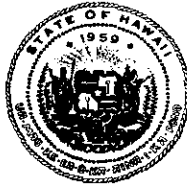


LATE TESTIMONY

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



LORETTA J. FUDDY, A.C.S.W., M.P.H.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

House Committee on Finance

HB1298, Relating to Taxation

Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health

February 20, 2013

WRITTEN TESTIMONY ONLY

1 **Department's Position:** The Department of Health appreciates the intent and supports the concept of
2 the bill and recommends amendments.

3 **Fiscal Implications:** The Department of Health defers to the Department of Taxation.

4 **Purpose and Justification:** HB1298 offers incentives to taxpaying employers who hire and employ
5 individuals with developmental disabilities (DD) or intellectual disabilities (ID). The State of Hawaii
6 currently has 104 people with I/DD who have full or part-time jobs that are paid minimum wage or
7 more. This number comprises 7% of the number of people who are currently receiving Home and
8 Community Based Services (HCBS) under the HCBS Medicaid Waiver Program. Hawaii is one of the
9 lowest ranking states in the nation who employs individuals with I/DD. The national average of such
10 employment is approximately 20.1%. Currently, the Department is working with service providers to
11 assist such individuals to become employment ready by providing pre-vocational, individual and group
12 employment training.

1 The Department appreciates the importance of this bill to assist these individuals to gain
2 meaningful work experience and contribute unique services to Hawaii's work force; however, the
3 Department recommends amending the bill's definition of "disabled." There are two options.

4 Option One: "Disabled" means a physically or intellectually and/or developmentally disabled
5 individual who has documented proof of such disability from a licensed physician, and is eligible for
6 Department of Health Developmental Disabilities Division's services, and is known to the Department
7 of Human Services' Division of Vocational and Rehabilitative (DVR) Services. This first option will
8 limit this tax credit to employers who employ individuals with I/DD who qualify for government
9 assistance in this bill.

10 Option Two: "Disabled" means a physically or intellectually and/or developmentally disabled
11 individual who has documented proof of such disability from a licensed physician and is known to the
12 Department of Human Services' DVR Services. This second option allows for a broader group to
13 benefit from this tax credit to employers who employ individuals with disabilities that includes persons
14 with I/DD and other physical and mental disabilities.

15 The Department of Health is available to work with the legislature and stakeholders to refine the
16 statutory language for this bill.

17 Thank you for this opportunity to testify.



LATE TESTIMONY

STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 20, 2013

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Representative Luke and Members of the Committee:

SUBJECT: HB 1298 – RELATING TO TAXATION

The State Council on Developmental Disabilities **SUPPORTS THE INTENT OF HB 1298**. The bill provides a nonrefundable income tax credit at 50 percent of qualified wages for the first six months for a taxpayer who hires an individual who is developmentally, intellectually, or physically disabled.

With respect to the intent of the bill, the Council proposes the following amendments for your consideration:

1. Page 2, lines 4-7: The definition of “disabled” as indicated on Page 2, lines 4-7 is consistent with the definition for disability under the Americans with Disabilities Act (ADA). Based on this definition, we ask the Committee to consider amending the bill by replacing all reference to “developmentally, intellectually or physically disabled” to disability. Hence, developmentally, intellectually or physically disabled individual(s) would be replaced by individual(s) with a disability. The term “individual(s) with a disability” is much broader and would include people with a developmental, intellectual or physical disability.
2. Page 2, lines 7-11: Delete the provision “that the person has been confirmed of such a condition by a non-profit organization working with developmentally, intellectually, or physically disabled individuals, such as, but not limited to, the Easter Seals or the Friendship House.” Having a record of such impairment or being regarded as having such impairment would meet the definition under ADA. Furthermore, confirmation by a non-profit organization would be restrictive to only non profits, consequently leaving out for profit organizations and public agencies, such as the Department of Health, Department of Human Services, and Department of Education.

The Honorable Sylvia Luke
Page 2
February 20, 2013

Employment of people with intellectual and developmental disabilities (I/DD) is a priority for the Council and is reflected in our 2012-2016 State Plan Employment Goal that states "People with intellectual and developmental disabilities will have supports to obtain and sustain their chosen life goal to prepare students at all educational levels for the transition from high school to adult life, including employment, self-employment, and/or post-secondary education and training." Employment of individuals with I/DD is a means toward economic self-sufficiency, contributing to their communities as tax paying citizens, and establishing relationships and social networking.

The Council appreciates the Legislature's initiative to provide incentives, such as tax credits for hiring people with developmental, intellectual or physical disabilities. We defer to the Department of Taxation regarding the fiscal implications of carrying out the provisions in the bill.

Thank you for the opportunity to submit testimony **supporting the intent of HB 1298 with proposed amendments.**

Sincerely,


Waynette K.Y. Cabral, MSW
Executive Administrator


J. Curtis Tyler III
Chair

LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Iris Ijima	Individual	Support	No

Comments: I support HB 1298 because it will encourage more employers to hire people with disabilities, including those with mental illness. Stigma is prevalent in our state and discourages employers from looking past the diagnosis to the skills that an individual can offer. HB 1298 will give people with mental illness a chance to prove that they too can contribute to society.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Charlene K Ono	Individual	Support	No

Comments: It is our civil responsibility to help a developmentally, intellectually, or physically disabled individual integrate into society. Yet, many people, businesses are hesitant to give them an opportunity to work. This may give the employers an incentive. Thank you

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HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Dane Kurihara	Individual	Support	No

Comments: I support HB 1298 very highly and I think it's something good to have to benefit all clubhouses.

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Cc: laura.miyashiro@live.com
Subject: Submitted testimony for HB1298 on Feb 20, 2013 14:00PM

LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Laura Miyashiro	Individual	Support	No

Comments: HB 1298 would benefit everybody concerned. It's a good policy to encourage people to allow everyone to do what they can to help out.

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Jeanne Marie Funsch

LATE TESTIMONY

I enthusiastically support HB 1298. **This is the right thing to do.**

One comment on language, however: the word 'intellectually' does not seem appropriate. I'm not sure who is being referred to by this language. The population with mental illness here in Hawaii could be referred to as a 'psychiatrically disabled' population or simply 'people with mental illness'.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Katherine Vercelli	Individual	Support	No

Comments: I strongly support HB 1298. As an occupational therapist I know first hand the therapeutic value of providing meaningful work or occupation. Offering tax incentive to potential employers will help provide more work opportunities for individuals with mental illness and enable those that want to work to become valued members of our community.

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Cc: chadwick_panui@yahoo.com
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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Chadwick P Panui	Individual	Support	No

Comments: I support this bill hb 1298.because I am a person a disability an was employed by employers that give me option to in my goals in employment a success.I would like to see a tax break for employers.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Ryan Palacio	Individual	Support	No

Comments: I support HB 1298.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Mildred Rabago	Individual	Support	No

Comments: I support HB 1298. This will help more people with disabilities be able to work to get money to buy food and snacks.

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HB1298

Submitted on: 2/20/2013
Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Jerry Collado	Individual	Support	No

Comments: I support HB 1298.

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HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Cynthia Brun	Individual	Support	No

Comments: I support HB 1298.

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Cc: richardmachell@gmail.com
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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Machell	Individual	Support	No

Comments: I highly support thisw bill. It will provide needed incentives for employers who support various program services working to intergrate individuals into the community at large thus reducing the cost of financial and other public services. Thank you

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen Casaubon	Individual	Support	No

Comments: I am in support of HB 1298.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Henry Ning	Individual	Support	No

Comments: Hello, my name is Henry and I support the House Bill 1298 because I am disabled myself mentally, and this Bill might help me get a job.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Griffin	Individual	Support	No

Comments: hello my name is Michael Griffin. I am writing to support house bill 1298.

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HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Annalene Spencer	Individual	Support	No

Comments: I support HB 1298 because I have dreams of someday going back to work.

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LATE TESTIMONY

HB1298

Submitted on: 2/20/2013

Testimony for FIN on Feb 20, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Wesley Leung	Individual	Support	No

Comments: Hi my name is Wesley Leung, I support House Bill 1298. I believe that this bill will encourage employers to hired people with mental illness. Thank you for listening.

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