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Upcountry Update

2012 LEGISLATIVE SESSION
 FROM REPRESENTATIVE KYLE YAMASHITA

Aloha Neighbors,

The 2012 Legislative Session has come to an end and over the past few months my colleagues and I have done much work to stabilize the economy. Although the economy is improving, I have always emphasized the importance of the state spending within its means, government accountability, and building reserves for the future.

This session the legislature's top three priorities were to support the state's core functions, programs that provide services for the most in need; make strategic investments in people and programs that encourage economic growth and lower future costs; and support long-term planning and accountability efforts to fundamentally change the character and delivery of government services.

For the first time in four years, we were not faced with a revenue shortfall in excess of a billion dollars. In 2009, we closed a \$2.1 billion budget deficit; in 2010 a \$1.2 billion deficit; and in 2011 a \$1.3 billion deficit. This year, as we emerge out of the economic recession, we were able to balance the state budget without major program cuts or tax increases.

During the interim, I look forward to spending more time in the community, preparing for next session, and working on issues important to you.

Mahalo,

Kyle T. Yamashita

New Day Projects on the Way

The Governor has released funds for numerous capital improvement projects in Upcountry Maui. Nearly two million dollars have been allotted for Kula Hospital, including one million dollars to replace the elevators and \$925,000 to replace the nurse call systems. Both projects aim to correct the health and safety deficiencies at this vital community facility. The elevators were installed over 70 years ago and are not large enough to accommodate a patient's bed. The new elevators will be large enough to transport patients between floors or out of the building in case of an emergency. The installation of new nurse call systems is also a necessity for patient safety.

Over two million dollars was released to complete plans and design for an auditorium at King Kekaulike High School. Currently, the school uses the cafeteria for performances and assemblies. The new performing arts facility represents the completion of the campus' master plan and is scheduled for completion in May of 2013.

A total of six million dollars was allocated by the State and Federal governments for the Upcountry Maui Watershed. The focus of the project is to continue the installation of a dual agricultural water pipeline on the upper slopes of Kula. The pipeline will provide the necessary water flow to local farmers and simultaneously lowering their operational costs eliminating the use of treated water.

The Department of Land and Natural Resources was allocated a lump sum amount of over three million dollars to the Division of Forestry and Wildlife for various repairs and improvements. Projects include reconstruction of roadways in the Kula Forest Reserve that were damaged by flash floods. This "shovel ready" project is available for bids and to proceed into construction which will also help to stimulate the economy.



Left: Presenting a check to the Maui Food Bank. Right: Congratulations King Kekaulike 2012!

2012 End of Session Highlights

The economy is still the number one concern of Hawaii residents. The legislature's priorities in 2012 included economic recovery, assisting new industry, and job creation. For the first time in four years, the legislature was not faced with a revenue shortfall in excess of a billion dollars. Lawmakers were able to balance the state budget without major revenue enhancements and support programs and services vital to serving Hawaii's people.

HB 2012 STATE BUDGET BILL

In 2012, the legislature passed a state budget that responsibly supports the state's core functions, recognizing that while the economy is improving, normal levels are still years away.

The appropriation for operations totals \$11.2 billion in all means of financing. Of the total, \$5.6 billion is comprised of general funds.

Funding for capital improvement project appropriations amount to \$3.2 billion for all means of financing. Of that total, \$827 million is comprised of general obligation and reimbursable general obligation bonds.

In addition to giving priority to "shovel-ready" projects, the legislature considered projects that addressed critical health, safety, and code requirement needs; reduced the current repair and maintenance backlog; and provided jobs for unemployed and underemployed residents.

ECONOMIC RECOVERY

HB2319 Venture Accelerator Program.

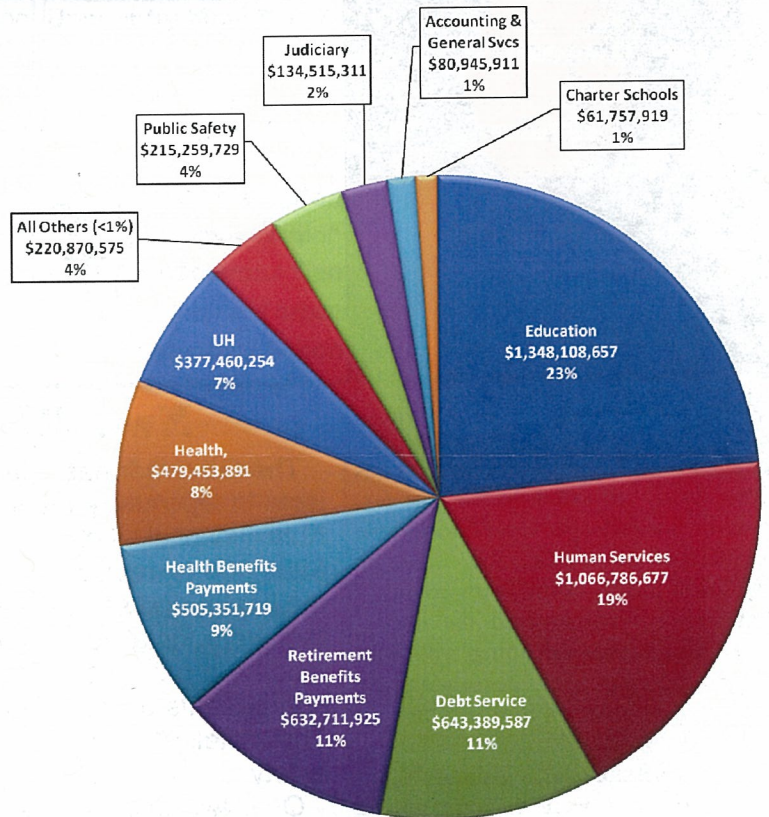
HB2319 establishes a venture accelerator funding program under the Hawaii strategic development corporation to assist the State's technology businesses to compete for investment capital.

HB2526 & SB2236 Broadband Initiatives.

HB2526 and SB2236 are initiatives to prepare Hawaii for an upgrade of its broadband infrastructure. HB2526 requires telecommunication and cable television providers to submit to the Department of Commerce and Consumer Affairs data necessary to assess and evaluate broadband infrastructure and services in the State. SB2236 authorizes the issuance of special purpose revenues to a private entity for the purpose of planning, permitting, designing, constructing, equipping, and operating broadband infrastructure throughout the State.

HB1671 & HB2265 Procurement Reform.

HB1671 and HB2265 provide more flexibility in the procurement process for state and county projects. The bills are intended to expedite the construction of such projects so that jobs are created and necessary infrastructure is built sooner.



General Fund Appropriations for Fiscal Year 2013 totaling \$5,766,612,155

GRANT IN AID FOR WAIOHULI COMMUNITY

The Waiohuli Hawaiian Homesteaders Association was able to secure a \$1,035,000 grant-in-aid for the commercial kitchen at the Waiohuli Community Center. The association was formed to serve the Waiohuli/Keokea homesteads and the greater Kula community in the areas of recreation, economic development, cultural and social needs. The grant will go towards the Phase I development of the Hale Halawai, Commercial Kitchen and Cultural Gardens. When completed, Hale Halawai will provide business development assistance to community entrepreneurs, and provide a place for social gathering, cultural practices, and cultural education programs.



On April 11, 2012, Governor Abercrombie signed SB2783, Relating to the Public Trust Lands, into law.

CULTIVATING AGRICULTURE

HB1942 Electronic Importer Manifest Program.

HB1942 allows moneys in the pest inspection, quarantine, and eradication fund to be expended for the Electronic Importer Manifest Program (EIMP). The EIMP is a Department of Agriculture mandate that provides for the transfer of data from an importer to the plant quarantine inspector on all commodities of interest imported by aircraft or ship.

HB1943 Invasive Species Detection Program.

HB1943 makes an appropriation of \$162,540 to match the grant provided by the federal Office of Insular Affairs to fund the plant quarantine detector-dog program. One half-time inspector/detector-dog trainer and three half-time inspector/dog handler positions will be created to inspect incoming airline baggage and small-package air cargo shipments.

SB2695 Livestock Feed Pilot Program. The cost of feed for livestock in Hawaii can constitute up to seventy percent of total production costs, compared to about fifty percent of total production costs in the continental US. SB2695 appropriates \$250,000 towards the establishment of a livestock feed pilot program to explore the viability of producing and processing livestock feed within the state. The bill also appropriates \$250,000 for a livestock feed subsidy program.

HB2244 Agriculture Inspections. HB2244 calls for the establishment, maintenance, and enforcement of compliance agreements with federal or state departments of agriculture. It authorizes agriculture inspectors from the state of origin in the case of imports to the state, or state agricultural inspectors in the case of state exports, to monitor the growing, packing and any treatment procedures to ensure compliance with quarantine laws. In addition, HB2012, the state budget bill, includes general funding for 29 plant and pest inspection related positions.

NATIVE HAWAIIAN COMMUNITY

SB2783 OHA Settlement, Kakaako Makai Lands Transfer. This session marked a historic milestone for the Native Hawaiian community in the passage of SB2783. This bill transfers approximately 25 acres of land in Kakaako Makai valued at \$200 million resolving all disputes and controversies relating to the Office of Hawaiian Affairs' portion of income and proceeds from the Public Trust Lands between November 7, 1978 and June 30, 2012. Governor Abercrombie signed the bill into law on April 11 as Act 015.

PROMOTING INDIVIDUAL PROTECTION

HB1875 Mortgage Foreclosure. House Bill 1875 amends the mortgage foreclosure law to provide additional protections for Hawaii's homeowners. It establishes a comprehensive lien collection and foreclosure process for condominium, homeowner, and planned community associations, which is in harmony with Hawaii's mortgage foreclosure process. The bill also makes the dispute resolution program permanent.



On March 28, 2012 the Legislature recognized 24 Hawaii Medal of Honor recipients to "express the deep appreciation and gratitude of the People of Hawaii to the loved ones of members of the military who sacrificed their lives in defense of our nation and its freedom" - Act 21 SLH 2005.

SUPPORTING OUR WORKFORCE

HB2096 Unemployment Insurance. HB2096 was purposefully fast-tracked to go into effect before a significant increase in employer contributions was scheduled to take place. Signed into law as Act 6, the bill sets the employer contribution rate at schedule F for calendar year 2012. Without the bill, the employer contribution rate would have increased to schedule H, resulting in higher contribution payments by employers to the detriment of businesses. HB2096 also maintains during calendar year 2012 the maximum weekly benefit amount for an unemployed person at seventy-five per cent of average weekly wages.

HB2487 & SB1269 Anti-Spiking; Public Employees. HB2487 includes a provision requiring a public employer to make an increased contribution to the retirement system for the excessive overtime of a public employee. This provision is intended to serve as an incentive for the public employer to control overtime. SB1269 provides that the retirement benefit and contribution of a new public employee (hired after June 30, 2012) shall be computed on base wages, which does not include overtime pay. Because these bills restrict the opportunity for a substantial increase of retirement benefits of a public employee near the end of the employee's career, these bills are commonly referred to as the "anti-spiking" bills.



May Day at Makawao Elementary.

Countywide Improvement Projects For Fiscal Year 2011-2013	
Kahului Airport Runway Improvements <i>Runway 2-20 structural improvements</i>	\$150,000,000
Kahului Airport Environmental Impact Statements <i>Separate state and federal statements to qualify for funding</i>	\$6,000,000
Kahului Airport <i>Land acquisition</i>	\$35,500,000
Kahului Airport <i>Access road, construction & improvements</i>	\$59,525,000
Kahului Airport <i>Repair & maintenance</i>	\$39,085,000
Kahului Airport <i>Parking lot expansion, improvements</i>	\$17,000,000
Kahului Harbor <i>Gasoline storage tank</i>	\$3,000,000
Maui Memorial Medical Center <i>Upgrades, improvements, expansion, & replacement</i>	\$13,200,000
Maui County Boy Scouts of America <i>Repair and improvement</i>	\$1,500,000
Maui Heritage Hall <i>Plans, design, construct multipurpose hall for community use</i>	\$1,500,000
Kaupakalua Roping Club & Youth Rodeo, Inc. <i>Design & construction of a certified kitchen</i> <i>Repair and maintenance of arena</i>	\$250,000
Central Maui Regional Park <i>Plans, land acquisition, design, construct</i>	\$11,500,000
War Memorial Gymnasium <i>Air conditioning improvements</i>	\$920,000
University of Hawaii Maui College <i>Renovate existing building for allied health programs</i>	\$4,501,000

Upcountry Capital Improvement Projects 2011-2013	
Upcountry Maui Watershed Project <i>Land acquisition, design, construction for installation of pipeline</i>	\$6,000,000
Haleakala, Maui <i>Replace/upgrade existing tower, new power building generator system and air conditioning</i>	\$1,500,000
Makawao Veterans Cemetery <i>Upgrade and improvement</i>	\$1,667,036
Makawao Veterans Cemetery <i>Land acquisition and expansion of existing cemetery</i>	\$5,300,000
Kula Elementary School <i>Repair & maintenance</i>	\$320,678
Pukalani Elementary School <i>Repair & maintenance</i>	\$440,000
Makawao Elementary <i>Repair & maintenance</i>	\$175,000
Kalama Intermediate School <i>Repair & maintenance</i>	\$245,000
King Kekaulike High School <i>Design, construction for new auditorium</i>	\$11,850,000
King Kekaulike High School <i>Repair & maintenance</i>	\$1,095,000
Kula Hospital <i>Elevator upgrades, new call system</i>	\$2,505,000
Makawao Waterline Improvements <i>Ai Street, Kehau, Mole & Malu Place</i>	\$819,339
Omaopio Road <i>Tank replacement</i>	\$1,286,334
Kamole Water Treatment Plant <i>High lift pumps</i>	\$6,339,977
Kula Forest Reserve <i>Emergency flood response</i>	\$1,325,000
Upcountry Water Well <i>Construction of a test well as 1st phase in the construction of a ground water well to supplement the surface water system</i>	\$2,500,000
Old Haleakala Highway <i>Sidewalk</i>	\$1,000,000
Haleakala Highway <i>Construction to install right turn lane on west-bound on Haleakala Highway, sidewalk, pave shoulder</i> <i>To improve traffic flow at King Kekaulike High School</i>	\$1,500,000
Waiohuli Hawaiian Homesteaders Association, Inc. <i>Design & construction for development of Hale Halawai</i>	\$1,035,000



Kyle with members of the Finance Committee discussing the state budget, HB2012, with Chairman Marcus Oshiro.



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