

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON SENATE BILL 2901
RELATING TO VETERANS CEMETERIES

SENATE COMMITTEE ON INTERGOVERNMENTAL
AND MILITARY AFFAIRS

JANUARY 28, 2008

BY

OFFICE OF VETERANS' SERVICES

Good afternoon Chair Inouye, Vice Chair Tsutsui and Members of the Committee:

I am Mark Moses, Director for the Office of Veterans' Services (OVS). We do not support the intent of Senate Bill 2901, which seeks to reallocate funds needed for a specified project at the Hawaii State Veterans Cemetery.

This is for four reasons.

First, the "P", "Q" and "R" tables submitted last session to justify the appropriated amount for the Hawaii State Veterans Cemetery project clearly show the estimated Capitol cost for the specified project to be \$200,000 in FY 08, and \$1,000,000 in FY 09. At the request of OVS and DOD Engineer/Contracting the modifier "Statewide" was added so that if the bid came in lower than expected any remaining funds could be used for other veterans' cemeteries.

Second, I request this committee's indulgence as I present a Power Point briefing illustrating State versus Counties Responsibilities contained in HRS 363-2 and 363-5.

HRS 363-5 states in part "The councils of the counties... shall make provisions for the maintenance and upkeep of... cemetery or cemeteries" within their respective counties.

Third, the Power Point briefing will show that each county has received and will receive significant capital federally reimbursed funds.

Projects have/will total:

Kauai	\$1,090,500 with additional columbarium
Maui	\$1,413,021
Hawaii	\$8,111,678
HSVC	\$1,064,000 excluding \$1,000,000 in SB2901

Fourth, as shown in the Power Point presentation, HRS delineates that the Counties are responsible for the maintenance and operation of the cemeteries. However, State and Federal funds are provided to the Counties for use at Veterans Cemeteries. The OVS has been provided with funds that are passed through our office and distributed to the counties by a Memorandum of Agreement with each county. Presently Hawaii County receives \$22,500, while Maui and Kauai Counties receive \$12,500 each. Should the legislature wish to increase the amount of pass through funds, providing that the amount does not affect the operating funds of the OVS, we would be in agreement with this action.

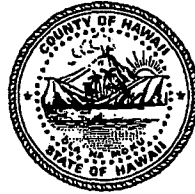
Additionally, the Veterans Administration provides \$300 and a headstone or plaque for each Veteran's interment in a Veterans Cemetery. Based on last years interment numbers, each county received:

Kauai	\$17,100 plus \$12,500 MOU equals \$29,600
Maui County	\$25,500 plus \$12,500 MOU equals \$38,000
Hawaii County	\$39,600 plus \$22,500 MOU equals \$62,100

Finally, since November OVS has undertaken inspection efforts to comply with HRS 363-3 (6) reporting requirements due to the Legislature next year. The inspection is required to quantify repair and maintenance deficiencies “of all state war memorials and veterans cemeteries”.

Thank you for the opportunity to offer our qualified support of this bill.

Harry Kim
Mayor



Dixie Kaetsu
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawaii

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January 25, 2008

Senator Lorraine R. Inouye
Chair, Intergovernmental and Military
Affairs Committee
415 South Beretania Street
Honolulu, HI 96813

Dear Chair Inouye and Committee Members:

RE: **SB 2901** & SB 2186

Thank you for this opportunity to comment on SB 2901, relating to Veterans Cemeteries.

I do not know the relative needs of the Veterans Cemeteries throughout the State of Hawai'i. I do know that Hawai'i County has not received enough funding from the state to cover its actual costs in maintaining the three Veterans Cemeteries on our island. For that reason, the President introduced, on our behalf, SB 2186, which asks for an additional \$165,000 to support the maintenance of Veterans Cemeteries in the County of Hawai'i.

I strongly believe that our Veterans Cemeteries are part of the solemn bond that we have with those who serve in our armed forces, and must not be neglected. Any assistance you can give us in meeting that obligation will be welcomed.

Aloha,

Harry Kim
MAYOR

Late

THE SENATE
COMMITTEE ON INTERGOVERNMENTAL AND MILITARY AFFAIRS
TWENTY-FOURTH LEGISLATURE, 2008
STATE OF HAWAII
28 JANUARY 2008
SB2901

TESTIMONY OF COMMANDER LAWRENCE H. SCHLANG, USN (Retired), FIRST VICE PRESIDENT OF THE KAUAI COUNCIL OF THE NAVY LEAGUE OF THE UNITED STATES TESTIFYING ON BEHALF OF SB2901

INTRODUCTION: My name is Lawrence H. Schlang. I am the First Vice President of the Kauai Council of the Navy League. The Navy League of the United States consists of approximately 65,000 members whose mission it is to support the Navy, Marine Corps, Coast Guard and the Merchant Marine. The Navy League is an IRS approved 501[c][3] non-profit educational organization.

BACKGROUND ON STATE VETERANS CEMETERY REPAIR LEGISLATION:

Last year, Senator Gary Hooser, who represents the County of Kauai in the Hawaii State Senate, sponsored and introduced SB725, a bill for the appropriation of state funds for repairs to the Kauai Veterans Cemetery at Hanapepe, HI (see Enclosure 1). That bill did not pass. The Legislature instead passed HB1065, which appropriated funds for repairs to veterans cemeteries statewide (see Enclosure 2). The requested funds, \$200,000 for FY 2007-2008 and \$1,000,000 for FY 2008-2009 were included in the State Budget appropriation bill HB500 which the governor signed into law on 10 July 2007.

The legislative intent of HB1065 was, and is, quite clear. Let me quote (first sentence of para 2 of HB1065):

The legislature further finds that Hawaii's veterans cemeteries suffer from inadequate care and maintenance due to lack of sufficient funding necessary to maintain these facilities at the level they deserve.

Further, para 3 of HB1065 states:

The purpose of this Act is to provided adequate funds for the care and maintenance of veterans cemeteries *statewide*, (italics mine) including but not limited to the purchase of casket liners to help remedy the soil problems at the cemeteries.

In addition, on 18 July 2007, Governor Lingle wrote to me regarding the funds appropriated for repairs to veterans cemeteries statewide (see Enclosure 3). Let me quote (para 2 of Governor Lingle's letter):

However, I would like to inform you that the recently passed State

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Budget includes additional funds for veterans' cemeteries statewide.
With these lump sum CIP funds, the decision falls on the Director of the
State Office of Veterans Services, Mr. Mark Moses, to divide and provide
funds according to each cemetery's needs.

In spite of the clear intent of the HB1065 legislation, and in spite of the clear understanding of the Lingle Administration of that intent, no funds were distributed to any of the Neighbor Island counties for repairs to the state veterans cemeteries located in these Neighbor Island counties.

The first inkling that anything was amiss was contained in the *Director's Message*, a news column written by former State OVS Director Col. Edward R. Cruickshank, USA (Retired) in the May - June 2007 issue of *Hawaii Veteran*, a Hawaii Department of Defense publication (see enclosure 4). I quote:

We have some great news! This past legislative session we received approval for a clerk-typist position at Tripler, as well as necessary funding for our cemetery at Kaneohe. Over 1.2 million dollars was approved for new niches at our columbarium at Kaneohe.....

The fact of the matter is that the 24th Session of the Hawaii State Legislature did not appropriate one dime for new columbarium niches at Kaneohe in 2007. It was more than a mere coincidence that the \$1.2 million that Col. Cruickshank alluded to was the exact same amount that the Legislature appropriated for repairs to veterans cemeteries statewide. Governor Lingle later acknowledged that this was the intended use of the aforementioned legislatively appropriated veterans cemetery repair funds.

GENESIS OF SB2901 LEGISLATION: Last year, Senator Hooser wrote me a letter dated 25 July 2007 (see enclosure 5). I quote from para 3 of that letter:

As you know, I followed up on your request in December 2006 and introduced Senate Bill 725 to obtain funds for the repair and maintenance of Kauai Veterans Cemetery. Even with the tremendous amount of requests, the legislature approved over \$1.2 millions for repairs to veterans' cemeteries statewide through the budget, which is common practice. In addition, we added to a number of areas in order to improve services for the returning military veterans.

1. Lump sum CIP for Veterans Cemetery Improvements, Statewide.
Plans, Design and Construction for Repairs and Improvements-
FY 2007-2008: \$200,000; FY 2008-2009: \$1,000,000

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Note: A portion of these funds are intended for statewide use including Kauai Veterans (Hanapepe) Veterans Cemetery.

Senator Hooser appeared shocked when I advised him that the legislatively appropriated funds for repairs to veterans cemeteries statewide were being used exclusively to build additional columbarium niches for the Hawaii State Veterans Cemetery at Kaneohe.

On 27 September 2007, Senator Hooser, Senator Baker, and members of the Senate Ways and Means Committee visited Kauai made an inspection the Kauai Veterans Cemetery to see for themselves the deteriorated conditions at that facility. Copies of photographs of those conditions are included as Enclosure 6.

On 11 December 2007, Senator Baker wrote me a letter. I will quote para 2 and 3 of that letter (see enclosure 7):

We did check the information you provided and it does appear that the Department of Defense is going to try and do all the repairs they originally intended at the Hawaii State Veterans Cemetery for a total of \$1,200,000. Anything left over will be distributed to the other County cemeteries.

Since it appears that this issue cannot be resolved for our neighbor island cemeteries with the Governor and the State DOD, I will be happy to draft a bill, as you suggested, for the next session that includes language to restrict the use of the funds. We can also include a required report to the Legislature on how the funds were spent.

COMMENTS ON SB2901: First, on behalf of the Kauai Council of the Navy League, please allow me to express my appreciation to Senators, Hooser, Baker, Inouye, and Nishihara for sponsoring this legislation. It is greatly appreciated.

While the Navy League supports this legislation, we feel that it does not go far enough. This Committee has seen the complete disregard of the intent of the Legislature to provide funds for repairs to our veterans cemeteries statewide in spite of the understanding of the Legislature's intent. There is nothing in SB2901 that will prevent the same or similar abuse that I have just reviewed for this Committee at this hearing.

The restrictions on the use of the funds appropriated for repairs to veterans cemeteries statewide must be tightened. The repair needs of our Neighbor Island veteran cemeteries must be clearly defined, and the funds appropriated for those repairs must be specified.

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In that regard, each county should submit a list of repairs to the repair fund allocation authority by the beginning of the fiscal year starting 01 July 2008 along with estimated cost-to-repair data. Then the funds should be apportioned and allocated in accordance with the documented repair needs of each of the state's veterans cemeteries.

As suggested by Senator Baker in her 11 December 2007 letter to me, a report should be required from the Governor through her Director of OVS as to the distribution of these legislatively appropriated funds. In that same regard, it is suggested that the SB2901 bill be further amended to include more stringent oversight provisions. I have previously recommended the formation and appointment of a State Veterans Cemetery Commission, with a commissioner appointed to oversee each of the state's veterans cemeteries. There are a number of cogent reasons to appoint such a commission that are beyond the scope of the proposed SB2901 legislation and this hearing. What is within the scope of this hearing, and the question must be asked, is why are state of Hawaii veterans cemetery repair funds for repairs to veterans cemeteries statewide being used for a CIP project at Kaneohe, which, for the addition of columbarium niches, should more appropriately come from a grant request to the federal (VA) Veterans Burial Administration?

I am concerned in that at a hearing held at the Kauai Veterans Center on state veterans cemetery issues earlier this month, in response to a question asked by me, the Director of OVS stated that it was the County's responsibility to make repairs to its local veterans cemetery, not the state (in accordance with a memorandum of agreement between the state and the county). I am even more concerned that last week, in an e-mail to me, Carl Miura, an aide in Senator Hooser's office, requested repair need and cost estimates (see Enclosure 8) as the Director of OVS stated he had not received any (repair) requests. If that is the mindset of the Director of OVS (i.e. the counties are responsible for veterans cemetery repairs and that no requests for repairs have been made by the counties), then this Committee and this Legislature can expect more veterans cemetery repair fund allocation mischief as has happened during this fiscal year. I would request and urge this Committee to amend SB2901 to assure that this veterans cemetery repair fund allocation mischief does not happen again.

Thank you for allowing me to testify on behalf of this pending legislation and allowing me to express my concerns and that of the Kauai Council of the Navy League in this matter. I am especially grateful to the Legislature for its concerns over the conditions at our state's veterans cemeteries and its desire to do something about these unsatisfactory conditions. Mahalo nui loa!

LATE

testimony

From: Mel Rapozo [MFRapozo@kauai.gov]
Sent: Sunday, January 27, 2008 8:23 AM
To: testimony
Cc: lhschlang@hawaiiantel.net
Subject: SB2901 Testimony

Aloha Senators,

As an individual member of the Kauai County Council, I fully support the intent of SB2901, and would ask that a fair and equitable allocation of the funds be made. The Office of Veterans Services cannot continue to keep the funds for Kaneohe. It is simply not fair to the veterans of the neighbor islands to be left out of the State's funding of cemeteries. Thank you for consideration and support.

Mel Rapozo

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