcare system, that figure could be reduced to approximately 6 to 8 percent; and

WHEREAS, according to a University of Michigan study published in the November 2010 issue of the *American Journal of Public Health*, online September 16, 2010, "Native Hawaiians are far more likely than whites to suffer early death"; and

WHEREAS, under Chapter 322H, Hawaii Revised Statutes, the Hawaii Health Authority is charged with developing "a comprehensive

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health plan” for “all residents,” which could include legislation for a single-payer healthcare system, but the State has not been supporting the Authority; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit “A,” to create a single-payer healthcare system covering all Hawaii residents, is approved for inclusion in the 2021 Hawaii State Association of Counties Legislative Package;
2. That the Council Chair is also authorized to testify on the Council’s behalf in support of similar legislation authored by the Hawaii Health Authority, if any; and
3. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

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\_\_\_\_.B. NO.\_\_\_\_

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# A BILL FOR AN ACT

RELATING TO HEALTHCARE.

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

1       SECTION 1.   The legislature finds that it is in the best  
2   interest of the State of Hawaii for each and every state resident  
3   to have publicly provided high quality and affordable health care  
4   insurance coverage.   Health care involves more than medical  
5   insurance payouts.   It includes cost-saving preventive and early  
6   intervention measures to prohibit medical conditions from becoming  
7   chronic, permanently disabling, or fatal.

8       Hawaii's current complex health care insurance system is  
9   disjointed, costly, inefficient, and unnecessarily complicated.  
10   The multi-payer private medical insurance model is mostly  
11   profit-driven, adversarial, onerously bureaucratic, economically  
12   irrational, and beset with constant cost-shifting and reluctant  
13   health care delivery.   Additionally, health care rates are  
14   skyrocketing, creating an affordability and accessibility crisis  
15   for Hawaii's residents.

16       Today, one of the biggest cost-drivers of health care in  
17   the United States and Hawaii is associated with a profit-driven,  
18   complex system of payment-reluctant multi-payer health insurance

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1   bureaucracies competing to insure only the healthy and the  
2   wealthy, while leaving those who need health care the most to  
3   the taxpayers. Another major cost-driver of healthcare is  
4   attributable to the high cost of prescription drugs.

5       For more than a quarter of a century, Hawaii was far ahead  
6   of most other states and often called itself "the health state"  
7   because of the 1974 Prepaid Health Care Act. Hawaii was once  
8   known for having a low uninsured population of between two and  
9   five per cent in 1994. However, the health care crisis on the  
10   United States continent began to spread to Hawaii.

11       Today, thousands of Hawaii residents lack health care  
12   coverage, many of whom are children. Many Hawaii residents are  
13   underinsured, unable to use their health insurance properly, or  
14   unable to use their health insurance at all, due to increasingly  
15   expensive deductibles and out-of-pocket co-payments for  
16   healthcare costs such as outpatient visits, diagnostic tests,  
17   and prescription drugs.

18       Even well-insured individuals experience problems with  
19   health care organizations and insurance companies denying, or  
20   very reluctantly dispensing, expensive medicines and  
21   treatments. About half of all bankruptcies are due to extremely

1 expensive catastrophic illnesses that are not covered after a  
2 certain cap is reached. Other persons are near bankruptcy and  
3 their quality of life is seriously impacted.

4 The legislature further finds that a universal, publicly  
5 administered, health care-for-all insurance model with one  
6 payout agency for caregivers and providers, adapted to meet the  
7 unique conditions in Hawaii, would be beneficial for the  
8 following reasons:

9 (1) For union members and their employers, it means taking  
10 health care off of the negotiating table;

11 (2) For patients, as taxpayers and insurance premium  
12 payers, it means significant reductions in overall  
13 costs, increases in benefits, and the slowing of annual  
14 inflation cost increases. It also means a shift away  
15 from increasingly uncaring profit-driven health care,  
16 and a return to human-need driven, mutually respectful,  
17 caring patient-doctor-nurse-and other caregiver  
18 relationships, which in earlier times were fundamental  
19 to meaningful health care;

20 (3) For businesses, large and small, it reduces significant  
21 overhead expenses;

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- 1           (4) For the local economy, it means keeping almost all  
2           health care dollars in the State;
- 3           (5) For government, it means having one integrated  
4           electronic health information database for  
5           unprecedented planning and cost-containment  
6           capabilities. It also means relief from the emerging  
7           problem of unfunded liabilities associated with long-  
8           term funding of government retiree lifetime health care  
9           benefits;
- 10          (6) For physicians, nurses, and other caregivers, it means  
11          less paperwork, less work stress, and more time with  
12          patients;
- 13          (7) For hospitals, community health clinics, homecare  
14          providers, and long-term care facilities, it means  
15          sufficient and dependable annual financing through  
16          global budgets; and
- 17          (8) For the public, it means accessible and affordable  
18          health care for every person and relief from the  
19          increasing and constant worries concerning health care  
20          coverage instability.

1       The purpose of this Act is to create a unified, single-  
2 payer, universal health care system covering all Hawaii  
3 residents.

4       SECTION 2. The Hawaii Revised Statutes, is amended by adding  
5 a new chapter to be appropriately designated and to read as  
6 follows:

7                               "CHAPTER

8                               **SINGLE-PAYER UNIVERSAL HEALTH CARE SYSTEM**

9       §   -1   **Single-payer universal health care insurance**  
10 **system; established.** There is established the single-payer  
11 universal health care insurance system to provide the same high-  
12 quality level of medically necessary health care to all Hawaii  
13 residents.

14       §   -2   **State health care insurance planning and financing**  
15 **authority.** (a) There is established within the department of  
16 health, for administrative support purposes, the state health  
17 care insurance planning and financing authority to determine the  
18 costs of the system and to gather together the needed financing  
19 methods and transition mechanisms.

20       (b) Effective July 1, 2021, the functions of the Hawaii  
21 health authority shall be transferred to the state health care



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1 insurance planning and financing authority, as well as the  
2 Prepaid Health Care Act functions and the Hawaii employer union  
3 health benefits trust fund, and these functions shall be  
4 maintained until the full integration of each into the system  
5 can be completed by the state health care insurance planning and  
6 financing authority.

7 (c) The state health care insurance planning and financing  
8 authority shall be composed of nine members appointed by the  
9 governor as provided in section 26-34; provided that three  
10 members shall be appointed from a list of nominees submitted by  
11 the speaker of the house of representatives and three members  
12 shall be appointed from a list of nominees submitted by the  
13 president of the senate. Each member shall be appointed for a  
14 term of four years. One member shall be selected to be the  
15 executive director and confirmed by a majority vote of a quorum  
16 of the members of the state health care insurance planning and  
17 financing authority.

18 (d) Five members shall constitute a quorum, whose  
19 affirmative vote shall be necessary for all valid actions by the  
20 state health care insurance planning and financing authority.

1           (e) The state health care insurance planning and financing  
2 authority shall:

3           (1) Begin and maintain a trust fund comprised of a pay-as-  
4 we-go transfer payments system and a reserve fund;

5           (2) Negotiate and receive all federal, state, and other  
6 appropriate health care revenue;

7           (3) Assess temporary surcharges on income and general  
8 excise taxes for start-up and emergency costs as  
9 necessary, for instance, during epidemic or other  
10 medical catastrophe;

11          (4) Be the single payer of universal health care financing  
12 for Hawaii;

13          (5) Hire a chief executive officer who shall be  
14 accountable for the development and success of the  
15 single-payer universal health care system and other  
16 staff as necessary; and

17          (6) Conduct a continuous and ongoing program of  
18 enrollment.

19          (f) The concurrence of a majority of all directors shall  
20 be necessary to make any action of the authority valid.

1           (g) The salary of the executive director shall be  
2   \$           per year and the salaries of the other members shall  
3 be \$           per year."

4           SECTION 3. All rights, powers, functions, and duties of  
5 the Hawaii health authority agency and the Prepaid Health Care  
6 Act functions of the Hawaii employer-union health benefits trust  
7 fund are transferred to the state health care insurance planning  
8 and financing authority.

9           All officers and employees whose functions are transferred  
10 by this Act shall be transferred with their functions and shall  
11 continue to perform their regular duties upon their transfer,  
12 subject to the state personnel laws and this Act.

13          No officer or employee of the State having tenure shall  
14 suffer any loss of salary, seniority, prior service credit,  
15 vacation, sick leave, or other employee benefit or privilege as  
16 a consequence of this Act, and such officer or employee may be  
17 transferred or appointed to a civil service position without the  
18 necessity of examination; provided that the officer or employee  
19 possesses the minimum qualifications for the position to which  
20 the person is transferred or appointed; and provided that

1 subsequent changes in status may be made pursuant to applicable  
2 civil service and compensation laws.

3 An officer or employee of the State who does not have  
4 tenure and who may be transferred or appointed to a civil  
5 service position as a consequence of this Act shall become a  
6 civil service employee without the loss of salary, seniority,  
7 prior service credit, vacation, sick leave, or other employee  
8 benefits or privileges and without the necessity of examination;  
9 provided that such officer or employee possesses the minimum  
10 qualifications for the position to which the person is  
11 transferred or appointed.

12 If an office or position held by an officer or employee  
13 having tenure is abolished, the officer or employee shall not  
14 thereby be separated from public employment, but shall remain in  
15 the employment of the State with the same pay and classification  
16 and shall be transferred to some other office or position for  
17 which the officer or employee is eligible under the personnel  
18 laws of the State as determined by the head of the department or  
19 the governor.

20 SECTION 4. All appropriations, records, equipment,  
21 machines, files, supplies, contracts, books, papers, documents,

1 maps, and other personal property heretofore made, used,  
2 acquired, or held by the department of labor and industrial  
3 relations regarding the Prepaid Health Care Act, the Hawaii  
4 health authority, and the Hawaii employer-union health benefits  
5 trust fund relating to the functions transferred to the  
6 department of health shall be transferred with the functions to  
7 which they relate.

8 SECTION 5. There is appropriated out of the general  
9 revenues of the State of Hawaii the sum of \$ or so much  
10 thereof as may be necessary for fiscal year 2020-2021 and the  
11 same sum or so much thereof as may be necessary for fiscal year  
12 2021-2022 for establishment of the state health care insurance  
13 planning and financing authority to operate a single-payer  
14 universal health care insurance system.

15 The sums appropriated shall be expended by the department  
16 of health for the purposes of this Act.

17 SECTION 6. If any provision of this Act, or the  
18 application thereof to any person or circumstance, is held  
19 invalid, the invalidity does not affect other provisions or  
20 applications of the Act that can be given effect without the

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1 invalid provision or application, and to this end the provisions  
2 of this Act are severable.

3 SECTION 7. This Act shall take effect on July 1, 2021.

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5 INTRODUCED BY: \_\_\_\_\_