

Senator Malama Solomon

(D) #1 Senatorial District— Waimea, Hāmākua, North Hilo, Portion of South Hilo

Aloha Friends:

The 26th Hawai'i State Legislature was a very productive session despite incredibly difficult pressures and obstacles. Drastic measures to balance the budget had to be taken. However, despite extreme fiscal challenges, much was accomplished in powerful, forward moving ways.

Very briefly, my particular emphasis this session has on Native Hawaiian recognition to advance reconciliation between the State of Hawai'i and the Native Hawaiian people, improvement of state land management and procurement practices, development of renewable energy resources, streamlining building permit processes and, above all, the expansion of the economy of the State of Hawai'i

In this Newsletter, specific capital improvement appropriations that have been authorized for our district are discussed. These projects will go far in boosting the economy of the First Senatorial District and creating needed employment for our residents.

Mahalo for your continued support. Please call if I can be of assistance, and Aloha —

Malama

Malama Solomon, PhD.
State Senator

2011 Legislative Session

Key Initiatives



- **Senate Bill No. 2:** Relating to Public Land. Requires the Department of Land and Natural Resources to initiate and coordinate efforts to establish a public lands information system and database. The State of Hawai'i has been unable to quantify or clearly describe all of the land contained in its general lands inventory, on one hand, or in the public trust or ceded lands inventory, on the other.

- **Senate Bill No. 1520:** Relating to Government. When signed by the Governor, this will mark a historic and positive step in the reconciliation process between the State of Hawai'i and the Native Hawaiian people. It is also another step on the path toward the federal recognition of the Native Hawaiian people as a native people of the United States. It is strong testimony and evidence for our case pending before the Congress.

Capitol Improvement Projects Approved through House Bill 200

Over \$125M for Senate District One

Agriculture & Community Services

- *\$6.4 million—Lower Hamakua Ditch Watershed Project*—improvements to the Lower Hamakua Ditch System • *\$250K—Waimea and Hilo Boneyards*—Wastewater improvements

Education

- *\$32 million—UH Hilo*—Student Housing Phase 1 • *\$8 million—UH Hilo*—Student Housing addition, Living Learning Community • *\$500K—Hawaii Community College*—Update the long range development plan • *\$8 million—Full Service Kitchen at Keaukaha Elementary School* • *Improved per pupil funding and CIP for public charter schools*

Airports

- *\$25.9 million—Hilo Airport*—Renovation of Aircraft Rescue and Fire Fighting Station, Airport Modernization, Land Acquisition, additional Cargo Facilities

Roads, Highways & Harbors

- *\$3.1 million—Rockfall protection/slope stabilization* • *\$28.8 million—Hawaii Belt Road*—Improvements to road, bridges, & rockfall protection/slope stabilization • *\$1 million—Wailoa Small Boat Harbor*—Dredging; Removal of Sand at the entrance of the boat Harbor • *\$750K—Hilo Harbor*—Mitigate Environmental Measures at Hilo Harbor

Healthcare

- *\$8.3 million—Lanakila Homes*—Demolition of remaining parcels & Renovation of existing buildings • *\$2 million—Pomaikai Homes*—Renovations and site improvements

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“Pūpūkāhi i Holomua” *United To Move Forward*

A summary of the Senate Majority Legislative Priorities



UH-Hilo groundbreaking for new student services bldg.

Members of the Hawai'i State Senate came into this year's legislative session knowing that our State was in a deep financial crisis, facing a nearly \$1 billion deficit over the next two years. In addition, there were a number of other important issues facing us such as restructuring the Board of Education, resolving the issue of civil unions and helping the various departments of the new Executive Administration get up and running.

After several retreats that focused on identifying the themes and initiatives that would most benefit our State, we came up with a plan that we felt would best improve the quality of life for Hawai'i's people, especially those who are most in need and most vulnerable.

At its core, our plan was to strengthen our economy and create more jobs so that we could move forward into the future with confidence. This meant many things, including streamlining the permitting process conducted by County and State agencies so that new businesses could emerge; investing in our infrastructure through Capitol Improvement Projects and modernization projects; assuring there was an ability for local agriculture to prosper; and creating more jobs within the construction industry.

Other areas of concern and focus included:

- Making Hawai'i a sustainable model for the country and the world in the area of energy self-reliance and efficiency;
- Ensuring that our children receive the highest possible educational opportunities, from preschool up through the community college and university system and make certain there is more accountability from leadership in the educational arena;
- Making sure that a safety net remains in place for our most vulnerable citizens, whether they be children, kupuna, or the sick, by providing clean air, water, food, shelter and health care; and
- Working with stakeholders regarding a Ceded Land Settlement to fulfill our responsibility to the Native Hawaiian community.

It was definitely a challenge to achieve these goals over the past five months, especially when the budget deficit ballooned to more than \$1.3 billion. However, when all is said and done, we have successfully preserved essential public services and met our goal to move Hawai'i forward into the future.

Education

Senate Bill 8, which was signed into law (Act 5) by the Governor on March 14, 2011, gives the governor the authority to appoint nine Board of Education members, which would consist of one member from the County of Hawaii, one member from the County of Maui, one member from the County of Kauai, three members from the City and County of Honolulu, and three at-large members. It also allows the Governor to select an at-large member as the Chairperson.

Public Charter Schools continue to expand as an important component in our education system in Hawaii. *Senate Bill 1174* seeks to improve Charter Schools' governance, transparency and accountability to meet their educational goals.

Students who are eligible for special education and related services need to be ensured that they receive quality education.

This is achieved by requiring private special education providers who receive state funding to comply with federal and state laws, rules and regulations. To ensure this, the DOE now is authorized to monitor and access those schools who serve special needs students. (*SB 1503 & SB 1284*)

House Bill 688 was passed to ensure students are in a safe learning environment. The bill requires the BOE to monitor the DOE for compliance with Administrative Rules or statutes governing bullying, cyber-bullying and harassment.

While the State remains committed to increasing instructional time for public school students, *House Bill 945* puts in place a partial delay of Act 1672010 to give the DOE more time to comply with the Act. The measure requires the DOE to reexamine what constitutes instructional time, especially with secondary schools.

Health and Human Services

Under *Senate Bill 285*, health care would be more accessible to Quest and Medicaid members who live in rural areas through the telehealth pilot program. Also, vital services would be provided to members with chronic conditions through a mobile health van operated by a qualified provider.

The use of pseudoephedrine in the illegal manufacture and sale of methamphetamine is growing. *Senate Bill 40* establishes an electronic tracking system for the sale of products containing pseudoephedrine or ephedrine base to further control access to the substance to hinder its illegal use.

Hawaii's Advanced Practice Registered Nurses (APRN) are recognized to be educationally prepared to assume responsibility for the assessment, diagnosis, and management of patient problems. *House Bill 484* would allow APRNs to practice within the full scope of their authorized practice,

including practicing as a primary care provider. This measure authorizes APRNs with prescriptive authority to request, receive, and dispense samples of over-the-counter and non-controlled legend drugs. This would increase access to health care, especially in the rural areas.

The federal Patient Protection and Affordable Care Act requires each state to establish a health insurance exchange to regulate health insurance plans and distribute information to consumers. The Hawai'i Health Connector would be established under *Senate Bill 1348* to comply with the federal law. It would facilitate the purchase and sale of qualified health plans with uninsured residents.

Consumer Protection

Many times, the consumer is bound to a contract they may not want and is burdened with canceling the contract after learning of an automatic renewal clause that was not clear before the purchase of a product or service. To address this issue, *House Bill 663* would require clear and conspicuous disclosure of automatic renewal clauses and cancellation procedures of all consumer contracts.

As a result of the economic crisis in our nation and our State, many families and individuals are facing foreclosure on their homes. *Senate Bill 651* reforms the foreclosure process by addressing abuse in the system. It also provides relief to homeowners who have fallen into distress.

Judiciary

To further ensure the safety of children, *House Bill 44* makes the solicitation of prostitution within 750 feet of schools or public parks a misdemeanor offense.

In recent years, there have been a number of news stories about people working on farms in Hawai'i who were brought to this country illegally. In response, the legislature took a proactive approach and passed *House Bill 141* which created specific rules to protect and aid victims of human trafficking.

After much debate over several years, a civil unions bill was passed. *Senate Bill 232*, thereby providing the partners of such unions with the rights, benefits and responsibilities that bind them into a legally recognized relationship. The governor signed the bill into law (Act 1) on February 23, 2011.

Under *Senate Bill 217*, sex abuse victims will be able expand their ability to seek civil claims and compensation for damages as a result of their sexual abuse. It would also revive the statute of limitations for two years on certain actions that had previously lapsed.

Environment

Hawai'i has one of the most magnificent views of the stars at night because of our location in the middle of the Pacific. The night sky has scientific value for astronomers, and is important for endangered species in Hawai'i, including birds and sea turtles. To protect and preserve the night sky, the Senate passed *Senate Bill 1493* this year to limit the glow of unnecessary man-made light and helps to direct other lights downwards toward the ground so as to have less impact on the night sky.

Also, several years ago the State created a Starlight Reserve Committee whose task is to preserve the quality of the night sky by eliminating irresponsible or excessive artificial lighting. This year *Senate Bill 81* extends the termination date of the State committee by appropriating additional funding that will extend the starlight reserve strategy for another two years.

The PUC & Energy

In reviewing applications to offer new interisland transportation services, *Senate Bill 98* requires public hearings before the Public Utilities Commission (PUC) approves a Certificate of Public Convenience and Necessity (CPCN) to water carriers. This measure also clarifies the existing requirement for future issuance of CPCN.

In support of the State's overall clean energy objectives, the PUC is directed to consider implementing an on-bill financing program for residential electric utility customers to finance purchase of energy efficient or renewable energy devices under *House Bill 1520*. This is one way to promote adoption of energy efficiency and renewable energy technology.

The installation of photovoltaic systems on existing homes can be hindered by design features. *Senate Bill 181* establishes a working group attached to the Department of Accounting and General Services to study the feasibility of requiring new single-family residential construction to provide accommodations for the addition of photovoltaic systems. This would encourage widespread adoption of photovoltaic systems in the future.

Hawaiian Affairs

In addition to *Senate Bill 1520* (see front page), which recognizes the Native Hawaiian people as the only indigenous, aboriginal maoli people of Hawai'i, the Senate also approved:

- The establishment of a nine-member task force to examine why so many Native Hawaiians are incarcerated in Hawai'i prisons; and
- Approved an increase in the limits of the State's liability from \$50,000 to \$100,000 for funds borrowed by the Department of Hawaiian Home Lands or loaned to Home Lands beneficiaries.

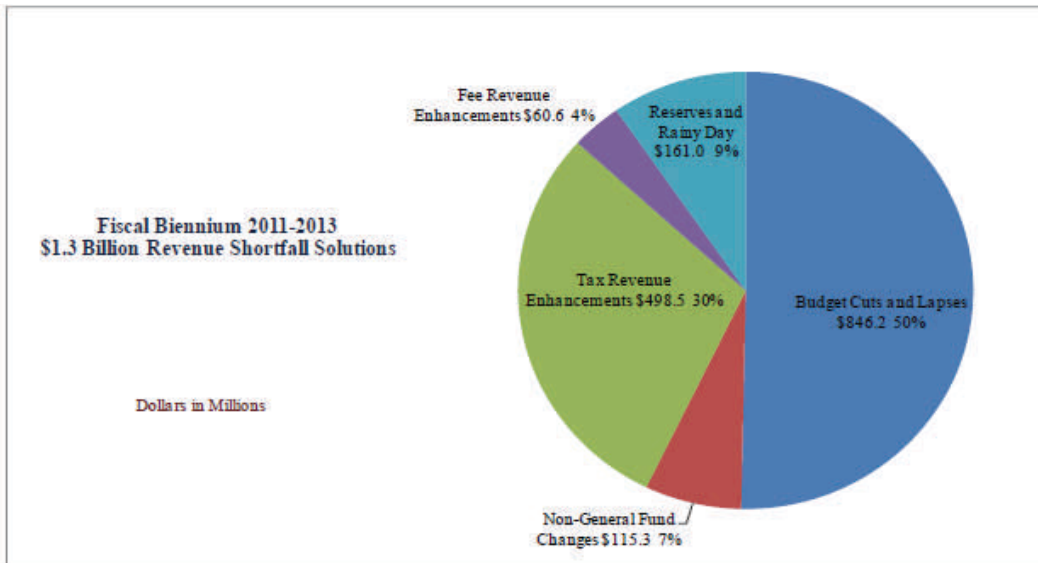
Agriculture

Hawai'i's important ecosystems can be destroyed by the introduction of invasive species. Such destruction threatens our natural environment and harms our economy and especially our agricultural industry. *House Bill 1568* helps protect Hawai'i's natural environment from the threat of invasive species through the construction of bio-security and inspection facilities at Hawai'i airports and harbors.

Food contamination poses a serious threat to public health. The program established by *House Bill 667* provides training, certification, support and assistance to the agricultural industry.

Low-risk buildings such as storage structures and greenhouses for growing plants are much needed by farmers and ranchers. *House Bill 1230* exempts the construction of low-risk, non-residential temporary or permanent structures used for agricultural or aquacultural operations from county building permit requirements under certain conditions.

Unused and improved farm and agriculture lands are often compromised by individuals encroaching or residing on such property. *House Bill 227* addresses the issue and makes it a crime for trespassers to enter unimproved land or unused agricultural lands. The owner of the agricultural land would also not be held liable for any injury, death, loss or damage suffered by trespassers.



Balancing the Budget

Hawai'i, like all the other states, is in the midst of an economic recession. Thus the biggest task facing the Senate this year was coming up with a balanced budget that would enable essential government services to continue to operate, while minimizing the economic pain on taxpayers and residents. Under the direction of the Governor, all state agencies were ordered to cut their budgets by ten percent for the coming year, but it was the legislature's task to fund all State activities. After hundreds of hours of testimony in dozens of hearings, and many more hours of deliberation with their counterparts in the House of Representatives, the Senate was able to pass out a workable budget. A combination of bills include a variety of revenue generating components. These include a temporary suspension of some tax exemptions for nearly two dozen businesses, the repeal of a state income tax exemptions and a cap on itemized deductions for higher income taxpayers, and a delay in implementing an increase in personal exemptions and standard deductions for all taxpayers.

The Senate also signed off on a bill that will adjust rental car surcharges and another bill that would move some of the hotel room tax income from the counties to the State. All of these actions should generate hundreds of millions of dollars for the State.

However, while there was some

support from the House of Representatives, the Senate did not pass an overall increase in the State's General Excise Tax, did not pass legislation that would tax pensions and did not agree to increase taxes on soda or liquor.

The salaries of all legislators, members of the State judiciary and appointed State Executives are reviewed and approved from time to time by the State Salary Commission. Four years ago the Commission recommended annual pay raises for such public executives that would have amounted to about \$2,000 additional per year until 2013. However, in 2009 and 2010 the legislature, recognizing the difficult economic situation facing many people in Hawaii, decided to not take the pay increase and this year, with *House Bill 575*, they again extended the pay reduction so that in 2011 they will actually be getting paid less than the amount approved by the Salary Commission.

Economy and Job Creation

With tourism operating as Hawaii's main source of jobs and revenues, the State Senate took action this year with *Senate Bill 1186* to correct a gap in the amount of money received from transient accommodation facilities. A new law was passed which will impose a minimum daily tax on transient accommodations and which will also increase the tax rate on resort time share vacation units. This increase will level the playing field between all facilities which house tourism visitors to the islands.

BUDGET:

How the Budget was Balanced

This year the Legislature was faced with difficult decisions in balancing the State's budget. Confronted with a \$1.3 billion shortfall, the Senate worked diligently with the House to trim unnecessary costs and find new revenue sources. Despite adversity, the Senate has managed to meet the needs of the people without raising the General Excise Tax.

Senate Bill 1530 allows the Board of Land and Natural Resources to extend hotel, resort, commercial and industrial leases to lessees who commit to making substantial improvements on the property. This should create new jobs and maintain or increase revenue coming into Hawaii.

Increased Government Efficiency

Under *Senate Bill 2*, the State will establish a comprehensive system for inventorying and maintaining information about all public land trust property as described in the Admissions Act and the Hawaii State Constitution. The Department of Land and Natural Resources will then be better able to administer and manage the title and disposition of those lands, to include making amendments to the trust status of such lands if necessary.

The Senate also brought forward legislation this year, *Senate Bill 1555*, which will create a Public Land Development Corporation tasked with making optimal use of public property for the economic and social benefit of the public. Under this legislation, public lands that are suitable for development will be identified; a marketing analysis will be conducted to determine the best use of those lands; and the State may enter into public-private agreements to finance, improve or enhance the selected development opportunities.