

***LATE***

**HB 200**

LINDA LINGLE  
GOVERNOR



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DIRECTOR

HENRY OLIVA  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

**LATE**

April 7, 2009

MEMORANDUM

TO: Honorable Donna Mercado Kim, Chair  
Senate Committee on Ways and Means

FROM: Lillian B. Koller, Director

SUBJECT: H.B. 200, H.D. 1 – RELATING TO THE STATE BUDGET  
Hearing: Tuesday, April 7, 2009, 9:30 a.m.  
Conference Room 211, State Capitol

PURPOSE: Appropriates funds for the operating and capital improvement budget of the Executive Branch for fiscal years 2009-2010 and 2010-2011.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports the Executive Biennium Budget as submitted by the Governor and as amended by Governor's Messages 542 and 543.

Thank you for this opportunity to testify on this bill.



AMERICAN COUNCIL OF ENGINEERING COMPANIES  
of Hawaii

**LATE**

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April 6, 2009

EMAILED TESTIMONY TO: [WAMTestimony@Capitol.hawaii.gov](mailto:WAMTestimony@Capitol.hawaii.gov)

**Hearing Date: Tuesday, April 7, 9:30 a.m., Conference Room 211  
(Senate Committee on Ways and Means)**

Honorable Senators Donna Mercado Kim, Chair, Shan S. Tsutsui, Vice Chair, and  
Members of the Committee

**Subject: HB200, Relating to the State Budget**

Dear Chair Mercado Kim, Vice Chair Tsutsui, and Committee Members,

The American Council of Engineering Companies of Hawaii (ACECH), represents 70 consulting engineering firms with more than 1,500 employees. ACECH is in strong support of DLNR's Recreational Renaissance Plan. We strongly urge your committee to reinstate the DLNR's Capitol Improvement budget request for the Recreational Renaissance, namely \$20 million in General Obligation Bond funding in each of the fiscal years, which we agree is needed to jumpstart the plan by funding priority projects, and the deletion of \$45.76 million in General Obligation Reimbursable Bond funding in Fiscal Year 2011.

Please reinstate the requested funding so that these projects can move forward. We believe that the DLNR's innovative plan for upgrade of our recreational facilities will provide much-needed stimulus projects, as well as provide much-needed improvements to these facilities enjoyed by residents and visitors alike.

We appreciate your time and the opportunity to testify on this bill. Please do not hesitate to contact us if you have any questions regarding our testimony.

Respectfully submitted,

Janice Marsters  
National Director



**LATE**

To: Senate Committee on Ways and Means  
Senator Donna Mercado Kim, Chair  
Senator Shan S. Tsutsui, Vice Chair

Date: April 7, 2009 - Conference Room 211 – 9:30 am

Re: **HB 200, HD1: RELATING TO THE STATE BUDGET**

Chair Mercado Kim and Committee Members:

My name is Barbara Kim Stanton, State Director of AARP Hawaii. AARP is a membership organization of people 50 and older with nearly 160,000 members in Hawaii. We are committed to championing issues critical to Americans age 50+.

**AARP offers the following comments on the proposed State Budget.**

We urge the Legislature to ensure that funds for specific safety net programs that support the most vulnerable population—the elderly, the disabled, children, caregivers, seniors, and the mentally ill---are maintained and funded.

While we understand the extent of the state's budget shortfall, we urge the legislature to first and foremost maintain the level of service needed for the health, public welfare and education of our most vulnerable residents. The critical budget shortfall has created hardship for them at unprecedented levels and numbers. We surmise that with the non-funding of the grants-in-aids in 2008 and the rapid erosion of our safety net services this past year, the number of keiki, elderly, and disabled residents falling between the cracks of society is even greater. This economic downturn is not the time to weaken Hawaii's safety net. Rather, it is a time for the safety net to be stronger than ever.

AARP supports the following items in the budget worksheet for HB 200, HD 1:

217-001 House non-concurrence to Governor's Message (2/17/09) to reduce General Funds in FY 10 for the Medicaid program (/ -15,000,000A;/A)

1002-001 House adjustment: Add funds to cover Medicaid shortfall from FMAP, \$40,000,000 (A).

1301-001 House adjustment: Add funds for Disproportionate Share Hospitals, \$4,000,000 (A), \$7,000,000 (N)

AARP does not support:

13001-001 House adjustment: Reduce general funds due to stimulus package, (\$136,000,000) A. We would prefer reinstatement of those funds so that stimulus funds can be used for their intended purpose, and particularly to maximize the increased FMAP to support the Medicaid population.

AARP is greatly concerned about the safety net for our aging population. Over the past several years, funding for seniors have remained flat while the need for home and community based services has grown. The following are two important programs that are currently underfunded in the Executive Office on Aging (HTH 904) budget:

**Kupuna Care** is a state-funded program that has a growing waitlist of seniors needing assistance with activities of daily living such as eating, dressing and bathing. The program also provides adult day care, assisted transportation, and home delivered meals. Additional funding of \$1,025,000 is still needed for the fiscal biennium. (This amount was requested last year to keep up with current needs for services, but the monies were not released.)

**Senior Centers** help our kupuna remain healthy, safe, independent, and vital. They are places for social connection and cognitive stimulation---through exercise, recreation, health promotion, health screening and volunteer activities. The senior centers give needed respite to family caregivers, to prevent burnout in some and to remain employed for others. Funding for four senior centers (currently serving 4,000+) is needed:

- Catholic Charities (Lanakila Multi-Purpose Senior Center) (\$337,000)
- Kapahulu Senior Center (\$100,000)
- Moiliili Senior Center (\$125,000)
- Waikiki Community Center (\$120,000)

If funding cannot be met through the State Budget, we believe that the Rainy Day fund would be the contingency fund to be tapped for these senior safety net programs.

While we understand that all must work together to reduce the budget shortfall, we ask that no further reductions be added that would negatively impact our growing numbers of seniors.

Thank you for the opportunity to testify.



**LATE**

To: Committee on Ways and Means  
For: Hearing on April 7, 2009 at 9:30 AM in Conference Room 211  
From: Democratic Party of Hawai'i  
Re: COMMENT on HB 200, HD1 Relating to the State Budget

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Dear Chair Senator Donna Mercado Kim, Vice-Chair Shan Tsutsui,  
and Members of the Senate Committee on Ways and Means:

Given our economic crisis – with need to create jobs to stimulate the economy, need to protect existing jobs by preventing layoffs, and mandate to balance the budget – decisions before you this year may be more difficult and consequential than any year in recent memory.

In light of this, I thank you for the opportunity to testify on behalf of the Democratic Party and our 51,000 members across Hawai'i. With respect to the complexities of your task, I raise the following comments:

In our platform, the members of the Democratic Party of Hawai'i call on lawmakers to “support and provide for a strong economy.” The Party supports “strong labor practices, good jobs and fair pay.” These values are consistent with economic principles of fighting the economic crisis by a strategy of stimulus – a strategy of protecting existing jobs and creating new jobs.

The House Draft – HB200, HD1 – calls for over 300 job cuts. Job cuts will not “provide for a strong economy.” Others have called for cuts to State employee pay and benefits – burdening State employees with sacrifice, while ruling out fair new tax revenues on the most wealthy and able to pay. Both layoffs and pay cuts pull dollars out of the local economy. Local businesses will lose customers when State employees lose work, adding to the downward spiral. Most State employees affected by proposed cuts are middle- and lower-income workers, and are most likely to spend their earnings locally. Cutting healthcare, leave, pay or jobs during recession creates families in crisis and weakens the

economy. A strategy of job cuts to balance the budget would not “support strong labor practices, good jobs and fair pay.”

Members of the Democratic Party resolved to “Oppose Anti-Union Laws.” Labor resolution #08-04 critiques anti-labor practices where “employers ... ‘race to the bottom’ in pay, benefits, and employment security for their workers, lowering the average pay of all workers....” In fairness, we cannot demand private employers to practice fair labor practices, while the State cuts benefits and wages for workers already at middle- and low-income pay ranges.

Ultimately, cutting middle-class to low-wage State jobs, their salaries and benefits would be “penny-wise, pound-foolish.” Our economy needs jobs to spur spending in the local economy. Faced with the choice of protecting the wealthiest earners from tax increases, versus protecting lower- and middle-income jobs – job protection is the priority for a strong economy and fairness.

If, after adding progressive new revenue sources, where the wealthiest contribute to the sacrifice for recovery, and if State positions still must be cut to balance the budget, then the Legislature should not cut “warm bodies.”

In a recession, the usual trauma of job loss to families and children is amplified. Mass layoffs of hundreds of State employees with modest salaries could result in more mortgage failures, more stress on State-funded social services, and increased need for emergency assistance. Creating more unemployed makes it harder for all who must compete for shrinking job opportunities. The State should not add to economic damage by contributing hundreds more to unemployment rolls.

The conversation should turn from cuts to recovery. Leadership can chart a course out of the crisis, and not merely react to it. Economists of all political stripes emphasize job protection and creation to stimulate the economy. The 407 page “American Recovery and Reinvestment Act of 2009” (ARRA) begins its Statement of Purposes on page 2 with this: “(1) To preserve and create jobs and promote economic recovery” – including stabilizing state governments.

I offer these comments informed by the values and priorities of the Democratic Party of Hawaii’s members, as expressed in our platform and resolutions.

Respectfully submitted,

Douglas Pyle, Co-Chair  
Legislation Committee of the Democratic Party of Hawai’i

# LATE

kim4 - Elizabeth

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, April 06, 2009 5:07 PM  
**To:** WAM Testimony  
**Cc:** jwalker1@hhsc.org  
**Subject:** Testimony for HB200 on 4/7/2009 9:30:00 AM

Testimony for WAM 4/7/2009 9:30:00 AM HB200

Conference room: 211  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Liza Trinidad, Chair Kauai Regional Board  
Organization: Kauai Regional Board, HHSC  
Address: 4643 Waimea Canyon Drive Waimea, Hawaii 96796  
Phone: 808-3389422  
E-mail: [jwalker1@hhsc.org](mailto:jwalker1@hhsc.org)  
Submitted on: 4/6/2009

Comments:

The Kauai Regional Board oversees the West Kauai Medical Center, Samuel Mahelona Medical Center, and West Kauai Clinics and opposes HB200 HD1 as currently drafted. Testimony presented by the Director of Health at last Thursday's hearing on SB1673 SD2 HD1 stated it would cost the state anywhere from 250 to 275 million dollars to transfer HHSC to DOH. Since, this transfer would not be wise we suggest that cuts to the HHSC system be reinstated to the original executive budget totals. We like the way the general fund appropriations have been done by regions and recommend that this be adopted by your committee. This would simplify the current method of general fund allocation.

The board would like to inform your committee that this regional has spent hundreds of hours in establishing the current board. We think Act 290 has improved local community involvement in the operations for the two state run facilities on Kauai. We would like this to continue until the transition committee has completed its task of recommending a new structure. The board in its development has gained the wisdom and knowledge necessary to oversee the two state facilities on Kauai. We want to continue this responsibility, so that future healthcare needs of Kauai are met.



kim4 - Elizabeth

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, April 06, 2009 8:03 PM  
**To:** WAM Testimony  
**Cc:** arcklizann@viphawaii.net  
**Subject:** Testimony for HB200 on 4/7/2009 9:30:00 AM

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Testimony for WAM 4/7/2009 9:30:00 AM HB200

Conference room: 211  
Testifier position: support  
Testifier will be present: No  
Submitted by: Ellen Ching  
Organization: The Arc of Kauai  
Address: 3201 Akahi Street Lihue, Hawaii  
Phone: 808-245-4132 ext. 16  
E-mail: [arcklizann@viphawaii.net](mailto:arcklizann@viphawaii.net)  
Submitted on: 4/6/2009

Comments:  
April 6, 2009

Honorable Senator Donna Mercado Kim, Chair and Members of the Committee on Ways and Means  
Senate State Capitol, Hawaii  
415 South Beretania Street  
Honolulu, Hawaii 96813  
RE: Support of HB 200, HD1 - Relating to the State Budget

Dear Chair Mercado Kim and Members of the Ways and Means Committee:

My name is Ellen Ching and for the past 25 years, I have served as the Executive Director of The Arc of Kauai. The Arc of Kauai is a private non-profit organization that was formed by parents in 1961. Our primary mission is to secure for all people with developmental disabilities the opportunity to realize their goals and to choose where and how they learn, live, work and play. To this end, The Arc of Kauai develops implements and maintains a variety of programs and services for approximately 191 individuals.

I am writing this letter in support of HB 200, HD1 and ask that you consider the following amendments.

We ask that appropriations be included for:

1. DD Council (HTH 905) - for 1.5 positions and operating costs for advocacy, capacity building and systemic change activities like the Donated Dental Services and Self-Advocacy Network programs.
2. Disability and Communication Access Board (HTH 520) - for 17.5 positions and operating costs for ADA coordination, architectural facility access, parking for persons with disabilities and the Special Parent Information Network.

3. DD Division (HTH 501) - 41 positions and operating costs for the DD/MR Home and Community Based Medicaid Waiver Program, the Partnerships in Community Living Program, Quality Assurance and the Purchase of Services.

Individuals with developmental disabilities have already sustained significant cuts in direct services, further cuts to their system of supports will only further endanger this vulnerable population.

I humbly ask for your support of HB 200, HD1, and keeping families whole. Should you need more information or have any questions, please feel free to contact me at (808) 245-4132 ext. 0 or 16 or [arcklizann@viphawaii.net](mailto:arcklizann@viphawaii.net). Thank you for your consideration.

**kim4 - Elizabeth**

**LATE**

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, April 06, 2009 8:18 PM  
**To:** WAM Testimony  
**Cc:** yamamoto96734@gmail.com  
**Subject:** Testimony for HB200 on 4/7/2009 9:30:00 AM

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Testimony for WAM 4/7/2009 9:30:00 AM HB200

Conference room: 211  
Testifier position: support  
Testifier will be present: No  
Submitted by: Shannon Yamamoto  
Organization: Individual  
Address: 205 Kihapai Street Kailua, HI  
Phone: 808 262-6708  
E-mail: [yamamoto96734@gmail.com](mailto:yamamoto96734@gmail.com)  
Submitted on: 4/6/2009

Comments:  
I support HB 200

kim4 - Elizabeth

**LATE**

**From:** izawa [izawa@hawaiiintel.net]  
**Sent:** Tuesday, April 07, 2009 12:26 AM  
**To:** WAM Testimony  
**Subject:** HB 200 HD1

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

RE: HB 200 HD1  
Ways & Means Committee  
Hearing 7 April 2009, 9:30am

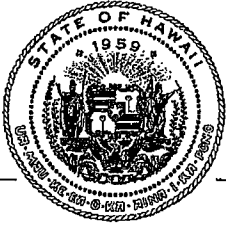
Dear Senators,

The House Finance Committee has recommended deletion of funds for the State Health Planning & Development Agency (SHPDA) in it's efforts to develop a balanced budget. Given the huge reduction in State revenues, I believe a corresponding reduction in State costs is necessary. However, over the long run, I believe SHPDA's elimination would hasten the upward spiral of healthcare costs. One of it's functions is to regulate the "supply" side, e.g., scanners, hospitals, of health care - to ensure supply and demand are in synch, minimize duplication of services, and manage costs of the system. It does this through the Certificate of Need (CON) process. Some have argued that the CON process negates local initiative/determination and inhibits competition. I would agree if health care was a free market but it is not - the private sector provides what is profitable and government pays for what is not. Without the CON process, the State would see a loss of profitable services to the private sector while bearing responsibility for the continued provision of unprofitable services - a loss of revenue and increase in costs. I believe SHPDA's elimination would be a serious threat to the viability of the State's hospital system.

I urge you to restore funding to SHPDA. Nationally, health care costs continue to rise and take an ever increasing share of everyone's dollar. I don't think this will change until something dramatic happens, e.g., single payor system. But - until that happens, SHPDA remains the only "hold" we have on a system who's cost is spiraling out of control.

Thank you for this opportunity to comment on HB200.

Mahalo,  
Glenn S. Izawa, Member  
Tri-Isle Sub-Area Council, SHPDA



**LATE**

**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of  
**ABBEY SETH MAYER**  
Director  
Office of Planning  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Tuesday, April 7, 2009  
9:30 AM  
State Capitol, Conference Room 211

in consideration of  
**HB 200 HD1**  
**RELATING TO THE STATE BUDGET**

Chair Kim, Vice Chair Tsutsui, and Members of the Senate Committee on Ways and Means.

We have the following comments on HB 200 HD1 Relating to the State Budget. The bill, in part, transfers the budget of the Office of Planning (OP) to the Department of Land and Natural Resources (DLNR).

The Office of Planning is very appreciative that HB 200, HD1 retains OP's positions and funding except for the deletion of one vacant secretary position. The HD 1 restores OP's Planner VI position via a change in the means of financing to Federal funds. Retaining these positions and funds will have a positive impact on our program and our ability to conduct our core functions. In addition, the restoration of the Planner VI position will maintain our ability to provide needed planning services.

Under any proposed transfer or reorganization, it is essential that OP's programs remain intact and that OP remain as an administratively attached agency in order to effectively perform our statutory mission to guide the overall growth and development of the State through a planning process that balances environmental, social and economic needs.

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As set forth in current statute (HRS 225M), the Director of OP is appointed by the Governor and confirmed by the Senate. This enables the Director to make policy decisions with the assistance of all affected and pertinent agencies.

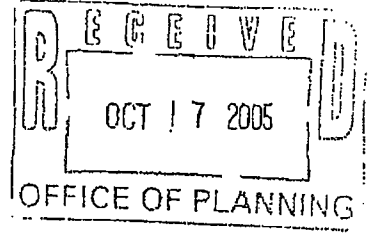
The proposed transfer has most impact on the Coastal Zone Management (CZM) Program. OP is tasked with the lead role in implementing the CZM Program which

includes a network of laws, regulations, objectives and policies relating to Coastal Zone Management. CZM is charged with ensuring and monitoring State and County agency compliance with CZM objectives and policies. DLNR is one of the primary agencies that CZM must monitor and oversee for their compliance with the CZM law. It will be very difficult for CZM to fulfill its role if CZM is placed under the control/administration of the agency which it is supposed to monitor and oversee for compliance.

Further, CZM is Federally approved within the organizational structure of DBEDT. A change in this situation would require remedy in order to preserve Federal funding. See NOAA Evaluation Findings of November 2005 (excerpts attached).

Should this proposal advance, a proactive remedy to mitigate the above-mentioned potential conflict with DLNR is to firmly establish OP as an attached agency while maintaining the establishment of its separate director. Under this organizational arrangement, the OP Director would be independently able to decide policy while at the same time seeking input from all affected departments on policy matters in its effort to integrate and balance social, economic and environmental factors. If attached to DLNR, OP would be better able to perform its CZM compliance function in an organizational structure that ensures an appropriate level of independence.

Thank you for the opportunity to testify.



**Evaluation Findings  
for the  
Hawaii Coastal Zone Management Program  
from  
November 2001 through August 2004**

November 2005

Office of Ocean and Coastal Resource Management  
National Ocean Service  
National Oceanic and Atmospheric Administration  
United States Department of Commerce



9. **International Coastal Management.** CZM Hawaii supported a seminar effort with a consortium of Hawaiian companies using USAID funds directed toward the export of product, capabilities, concepts and expertise to Pacific Rim nations, in an effort to bolster a sagging State economy and to build demand for Hawaiian services and products.
10. **Ecological Characterization.** The Waianae Ecological Characterization project is being developed as part of CZM Hawaii's efforts to develop a management framework for the Waianae community in west Oahu. An interactive CD-ROM with information and planning tools for community leaders, educators, researchers, partnering agencies, and other stakeholders and interested parties will be developed.

### C. SUMMARY OF RECOMMENDATIONS

In addition to the significant accomplishments described above, OCRM has identified areas where the program may be improved. These evaluation findings contain two recommendations which take the form of Necessary Actions and are mandatory. Eight (8) recommendations take the form of Program Suggestions and are not mandatory.

**Finding: Program Implementation Leadership.** While CZM Hawaii has taken the forefront in leadership in the overall implementation of the CZM Hawaii Program, this has been on a changing stage under sometimes shifting direction, making coordination more than a simple task, affecting communication within the overall network of the Program, and slowing down progress on requirements of NOAA/OCRM. The result is that a Necessary Action of the previous evaluation was not met (see Appendix D) and that there is some cloud over leadership. The CZM Hawaii Program is Federally approved within the organizational structure of the Office of Planning, Department of Business, Economic Development and Tourism and is tasked with the lead role of overall implementation of the network of laws, regulations and policies that make-up the CZM Hawaii. In May 2003, the Governor issued a letter directing DLNR and CZM Hawaii to work together and the Office of Planning was to report to and consult with DLNR.

1. **NECESSARY ACTION.** The gubernatorial letter of May 2003 directing the Office of Planning to answer to the Chairperson of DLNR is not clearly supported by State law and is inconsistent with the organizational structure of the CZM Hawaii Program approved by NOAA. The State must resolve this issue either by formally submitting a program change, with adequate legal justification to support such a reassignment of responsibility, or the State can appoint a new director of the Office of Planning, who can meet the responsibility of leading the CZM Hawaii Program.

2. **NECESSARY ACTION.** CZM Hawaii needs to complete the necessary action from the previous evaluation, addressing the need to improve the enforcement of local SMA programs, on an expedited schedule. This schedule must be provided to





**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

**LATE** LINDA LINGLE  
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Statement of  
**PEARL IMADA IBOSHI**  
**Economics Research Administrator**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Tuesday, April 7, 2009  
9:30 a.m.  
State Capitol, Conference Room 211

**HB 200 HD 1**  
**RELATING TO THE STATE BUDGET**

Chair Kim, Vice Chair Tsutsui and Members of the Senate Committees on Ways and Means.

We would like to express our concerns about the transfer of the Research and Economic Analysis Division (READ) to the Department of Commerce and Consumer Affairs (DCCA) and change of funding to the Compliance Resolution Fund, as provided for in this bill.

The mission of READ is to develop research and statistics to support decisions by policy makers, government agencies, and the public; especially with respect to economic development decision making. Regarding the proposed transfer, we are concerned that there is no clear nexus between the programs of READ and the Compliance Resolution Fund. The programs of READ are as much directed at facilitating the policy decisions of State and county agencies as they are to providing economic information to the public and business.

Secondly, READ works very closely with the economic development programs in DBEDT, particularly the energy and technology programs, but also the international development program and industry development activities. We believe that READ would best be able to serve its function within the structure of DBEDT.

For your information we are attaching information on the extent of READ's interaction with other DBEDT programs (Attachment 1) and a compilation of the products and outputs for which READ is responsible (Attachment 2).

Thank you for the opportunity to provide this testimony.

## ATTACHEMENT 1

### READ'S RELATIONSHIP TO OTHER DBEDT PROGRAMS

READ (BED 130) serves the state as a whole with a wide range of data and information. But much of its program work is directed at supporting the state's economic development programs in DBEDT.

#### ENERGY

One of the highest priorities at both the state and federal level is reducing dependence on petroleum and developing alternative energy sources. READ is assisting the department's energy division by developing data sources and products on Hawaii's energy sources and uses. READ's integration with the State's energy program is so important that the Energy Division (BED 120) has physically moved an energy statistician into the READ spaces, to work alongside READ staff to fulfill the data collection and management requirements of the state's energy program.. READ is also researching the companies and industries that make up the energy sector in order to establish a reliable measure for the jobs, earnings and occupations in that sector. This will help the energy program advise the industry and education/workforce training sector about the skills and programs needed if the State is to achieve its goals. Finally the research program is developing performance measures for the statewide clean energy effort to allow policy makers to monitor progress in this program

Specific Tasks READ has been asked to perform with respect to energy:

- Provide research and statistical services and support related to energy programs to the Strategic Industries Division, the Research & Economic Analysis Division, and other organizational units within State government.
- Work with the Public Utilities Commission, oil companies, refineries, energy utilities, and others to acquire, compile, and analyze petroleum and energy data.
- Research, process, and manage energy data from a multitude of sources.
- Provide support to emergency energy planning.
- Collect state agencies' utility consumption information, review for consistency of data and provide the information to state agencies and the public.
- Provide specific information on economic costs and impacts related to the construction and tourism industries. Assists in collecting and interpreting industry data to support operational decisions. .

#### Specific Deliverables

- Prepare energy statistics for 2008.
- Prepare and publish a Monthly Energy Trends report.
- Provide statistical support to an energy efficiency working sub group of the Hawaii Clean Energy Initiative.
- Update energy statistics in the Hawaii State Data Book.

- Provide energy data for the annual State Energy Resources Coordinator's Report as required by State law.
- Provide state agency electricity energy consumption and cost information for the annual *Lead by Example Report* to the Legislature.
- Assist in preparing the State Variance Report for the Division.
- Continue on-going maintenance, periodic updates, and improvement of petroleum and energy data.

## **TECHNOLOGY**

READ participated in the effort by the Hawaii Science and Technology Council, along with its consultant to redefine the technology sector. READ is working with the Strategic Industries Division's Technology Branch and HiSciTech to maintain that measure of the technology sector and look more closely at the performance of the individual components the state is seeking to encourage, such as biotechnology. READ uses the Input-Output model to help identify the value chain of technology in the economy and predict the impact of technology sector growth on other parts of the economy. With this information policy makers can monitor the performance of the technology sector and better shape workforce, education and infrastructure policies to support further development. READ also commissioned an update survey of expenditures and employment in Ocean Science and Technology through 2007 and will be compiling the survey results into a report on the industry.

Deliverables:

- Annual report on jobs and output in the technology sector
- Reports on performance of specific industry groups with the technology sector
- Annual report on jobs, growth and performance of targeted industries

## **WORKFORCE TO SUPPORT ECONOMIC DEVELOPMENT**

READ is working with the Strategic Industries division to evaluate occupational needs of targeted and established growth industries and identify the training demand and capacity that will support the supply of those occupations. Through the Input-Output model READ is able to predict other industries that will be stimulated by targeted industry growth and determine their occupational and training needs also. This information will also allow policy makers to better monitor performance of the targeted industries and shape supportive policy for related infrastructure, workforce and education programs.

Deliverables:

- Report on occupational and training needs by targeted industry

## **FOREIGN TRADE SUPPORT**

READ compiles foreign trade data and maintains estimates of Hawaii's imports and exports to support the effort to increase Hawaii's portfolio of exporting companies. READ will soon begin working with staff of the International Branch to better identify companies and products/services in the export sector to establish a better accounting for the jobs and income involved in the foreign trade sector. This will allow the research

program to trace the impact of this activity through the input output model and identify other sectors of the economy that depend on export activity and their jobs and occupations. This information adds an addition dimension for policy makers target areas that are most critical to boosting exports.

Deliverables:

- Report on Hawaii's international trade and impacts

### **CREATIVE INDUSTRIES SUPPORT**

READ has recently worked with the Creative Industries Division (CID) to redefine and measure the creative sector. This is allowing READ to also estimate income, occupations and other characteristics to assist CID in developing the sector. In particular, READ is working with the Film office to better account for the jobs and income in the film/TV/Video production sector. This work serves policy development by identifying the priority areas within the creative sector and what supportive programs in education, training and infrastructure are most important.

Deliverables:

- Report on the industry groups, growth, occupations and performance of the creative sector.

### **STATE ECONOMIC DEVELOPMENT POLICY SUPPORT**

READ is measuring the growth and performance of more than 40 industry groups that have been targeted as prospects for high growth and quality jobs in the state over the last several decades. Initially this is a measurement exercise. However, after initial benchmarking is completed the project will move on to conducting detailed cluster analysis of the targeted industries and what policies and actions the state can engage in to maximize their growth potential

Deliverables:

- Statewide Targeted Industries Benchmark Report
- County Industries Benchmark Report
- Specific target industry cluster reports.

**ATTACHMENT 2**

<b>BED 130 PRODUCTS AND OUTPUTS</b>	
<b>PRODUCT</b>	<b>FREQUENCY</b>
<b>Key Economic And Statistical Reports</b>	
Quarterly Economic Outlook And Forecast	4 per year
Quarterly Statistical & Economic Report	4 per year
Monthly Economic Indicators	12 per year
Monthly Energy Trends	12 per year
State Of Hawaii Data Book	Annual
County Trends Report	Annual
Hawaii Emerging Industries Report <sup>1</sup>	Annual
County Emerging Industries Report <sup>1</sup>	Annual
Innovation Indicators Report	Annual
Quality Of Life Indicators Report <sup>2</sup>	Annual
Long Range Economic And Population Projections Report	At least Every 5 years
Self-Sufficiency Income (Living Wage) Study	Bi Annually
<b>Tourism Reports</b>	
Daily Air Passenger Count:	Daily
Monthly Visitor Highlights	12 per year
Monthly Oahu And Neighbor Island Characteristics	12 per year
Monthly Air Seats Outlook	12 per year
Quarterly Visitor Expenditure Report	4 per year
Quarterly Developing International Markets Report	4 per year
Quarterly Satisfaction Report	4 per year
Annual Visitor Research Report	Annual
Annual Visitor Plant Inventory Report	Annual
Annual Visitor Activity Report	Annual
Hawaii Travel & Tourism Satellite Account Update	Annual

<sup>1</sup> Benchmark study underway.

<sup>2</sup> Interim Report due April 2009; final first annual report due June 2009.

<b>Other Statistical Reports</b>	Annual
Small Area Statistics Study (Income, Employment, Education, Housing)	Annual
Migration Study Update	Annual
Federal Report Update	Annual
Profile Of Hawaii-Based Armed Forces	Annual
Time-Series Data Of Selected Data Book Tables	Annual
U.S. Census Bureau Data On Hawaii Population Estimates	Annual
U.S. Census Bureau, American Community Survey Data On Hawaii	
<b>Other and Special Research Reports</b>	Every 3 years
Hawaii Input Output Model Update	Five per year
Emerging Industry Studies	One time
Sustainable Tourism Study (2006)	One time
Report on the Workers Compensation System (2008)	Annual
Report on DBEDT activities supporting emerging Industries	Annual
Creative Industries in Hawaii <sup>3</sup>	One time
Analysis of Hawaii's Unemployment Insurance System (2007)	One time
Measuring Diversification in Hawaii (2008)	
<b>Other Products And Outputs</b>	Every 10 years
Assistance to Hawaii Census Effort (2009-2010)	At least Annually
Review and comment on Federal Population Estimates and other Federal data programs impacting Hawaii.	Ongoing
Manage Hawaii State Data Center to disseminate Census data and organize census training for county & state agency personnel and public.	Ongoing
Provide Technical Assistance And Data Requests	Approx. 1,350 per year
Provide Assistance To Users Of Visitor Data	Approx. 2,600 per year
Respond To Requests For Assistance And Information	Approx. 80 per year
Respond To Media Requests	On-going
Establish And Maintain Data Warehouse And DBEDT Website	

For further information see: <http://hawaii.gov/dbedt/info/economic>.

Thank you for the opportunity to provide these comments.

<sup>3</sup> New benchmark study underway

**LATE**

RE: HB 200, HD1, Relating to the State Budget, Tuesday, April 7, 2009, 9:30 a.m., Conference Room 211.

Dear State Senators:

I am writing to you to stress the importance of keeping any budget cuts to the public libraries system at 10%. These are truly economical difficult times for our state, nation, and the world. During my 27 years as branch manager of Wai'anae Public Library, our monetary problems were never as bad as currently. There are many deserving problems that surely need funding especially our public library system. "People need libraries during hard times more than libraries need people". Our public libraries including Wai'anae serves more than just one need of our public. We supplement and complement the formal educational system from preschool to college. We provide free computers so that the so-called "digital divide" can be overcome for less affluent communities as ours. We provide materials to meet the recreational needs of our people this is especially important in our community where many are struggling to make ends meet. We have a meeting room available which groups can rent at a minimal fee. In closing, I wish to say that the concept of a free public library is tied closely with that of a free public education and is part of our national heritage.

Thank you, Faith Arakawa  
86-214 Kawili St.  
Wai'anae, HI 9672  
[chibiko86@yahoo.com](mailto:chibiko86@yahoo.com)

I tried to e-mail my  
letter on Monday, 4-6-09  
several times but failed.  
Am fixing it over now.  
Michele, Faith Ch

# LATE

kim4 - Elizabeth

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**From:** Jan Fried [janfried@gmail.com]  
**Sent:** Tuesday, April 07, 2009 11:26 AM  
**To:** Sen. Donna Mercado Kim; Sen. Shan Tsutsui; Sen. Suzanne Chun Oakland; Sen. J. Kalani English; WAM Testimony; Sen. Carol Fukunaga; Sen. Brickwood Galuteria; Sen. Clayton Hee; Sen. Gary Hooser; Sen. Michelle Kidani; Sen. Russell Kokubun; Sen. Jill Tokuda; Sen. Fred Hemmings; Sen. Colleen Hanabusa  
**Cc:** Francine Wai; kcc-eicohort-08@hawaii.edu; Patty Sakal  
**Subject:** HB 200, HD1-Testimony  
**Attachments:** LtrHd-JanFriedTestimonyHB200-4.7.09

Aloha Senators-

Although I was unable to present my testimony to you this morning in person, I wanted to still share my thoughts about restoring funding for DCAB. Attached you will find my letter.

I echo the appreciation many of us in the community feel for the considerable thought and attention you are giving this matter. We trust that you will do what is necessary to ensure the rights of people who are deaf, deaf-blind, hard of hearing or disabled continue to be protected.

Mahalo nui loa,  
Jan Fried

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Jan L. Fried, MS, CI, CT  
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