



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/21/2014

Committee: House Finance

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: HB 2109, HD1(hscr382-14) RELATING TO AFTERSCHOOL PROGRAMS FOR ELEMENTARY SCHOOL STUDENTS.

Purpose of Bill: Establishes and funds an evidence-based physical-activity and nutritional-education program within the A+ Program in Hawaii's public elementary schools. Appropriation. Effective July 1, 2014. (HB2109 HD1)

Department's Position:

The Department of Education (Department) appreciates the intent of HB 2109 HD1 to support enrichment activities for A+ Program participants involving physical activity and nutrition. At this time, the Department is unable to ascertain a budget for a fun 5-like program. As part of the state procurement process, the Department is required to solicit interested parties through a Request for Proposal.

Further, implementation of this bill will increase the administrative workload of the Department's A+ Program staff. The Department does appreciate the support that this bill provides by including an appropriation to assist with the effective implementation of this measure as we would not have the means to do so under our budget appropriation. Respectfully, the Department would also like to ensure that HB 2109 HD1 would not replace or adversely impact priorities set forth in the Department's Supplemental Budget.



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

February 21, 2014

MEMORANDUM

TO: The Honorable Sylvia Luke, Chair
House Committee on Finance

FROM: Barbara Yamashita, Deputy Director

SUBJECT: **H.B. 2109, H.D. 1 - RELATING TO AFTERSCHOOL PROGRAMS FOR
ELEMENTARY SCHOOL STUDENTS**

Hearing: Friday, February 21, 2014; 1:00 PM
Conference Room 308, State Capitol

PURPOSE: The purpose of H.B. 2109, H.D. 1, is to establish and fund an evidence-based physical-activity and nutritional-education program within the A+ Program in Hawaii's public elementary schools.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill as long as the appropriation for DHS remains and it does not adversely impact priorities set forth in the Executive Supplemental Budget.

Thank you for the opportunity to provide comments on this bill.

Testimony of Mark Zeug
President, Kahoomiki
To the House Committee on Finance
In Support of HB 2109
February 21, 2014

To Committee Chair, the Rep. Sylvia Luke, and members of the committee:

I am president of a small non-profit that manages the Fun 5 physical activity and nutrition program that is now part of A+ in more than 170 elementary schools statewide. Fun 5 IS the kind of nationally recognized, evidence-based physical activity and nutrition program called for in this bill and, in fact, was the model for provisions of this bill. As such, I am familiar with the requirements – and benefits -- of this kind of obesity prevention program.

We support this bill for five basic reasons:

1. The program it is advocating is very cost effective – about \$1.50 per child per month.
2. It reaches out to a vulnerable group of children, many of whom are from disadvantaged areas or families.
3. It institutionalizes within the A+ system a requirement that a program of physical activity and nutrition information be instituted on a regular and sustainable basis.
4. It insures that those who work directly with the children each day receive a minimum of training on how to work with young children, how to get children to engage in physical activities, how to present healthy nutrition information, and what to say to children that encourages everyone to participate without regard to skill level or experience – this training is paramount to the success of the program.
5. It works. We have twice done evaluative research to test the involvement of our children versus those who are not involved. And we can say with certainty that through Fun 5, obesity rates among participating children do not rise. That is, compared to the general Hawaii youth population – where obesity is continuing to rise at an alarming rate – we know that through a program like Fun 5, at the very least we can stop that progression. We also know that if we can increase the frequency of implementing the program, so that it is utilized at least 30 minutes of every school day, those obesity rates actually will go down.

There are approximately 20,000 Hawaii children currently enrolled in A+ statewide. There are more than 800 group leaders statewide who work directly with these children. They come from all walks of life – many are students or others seeking part-time work. Turnover is high – perhaps as high as 50 percent per year. Many have limited experience or training in working with groups of children.

For the past six years, Kahoomiki has been providing training through the Fun 5 program – we bring all group leaders in for four hours of intense hands-on training each fall, and another two hours of follow-up training each spring. We have a stable of trained and experienced trainers who are available to work the training sessions. We utilize an evidence-based physical activity curriculum known as SPARK which was developed by the University of California at San Diego – but we have made many adjustments to fit local situations and customs.

The focus is, and must be, on getting every child to participate, no matter what their skill level or experience. Games and activities employed must be non competitive and non judgmental. Everybody participates, everybody has fun, no one is left out, and no one is discriminated against because of their own limitations.

In addition to the training, this program must provide the play equipment utilized by the children – balls, hula hoops, parachutes, cones, etc. – because the play equipment used during the school day cannot be used afterschool by A+; A+ must have its own equipment. We have been providing that through Fun 5 – in 2012 alone, we provided more than \$40,000 in play equipment to participating schools on all islands, largely replacing worn out or missing equipment that was provided to them when they first adopted Fun 5. This is a constant and necessary part of the program. We also provide manuals for games and healthy nutrition, along with equipment and training for making healthy snacks.

In the past, this program has been funded by grants from private business and foundations. But in recent years we have experienced strong sentiment that the full cost of this program needs to be included within the A+ program itself, primarily because of the very basic organizational needs which it provides to A+ – i.e., training, equipment, agendas and manuals. These are basic to the success of A+. And it is very cost effective – from our experience, about \$1.50 per child per month.

That is, the nationally recognized, evidence-based physical activity and nutrition program currently utilized within 170 A+ sites (known as Fun 5), costs Kahoomiki around \$250,000 per year to manage and implement, including:

1. twice-a-year training to 800+ group leaders;
2. providing the essential play equipment;
3. providing physical activity and nutrition education manuals to each school;
4. providing oversight assistance to site coordinators at each school;
5. collecting annual data on program implementation and training effectiveness;
6. doing regular evidence-based evaluation regarding program effectiveness.

To raise participation to ALL A+ sites statewide (182 in all) would cost another \$50,000. With the 400K funding provided by this bill, that would leave around \$100,000 for Department of Education implementation expenses. Also note: this bill does not propose charging the families of A+ children the implementation cost of this program, but leaves that as an option. Should that option be utilized, then the additional funds designated for the Department of Human Services would be a requirement.

From our experience, we believe two things are paramount – the physical activity program utilized by A+ must be (1) a nationally recognized, evidence-based program that has been tested, not only in Hawaii but in other locations. And (2) it must encourage maximum and universal participation; that is, it must be economical to implement and it must be utilized on a regular basis, at least 30 minutes a day five days a week.

This is, in essence, an obesity prevention program – and you all are very familiar with the social and economic costs of the current obesity epidemic. But it also is an academic improvement program – there is plenty of very credible national research which clearly shows that children who are physically active:

1. Do better academically than those who are not.
2. Have higher attendance levels than those who are not.
3. Are generally healthier and more attentive than those who are not.

We also know that when children participate in an afterschool program which they feel is fun, one they look forward to, that they (1) have higher educational aspirations, (2) are better able to make friends, (3) are less likely to be involved in crime or violence, and (4) have greater expectations for

the future.

So we strongly urge your support of this bill. Thank you for your interest and the opportunity to address this committee.

Mark Zeug
President, Kaho`omiki

Testimony of Keawe‘aimoku Kaholokula, PhD
Board Member, Kaho‘omiki
To the House Committee on Finance
In Support of HB 2109 HD1
February 21, 2014

To Committee Chair, the Rep. Sylvia Luke, and members of the committee:

I am a member on the Board of Directors for a small non-profit, Kaho‘omiki, that manages the Fun 5 physical activity and nutrition program that is now part of A+ in more than 170 elementary schools statewide. I am also a faculty at the University of Hawai‘i’s John A. Burns School of Medicine and thus can speak to why HB 2109 HD 1 is important to addressing the issue of childhood obesity in Hawai‘i. Fun 5 is the kind of nationally recognized, evidence-based physical activity and nutrition program called for in this bill and, in fact, was the model for provisions of this bill.

We support this bill for several reasons:

1. The program being advocated is cost effective – about \$1.50 per child per month.
2. It reaches out to a vulnerable group of children, many of whom are from socioeconomically disadvantaged areas or families.
3. It institutionalizes within the A+ system a requirement that a program of physical activity and nutrition information be provided on a regular and sustainable basis.
4. It insures that those who work directly with the children each day receive training on how to work with young children, how to get children to engage in physical activities, how to present healthy nutrition information, and what to say to children that encourages everyone to participate regardless of skill level or experience – this training is paramount to the success of the program.
5. It works. We have twice done evaluative research to test the involvement of our children versus those who are not involved. And we can say with certainty that through Fun 5, obesity rates among participating children do not rise. That is, compared to the general Hawaii youth population – where obesity is continuing to rise at an alarming rate – we know that through a program like Fun 5, at the very least we can slow down if not stop that progression. We also know that if we can increase the frequency of implementing the program, so that it is utilized at least 30 minutes of every school day, those obesity rates can further decrease.

The focus must be on having every child participate, no matter what their skill level or experience. Games and activities employed must be non competitive and non judgmental. Everybody participates, everybody has fun, no one is left out, and no one is discriminated against because of their own limitations. How to make that happen is the focus of the training – without the training, there is no program.

In addition, the play equipment used during the school day cannot be used afterschool -- A+ must have its own equipment. In 2012 alone, Fun 5 provided more than \$40,000 in play equipment to participating schools on all islands, largely replacing worn out or missing equipment that was provided to them earlier when they first adopted the program. This is a constant and necessary part of the program. We also provide manuals for games and healthy nutrition, along with equipment and training for making healthy snacks.

In the past, this program has been funded by grants from private business and foundations. But in recent years we have experienced strong sentiment that the full cost of this program needs to be included within the A+ program itself, primarily because of the very basic organizational needs

which it provides to A+ – i.e., training, equipment, agendas and manuals. These are basic to the success of A+. And it is very cost effective – from our experience, about \$1.50 per child per month.

That is, the nationally recognized, evidence-based physical activity and nutrition program currently utilized within 170 A+ sites, known as Fun 5, costs Kaho‘omiki around \$250,000 per year to manage and implement, including:

1. twice-a-year training to 800+ group leaders;
2. providing and replacing essential play equipment;
3. providing physical activity and nutrition education manuals to each school;
4. providing oversight assistance to site coordinators at each school;
5. collecting annual data on program implementation and training effectiveness;
6. expanding the program to include all 182 elementary schools in the state.

The balance of the 400K appropriation in this bill would be allocated to evidence-based data collection and DOE program implementation costs.

Two things are paramount – the physical activity and nutrition program utilized by A+ must be (1) a nationally recognized, evidence-based program that has been tested. And (2) it must encourage maximum and universal participation; that is, it must be economical to implement and it must be utilized on a regular basis, at least 30 minutes a day five days a week.

There is ample research which clearly shows that children who are physically active:

1. Do better academically than those who are not.
2. Have higher attendance levels than those who are not.
3. Are generally healthier and more attentive than those who are not.

We also know that when children participate in an afterschool program which they enjoy, they (1) have higher educational aspirations, (2) are better able to make friends, (3) are less likely to be involved in crime or violence, and (4) have greater expectations for the future.

We strongly urge your support of this bill. Thank you for your interest and the opportunity to address this committee.

Keawe‘aimoku Kaholokula, PhD
Board Member, Kaho‘omiki

Kaho'omiki
Hawai'i Council on Physical Activity and Nutrition
1493 Halekoa Drive, Honolulu HI 96821
www.kahoomiki.org

Afterschool Alliance
1616 H St., NW,
Washington, DC 20006
www.afterschoolalliance.org

Testimony Presented Before the
House Committee on Finance
Friday, February 21, 2014 – 1:00 P.M.
State Capitol, Room 308

By Paula Adams
Program Director, Kaho'omiki
Afterschool Ambassador, Afterschool Alliance

HB 2109 – RELATING TO AFTERSCHOOL PROGRAMS FOR ELEMENTARY SCHOOL STUDENTS

Good afternoon Rep. Sylvia Luke, Chair, Rep. Scott Y. Nishimote, Vice Chair, Rep. Aaron Ling Johanson, Vice Chair and members of the committee. My name is Paula Adams, Program Director for Kahoomiki, Hawaii Council on Physical Activity and Nutrition and Afterschool Ambassador for the Afterschool Alliance. Kahoomiki, the Afterschool Alliance and I strongly support this measure. House Bill 2109 seeks to establish and fund the Fun 5 Program within the A+ Afterschool Program in Hawaii's public elementary schools. The Fun 5 program will institutionalize an evidence base physical activity and nutrition program during the A+ afterschool program.

The Fun 5 program has already been proven to be effective in increasing the level of physical activity and the consumption of fruits and vegetables creating healthy habits among the A+ afterschool children.

By promoting physical activity and healthy nutrition, Fun 5 works as a childhood obesity prevention program. Childhood obesity has more than tripled in the past 30 years. The percentage of children aged 6–11 years in the United States who were obese increased from 7 percent in 1980 to nearly 20 percent in 2008. In that year, more than one third of children and adolescents were overweight or obese. Recent increases in obesity prevalence rates have raised the level to epidemic proportions among US children. Childhood obesity has both immediate and long-term effects on health and well-being, including a markedly increased risk for cardiovascular disease, diabetes and cancer. Recent data show that the usual diet of today's children includes foods high in saturated fat, high in sweetener calories, and low in fruits and vegetables. In addition, most elementary school children do not engage in moderate-vigorous physical activity for any extended period. These two factors are major contributors to the obesity epidemic. Both are directly addressed through Fun 5, first by involving the children in 30 minutes or more of moderate-vigorous physical activity five days a week, and second by engaging them in preparing and enjoying healthy snacks as a requisite for healthy living. Schools play a particularly critical role by establishing a safe and supportive environment with policies and practices that support healthy behaviors. Schools also provide opportunities for students to learn about and practice healthy eating and physical activity behaviors.

In addition we believe this program is very cost effective: \$1.5 per student per month.

In conclusion, we hope the afterschool students in this state will get the support they need to have the opportunity to be healthy and active.

We **strongly support** HB 2019 and respectfully urge the passage of this bill. Thank you for the opportunity to testify.

Paula Adams
Tel/fax: 800-581-7491

From: Donna Ede <tutu4eva@gmail.com>
Sent: Wednesday, February 19, 2014 10:56 AM
To: FINTestimony
Subject: Testimony in Support of HB HB2109 HD1

Testimony in Support of HB2109 HD1

My name is Donna Rego Ede, I retired from the Department of Education (DOE) in December of 2007, as the State Educational Specialist for Health and Physical Education. My career included teaching health and physical education, coaching league and high school soccer, and leading summer recreation programs. I continue to be active in many community organizations involved in the promotion of healthy nutrition and active lifestyles.

Throughout Hawaii there are approximately 20,000 children enrolled in A+ after school programs. Funding A+ providers and requiring that they use a nationally recognized supplemental curriculum including healthy nutrition and physical activity, would be a valuable investment towards positive health outcomes for our keiki.

Research tells us that physically active children achieve, aspire and exhibit the positive behaviors that all of us want our children to achieve. The only place children can learn or practice these behaviors is at home, school or in their community. The A+ after school setting is the perfect arena to support schools in practicing their message of healthy nutrition and active lifestyles. Providing appropriate equipment and supplies, as well as in-servicing A+ leaders in healthy nutrition and appropriate physical activity are paramount to the systemic success of this effort.

Finally, I humbly request that the funding requested for HB2109 HD1, would in no way impact present or future allocations made to the DOE Supplemental Budget. To enhance the quality of the after school programs in the State of Hawaii in the crucial area of healthy nutrition and physical activity, I ask that you Support HB2109 HD1.

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Donna Ede
tutu4eva@gmail.com

"The surest way to reveal one's character is not through adversity but by giving them power."
Abraham Lincoln

**To the House Committee on Finance
In Support of HB 2109 HD1
February 21, 2014**

LATE

To Committee Chair, the Rep. Sylvia Luke, and members of the committee:

The YMCA of Honolulu currently provides After School A+ Programs at 51 of the DOE School Sites, caring for nearly 7,000 children each school day. We have implemented Fun5 as a significant part of our program because we recognize the importance of daily physical activity and the need to foster healthy nutritional eating habits. Fun 5 provides nationally recognized, evidence-based curriculum, quality staff training opportunities, and valuable resource and support to providers of the After School A+ Program.

We support HB 2109 HD1 because:

1. Fun5 provides high quality program at a reasonable cost; about \$1.50 per child per month.
2. Fun5 provides all children, particularly vulnerable groups of children, many of whom are from disadvantaged areas or families, with quality physical activity and nutrition-based activities – all of which promotes healthy habits.
3. It institutionalizes within the DOE's After School A+ Program system, the implementation of a quality physical activity curriculum and nutrition activities that meet minimum standards consistently throughout all program sites, statewide.
4. It will insure that those who work directly with the children each day receive a minimum of training on how to work with young children, how to get children to engage in physical activities, how to present healthy nutrition information, and what to say to children that encourages everyone to participate without regard to skill level or experience, all of which insures the success of the program.
5. We know first-hand that the Fun5 program works – children love it, front line staff feel competent in implementing it, and it is inclusive of all children regardless of their skill/development levels.

As a leader and advocate for children, you know that research clearly shows that children who are physically active: (1) do better academically; (2) have higher attendance levels than those who are not; and (3) are generally healthier, more confident, more attentive than their peers who are not.

We strongly urge your support of this bill.

Mahalo, for your attention to the needs of our keiki and for this opportunity to submit testimony on behalf of this important cause.

Respectfully,

Diane Tabangay
Executive Director of Children's Programs
YMCA of Honolulu
dtabangay@ymcahonolulu.org; 808 541-5470



Testimony Presented Before the
House Committee on Finance
Friday, February 21, 2014 – 1:00 P.M.
State Capitol, Room 308



By Leticia Gonzalez
Director of Dissemination
The SPARK Programs

HB 2109 – RELATING TO AFTERSCHOOL PROGRAMS FOR ELEMENTARY SCHOOL STUDENTS

To Committee Chair, the Rep. Sylvia Luke, and members of the committee:

The SPARK Programs and I strongly support this measure. House Bill 2109 seeks to establish and fund the Fun 5 Program within the A+ Afterschool Program in Hawaii's public elementary schools. The Fun 5 program will institutionalize an evidence based physical activity and nutrition program by utilizing the methods of The SPARK Programs during the A+ afterschool program.

SPARK is a research-based, public health organization dedicated to creating, implementing, and evaluating programs that promote lifelong wellness. SPARK strives to improve the health of children and adolescents by disseminating evidence-based physical activity and nutrition programs that provide curriculum, staff development, follow-up support, and equipment to teachers of Pre-K through 12th grade students. The Fun 5 program has already been proven to be effective by utilizing SPARK in increasing the level of physical activity and the consumption of fruits and vegetables creating healthy habits among the A+ afterschool children.

As a partner of the Fun 5 program, they've created sustainable physical activity and nutrition program to combat childhood obesity. They provide quality programming to students across Hawaii.

We **strongly support** HB 2019 and respectfully urge the passage of this bill. Thank you for the opportunity to submit a testimony.

A handwritten signature in black ink that reads "Leticia Gonzalez". The signature is written in a cursive style.

Leticia Gonzalez
The SPARK Programs
Director of Dissemination
Telephone: 800-772-7573 ext 2202
Email: Leticia.Gonzalez@sparkpe.org

finance1

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 20, 2014 9:17 PM
To: FINTestimony
Cc: colinpetko@gmail.com
Subject: Submitted testimony for HB2109 on Feb 21, 2014 13:00PM
Attachments: Testimony to Fin Comm petko.II

HB2109

Submitted on: 2/20/2014

Testimony for FIN on Feb 21, 2014 13:00PM in Conference Room 308

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Colin Petko | Kaho'omiki | Support | No |

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



Our mission is to build a healthier community by promoting environmental change, policy change and education to support healthy eating and physical activity

LATE

February 20, 2014

TO: Rep. Sylvia Luke, Chair and Committee Members
House Committee on Finance

FR: Sandra McGuinness, Director
Nutrition & Physical Activity Coalition of Maui County (NPAC-MC)

RE: HB 2109 – HD1 Relating to Afterschool Programs for Elementary School Students

The Nutrition & Physical Activity Coalition of Maui County (NPAC-MC) is in support of policy, system, and environmental changes that improve the health of Maui County residents. Policies are an excellent way to ensure that healthful practices are implemented while affecting large numbers of individuals.

We are aware that childhood obesity is rampant locally and nationally. We also know that obese individuals are at higher risk for high blood pressure, diabetes and other maladies. If we incorporate physical activity and healthful eating practices into our everyday lives, we can work to reducing the obesity epidemic at a younger age.

Ensuring that the Fun 5 program is implemented at all after-school sites will be an excellent, cost-effective policy that is not only healthy, but fun. NPAC-MC was recently awarded a federal American Recovery and Reinvestment Act that helped us move policy initiatives forward. One component of our work under the grant was to ensure that Fun 5 training was brought to each island in our County so that after-school A+ staff did not have to travel to attend the sessions. While on Lāna`i, we provided the training (through Kaho`omiki) while the children were at the site. The youth were totally enjoying the experiences! When, at the end of the session, parents began to arrive to pick up the children, the children didn't want to leave. And, one child said "This was the best day —ever!"

Please support passage of this measure. I thank you in advance for supporting an important bill that will improve the health of our Island keiki.

841 Bishop St., Suite 301
Honolulu, Hawaii 96813



Telephone: 808 926-1530
Contact@HEECoalition.org

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Scott Nishimoto, Vice Chair
Representative Aaron Ling Johanson, Vice Chair

February 21, 2014

Dear Chair Luke, Vice Chairs Nishimoto and Johanson and Committee Members:

This testimony is submitted in support for HB2109 HD1, establishing an evidence-based physical activity and nutritional education program within the A+ Program in our public elementary schools.

The Hui for Excellence in Education (HE'E) is a diverse coalition of over 40 parent and community organizations dedicated to improving student achievement by increasing family and community engagement and partnerships in our schools. Our member list is attached.

One of the priorities of the Coalition is to address the basic needs of a child in our schools; health and well-being are part of those basic needs. We understand that for some students, the physical activity provided in the Fun 5 program may be the only type of organized physical activity they experience in the day. In addition, the program teaches about nutrition, so that children start to understand the importance of healthy food and good nutrition. Well-being at the elementary school level sets a foundation for continuing a healthy lifestyle as a child grows older. We also like that there will be data collection and evaluation of the program's effectiveness.

Thank you for the opportunity to testify and for your consideration. Our support of this bill represents a 75% consensus or more of our membership.

Sincerely,
Cheri Nakamura
HE'E Coalition Director

HE'E Member List

Academy 21
After-School All-Stars Hawaii
Alliance for Place Based Learning
*Castle Complex Community Council
Center for Civic Education
Coalition for Children with Special Needs
*DOE Windward District
*Faith Action for Community Equity
Fresh Leadership LLC
Girl Scouts Hawaii
*Good Beginnings Alliance
Harold K.L. Castle Foundation
*Hawaii Appleseed Center for Law and
Economic Justice
Hawai'i Athletic League of Scholars
*Hawai'i Charter School Network
*Hawai'i Nutrition and Physical Activity
Coalition
*Hawaii State PTSA
Hawai'i State Student Council
Hawai'i State Teachers Association
Hawai'i P-20
Hawai'i 3Rs
Head Start Collaboration Office
It's All About Kids
*INPEACE
Joint Venture Education Forum
Junior Achievement of Hawaii
Kamehameha Schools
Kanu Hawai'i
Keiki to Career Kaua'i
Kupu A'e
*Leaders for the Next Generation
Learning First
McREL's Pacific Center for Changing the
Odds
Our Public School
*Pacific Resources for Education and
Learning
*Parents and Children Together
*Parents for Public Schools Hawai'i
Punahou School PUEO Program
Teach for America
The Learning Coalition
US PACOM
University of Hawai'i College of Education
YMCA of Honolulu
*Voting Member

Kaho'omiki
Hawai'i Council on Physical Activity and Nutrition
1493 Halekoa Drive, Honolulu HI 96821
www.kahoomiki.org

Afterschool Alliance
1616 H St., NW,
Washington, DC 20006
www.afterschoolalliance.org

Testimony Presented Before the
House Committee on Finance
Friday, February 21, 2014 – 1:00 P.M.
State Capitol, Room 308



By Paula Adams
Program Director, Kaho'omiki
Afterschool Ambassador, Afterschool Alliance

HB 2109 – RELATING TO AFTERSCHOOL PROGRAMS FOR ELEMENTARY SCHOOL STUDENTS

Good afternoon Rep. Sylvia Luke, Chair, Rep. Scott Y. Nishimoto, Vice Chair, Rep. Aaron Ling Johanson, Vice Chair and members of the committee. My name is Paula Adams, Program Director for Kahoomiki, Hawaii Council on Physical Activity and Nutrition and Afterschool Ambassador for the Afterschool Alliance. Kahoomiki, the Afterschool Alliance and I strongly support this measure. House Bill 2109 seeks to establish and fund the Fun 5 Program within the A+ Afterschool Program in Hawaii's public elementary schools. The Fun 5 program will institutionalize an evidence base physical activity and nutrition program during the A+ afterschool program.

The Fun 5 program has already been proven to be effective in increasing the level of physical activity and the consumption of fruits and vegetables creating healthy habits among the A+ afterschool children.

By promoting physical activity and healthy nutrition, Fun 5 works as a childhood obesity prevention program. Childhood obesity has more than tripled in the past 30 years. The percentage of children aged 6–11 years in the United States who were obese increased from 7 percent in 1980 to nearly 20 percent in 2008. In that year, more than one third of children and adolescents were overweight or obese. Recent increases in obesity prevalence rates have raised the level to epidemic proportions among US children. Childhood obesity has both immediate and long-term effects on health and well-being, including a markedly increased risk for cardiovascular disease, diabetes and cancer. Recent data show that the usual diet of today's children includes foods high in saturated fat, high in sweetener calories, and low in fruits and vegetables. In addition, most elementary school children do not engage in moderate-vigorous physical activity for any extended period. These two factors are major contributors to the obesity epidemic. Both are directly addressed through Fun 5, first by involving the children in 30 minutes or more of moderate-vigorous physical activity five days a week, and second by engaging them in preparing and enjoying healthy snacks as a requisite for healthy living. Schools play a particularly critical role by establishing a safe and supportive environment with policies and practices that support healthy behaviors. Schools also provide opportunities for students to learn about and practice healthy eating and physical activity behaviors.

In addition we believe this program is very cost effective: \$1.5 per student per month.

In conclusion, we hope the afterschool students in this state will get the support they need to have the opportunity to be healthy and active.

We **strongly support** HB 2019 and respectfully urge the passage of this bill. Thank you for the opportunity to testify.

Paula Adams
Tel/fax: 800-581-7491



NEIL ABERCROMBIE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
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P.O. Box 541
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KEALI'I S. LOPEZ
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

**PRESENTATION OF THE
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION**

TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2014

Tuesday, February 25, 2014
1:00 p.m.

TESTIMONY ON HOUSE BILL NO. 2019, H.D.1, RELATING TO TIME SHARE.

TO THE HONORABLE SYLVIA LUKE, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Lori Beth Van Cantfort, Time Share Administrator of the Professional and Vocational Licensing Division, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department").

H.B. No. 2019, H.D.1 seeks to amend Hawaii Revised Statutes Chapter 514E to (1) add a new section providing time share purchasers the option to receive the time share disclosure statement in electronic form, and (2) amend section 514E-10 to simplify the renewal requirements for developers to no longer require a title report and financial statement. The Department supports H.B. 2019, H.D.1, with amendments to Section 3 of the bill in the form attached.

Section 2 of the bill adds a new section to Chapter 514E which allows purchasers the option to receive the time share disclosure statement in electronic form. Currently, developers are required to provide a hard copy of the time share disclosure statement to all purchasers. This is required so that purchasers have the opportunity to read the disclosure statement before their seven-day rescission period expires, which may expire while they are still on vacation. The Department realizes that most people now have the ability to access documents electronically and may prefer receiving an electronic version of the time share disclosure statement instead of a hard copy. However, there are still purchasers who do not have the ability to access an electronic version while on vacation and would still need a hard copy. These purchasers will still automatically receive a hard copy because H.B. 2019, H.D.1 only allows for an electronic version if a purchaser opts in writing to receive an electronic version.

Section 3 of the bill seeks to amend section 514E-10 by adding a new subsection (f) which simplifies the renewal requirements for developers. Currently, developers are required to submit with their renewal applications a title report for all unsold inventory and a current financial statement. The title report can be very voluminous and costly for time share plans that include multiple properties and thousands of intervals. The information provided in the title report regarding the unsold inventory is also provided in a certified statement provided by the developer. The Department can rely on the developer's certified statement for this information.

The proponent of the bill and the Department have agreed to the attached amendments to Section 3 of the bill which requires Developers to identify the total number of registered time share interests in each unit and the total number of registered points in each property, and deletes the requirement to identify the time share interests or points that have not yet closed.

Section 3 also removes the requirement that a financial statement be submitted with the renewal application. This would be consistent with PVL's other licensing areas.

Thank you for this opportunity to provide testimony supporting H.B. No. 2019, H.D.1, with amendments.

A BILL FOR AN ACT

RELATING TO TIME SHARE.

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

1 SECTION 1. The legislature finds that under chapter 514E,
2 Hawaii Revised Statutes, prospective purchasers of time share
3 interests must be provided a copy of a disclosure statement.
4 When this chapter was originally adopted, receipt of paper
5 documents was common practice. However, recent years have
6 witnessed the rise of electronic commerce and the widespread
7 distribution of information through electronic means. Many
8 consumers and purchasers now prefer an option of receiving
9 important documents electronically.

10 The legislature further finds that time share registrations
11 are required to be renewed every other year. Developers are
12 currently required to disclose the number of time share units
13 and the number of time share interests in each unit during the
14 renewal process. However, although some time share plans
15 continue to divide time share units into time share interests,
16 the modern trend is for time share plans to use a points system.

17 The legislature additionally finds that developers of time
18 shares are also required to provide title reports in connection



1 with renewal registrations. Some non-deeded time share plans
 2 may include property in dozens of or more than one hundred
 3 locations, and furnishing title reports on each unit in a time
 4 share plan is burdensome and expensive. Furthermore, there are
 5 already existing lien protections for non-deeded time share
 6 plans; these are designed so that the encumbrances recorded
 7 after the blanket lien protections are established will not
 8 impair the rights of time share purchasers.

9 The legislature also finds that developers are required to
 10 file a financial statement in connection with renewal
 11 registration. Many developers are subsidiaries of publicly
 12 traded companies, and preparation of financial statements for
 13 the subsidiaries has proven burdensome for developers while
 14 providing little to no perceived benefit to consumers.

15 The purpose of this Act is to:

- 16 (1) Permit prospective purchasers of time share interests
- 17 to receive printed or electronic copies of the
- 18 disclosure statement on the time share plan; and
- 19 (2) Amend the renewal process for time share registrations
- 20 by:



- 1 (A) Permitting the developer to disclose either the
- 2 total number of time share interests or the total
- 3 number of points in a time share plan;
- 4 (B) Eliminating the requirement that developers
- 5 provide title insurance and reports; and
- 6 (C) Eliminating the requirement that developers file
- 7 a financial statement.

8 SECTION 2. Chapter 514E, Hawaii Revised Statutes, is
 9 amended by adding a new section to be appropriately designated
 10 and to read as follows:

11 **§514E- Disclosure statement; prospective purchasers.**

12 The purchaser of a time share interest shall be provided a copy
 13 of the disclosure statement filed with and accepted by the
 14 director concurrently with the execution of a sales contract.

15 The disclosure statement shall be provided in printed form
 16 unless the purchaser indicates in a separate writing the
 17 purchaser's election to receive the disclosure statement through
 18 means of a computer disc, electronic mail, download from an
 19 internet site, thumb drive, any other media that may require the
 20 use of a device or a machine to be viewed or heard, or by any
 21 other means contemplated by chapter 489E. The separate writing
 22 shall include, above the signature line in bold type and capital



1 letters, the following statement: "ANY PURCHASER HAS UNDER THE
 2 LAW A SEVEN-DAY RIGHT OF RESCISSION OF ANY TIME SHARING SALES
 3 CONTRACT. PURCHASERS SHOULD READ THE DISCLOSURE STATEMENT
 4 BEFORE THE SEVEN-DAY RIGHT OF RESCISSION PERIOD EXPIRES."

5 SECTION 3. Section 514E-10, Hawaii Revised Statutes, is
 6 amended to read as follows:

7 "**§514E-10 Registration required; developer, acquisition**
 8 **agent, plan manager, and exchange agent[-]; registration**

9 **renewal.** (a) A developer shall not offer or dispose of a time
 10 share unit or a time share interest unless the disclosure
 11 statement required by section 514E-9 is filed with the director
 12 pursuant to the time specified in this chapter, or the
 13 development is exempt from filing, and the time share plan to be
 14 offered by the developer is accepted by the director for
 15 registration under this chapter. The director shall not accept
 16 a developer's time share plan if the developer does not possess
 17 a history of honesty, truthfulness, financial integrity, and
 18 fair dealing.

19 (b) An acquisition agent (including the developer if it is
 20 also the acquisition agent) shall register under this chapter by
 21 filing with the director a statement setting forth the time
 22 sharing plan for which it is providing prospective purchasers,



1 its address, the telephone number, other information required by
2 the director as provided by rules adopted pursuant to chapter
3 91, and, if the acquisition agent is not a natural person, the
4 name of the responsible managing employee; provided that an
5 acquisition agent licensed under chapter 467 as a real estate
6 broker shall not be required to register under this chapter.
7 All acquisition agents not licensed under chapter 467 shall be
8 approved by the director. The director shall not approve any
9 acquisition agent who is not of good character and who does not
10 possess a reputation for honesty, truthfulness, and fair
11 dealing. The acquisition agent shall furnish evidence that the
12 acquisition agent is bonded as required by rules adopted by the
13 director pursuant to chapter 91 to cover any violation by the
14 acquisition agent of any solicitation ordinance or other
15 regulation governing the use of the premise or premises in which
16 the time share plan is promoted; provided that the acquisition
17 agent shall be separately bonded for each time share plan for
18 which it is providing prospective purchases.

19 (c) A plan manager (including the developer if it is also
20 the plan manager) shall register under this chapter by filing
21 with the director a statement setting forth the time sharing
22 plan that it is managing, its principal office address,



1 telephone number, and responsible managing employee. The plan
2 manager shall furnish evidence that the plan manager is bonded
3 as required by rules adopted by the director pursuant to chapter
4 91 to cover any default of the plan manager and any of its
5 employees of their duties and responsibilities; provided that
6 the plan manager shall be separately bonded for each time share
7 plan under the management of the plan manager.

8 (d) An exchange agent (including the developer if it is
9 also an exchange agent) shall register under this chapter by
10 filing with the director a statement setting forth the time
11 sharing plan for which it is offering exchange services, its
12 principal office address and telephone number, and designate its
13 responsible managing employee.

14 (e) Any plan manager or developer registration required in
15 this section shall be renewed by December 31 of each even-
16 numbered year, and any acquisition agent or exchange agent
17 registration required in this section shall be renewed on
18 December 31 of each odd-numbered year; provided that this
19 subsection shall not relieve the person required to register
20 from the obligation to notify the director promptly of any
21 material change in any information submitted to the director,
22 nor shall it relieve the developer of its obligation to promptly



1 file amendments or supplements to the disclosure statement, and
2 to promptly supply the amendments or supplements to purchasers
3 of time share interests.

4 (f) An application for renewal of a developer registration
5 shall include:

6 (1) An application for renewal of registration on a form
7 prescribed by the director;

8 (2) A current disclosure statement that meets the
9 requirements of section 514E-9 and section 16-106-3,
10 Hawaii Administrative Rules, if not already on file;

11 (3) A statement that is certified by the developer to be
12 true and correct in all respects and that identifies,
13 as appropriate:

registered for sale

14 (A) The time share units in the time share plan
15 registered pursuant to this chapter; the total
16 number of ~~registered~~ time share interests in each
17 unit ~~and the total number of registered points in~~
18 ~~each property~~ pursuant to this chapter; and the
19 total number of time share interests that have
20 not yet been sold ~~and closed~~ as of the date
21 specified in the developer's certification, which



in each property

1 date shall not be more than sixty days prior to
 2 the date of the developer's certification; or
 3 (B) The property in the time share plan registered
 4 pursuant to this chapter; the total number of
 5 points registered for sale pursuant to this
 6 chapter; and the total number of points in the
 7 time share plan that have not yet been sold ~~and~~
 8 ~~closed~~ as of the date specified in the
 9 developer's certification, which date shall not
 10 be more than sixty days prior to the date of the
 11 developer's certification;

12 (4) If the developer is a corporation, partnership, joint
 13 venture, limited liability company, or limited
 14 liability partnership, an original certificate of good
 15 standing issued by the business registration division
 16 of the department of commerce and consumer affairs not
 17 more than forty-five days before the date of
 18 submission of the renewal application; and

19 (5) The biennial renewal fee.

20 (g) Developers shall not be required to include the
 21 following in an application for renewal of a developer
 22 registration of a time share plan:



- 1 (1) A financial statement of the developer; or
- 2 (2) A policy of title insurance, a preliminary title
- 3 report, abstract of title, or certificate of title on
- 4 the units or time share interests in the time share
- 5 plan."

6 SECTION 4. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Time Share; Disclosure Statement; Electronic Documents; Renewal Registration; Developers

Description:

Allows prospective time share purchasers to receive printed or electronic copies of the disclosure statement. Amends developer registration renewal requirements by permitting disclosure of either the total number of time share interests or the total number of points in a time share plan and by eliminating requirements to provide title insurance, title reports, and a financial statement. (HB2019 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

