



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

July 9, 2008

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

Re: Senate Bill No. 2041 HD1 CD1

On July 8, 2008, Senate Bill No. 2041, entitled "A Bill for an Act Relating to Health" became law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to appropriate out of the general fund \$5,774,340 for the State's portion of the federal disproportionate share hospital allowance. Disproportionate share payments are made to hospitals serving large populations of low income patients. State funds are needed to match the federal appropriation of \$7,500,000.

Hawaii's hospitals sustain millions of dollars in operating losses each year for treating low-income patients. The bill will provide our hospitals with some relief. I am disappointed, however, that the Legislature highlighted this funding as a priority but chose not to include it in the State budget. As a result, the general funds in this bill fall outside of the State's six-year balanced budget plan.

For the foregoing reasons, I allowed Senate Bill No. 2041 to become law as Act 229, effective July 8, 2008, without my signature.

Sincerely,

LINDA LINGLE