



The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

Senate President Donna Mercado Kim
Opening Day Remarks
28th Legislature
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Aloha and Welcome to the Opening of the 28th Legislature!

Only in Hawaii can you experience a Legislative opening with so many flowers of Aloha. On behalf of my colleagues, I want to thank our families, friends and well-wishers for these beautiful expressions.

These flowers bring to mind this song, made popular by the folk trio – Peter, Paul and Mary:

Video of Where have all the flowers gone?

While this recording dates back more than 50 years, the power of its message has not diminished with time. These lyrics got me thinking...

And asking: Where have all our beaches gone?
Where has all the Hawaiian entertainment in Waikiki gone?
Where are the Koa and Ohia-Lehua trees? The fish and opihi?
And when will we ever learn that once it's lost, we may not be able to get it back?

Music and Dance Center

From 1935 to 1975, the world tuned in to their radios to hear the voice of Webley Edwards. Each week, on his "Hawaii Calls" broadcast, he invited the world to experience our Hawaiian Islands, our culture and our music. The show at its peak was heard on over 750 stations around the globe.

Fortunately, most of the "Hawaii Calls" programs are not lost. In fact we will soon be realizing our goal of capturing and preserving our cultural past. Two years ago Senator Brickwood Galuteria and I proposed establishing a Center for Hawaiian Music and Dance. The Legislature appropriated funds to the Hawaii Tourism Authority and the ground work has been laid.

Tourism Chair Gil Kahele and I are happy to report that we are on track to construct this facility atop the Hawaii Convention Center. It will house, preserve, and maintain our Hawaiian music of yesterday and today....

And capture the stories of our talented musicians, kumu hula, before their work is lost. We're doing this for future generations so they, too, will have a lasting appreciation and understanding of our enriching heritage.

With the help of HTA board chair Aaron Sala, our program later this morning will highlight a part of this past.

Environment

When "Hawaii Calls" opened each week with the sounds of the gentle surf on the beach at Waikiki, no one thought we'd ever be asking, "Where have all the sand on our beaches, and our native Hawaiian forests gone and what are we doing about it?"

Sadly, we are witnessing a significant depletion of sand on our famous beaches. Two years ago, the Department of Land and Natural Resources added 24,000 cubic yards of sand to Waikiki Beach at a cost of over \$2 million. But a UH study found one-fourth of the replenished sand was gone a year later.

Can you imagine how economically and environmentally devastating it will be if we cannot find an effective solution to address this problem?

Which is why Energy and the Environment Chair Mike Gabbard and I are proposing dedicated funding using existing TAT revenues for the maintenance and restoration of beaches across the state. This bill would make available a steady source of funds to implement recommendations from a joint DLNR/County study and help preserve our marine environment

Just as devastating is invasive species – one of the greatest threats to agriculture, the environment, and our health and lifestyle. We simply can't afford to let up on our efforts to aggressively find and eradicate these pests.

In this vein, I am excited that in September of 2016 the World Conservation Congress will convene for the first time in 60 years in the United States, and they have chosen Hawaii as the host site for its 17th Congress. Held every four years, this is the world's largest and most important conservation event. It aims to improve how we manage our natural environment.

This event will give us an opportunity to showcase to the 160 member countries and 8,000 delegates from around the world, Hawaii's diversity in nature, culture, conservation, and sustainability. An extraordinary assemblage of more than 28,000 native plants and animals of which 90 percent are endemic, makes the Hawaiian Islands one of the world's most ecologically diverse locations.

A huge mahalo to Chipper Wichman of the Federal National Botanical Gardens on Kauai for working tirelessly on this bid for the past 10 years, as well as the Department of Land and Natural Resources which is the lead State agency.

Voting

I pose another “where have they gone” question, and that is “Where have all the voters gone”? In the last election Hawaii experienced a record low voter turnout.

While this body has certainly supported initiatives to encourage greater participation we must do better to remove all the barriers and excuses. “All Mail” elections should accomplish that.

Both Oregon and Washington, have implemented vote-by-mail elections, resulting in high voter participation rates of 70 to 80 percent.

I look to our new Judiciary Chair Gil Keith-Agaran to move us towards “all mail” ballots, to be phased in over the 2016 and 2018 elections.

But colleagues, “all mail” elections are just the means; people must want to exercise their fundamental right to vote.

So we as legislators must do our part by restoring the public’s trust in government by giving them reasons to register and vote.

Good Government – Restore public Confidence

As Senate President I pledge to continue to bring transparency and accountability to the legislative process. Government officials should be held accountable for broken promises, miscalculations and bloated assumptions.

Therefore I propose we establish an office of the Inspector General that would investigate complaints alleging fraud, waste, abuse or corruption and I have asked Government Operations Chair Donovan Dela Cruz to help shepherd this legislation.

I also propose that we expand mandatory ethics training to all lobbyists, members of all boards and commissions, and employees responsible for procurement, administering state contracts or regulating private organizations.

Finances

From a financial standpoint, we have good reasons to be hopeful. The backbone of our economy has been our visitor industry and our hard working small businesses.

Despite a recent report by the Council of Revenues and other forecasts indicating that our economy may be slowing, our year-to-date tax collections are up. Tourism is experiencing consecutive months of double-digit growth in arrivals and spending, prompting the Council of Revenues to increase their forecast by 1 percent which translates to \$55M each year.

Infrastructure

But, colleagues, the State and the counties continue to face many fiscal challenges.

As a former City Councilmember – and note that there are 5 of us in the Senate – we must work collaboratively with all the counties in addressing homelessness, providing affordable housing, and streamlining the land use approval process.

Together with Economic Development & Technology Chair Glenn Wakai, we believe it is time to consider giving the counties more local control over land use classifications by eliminating the Land Use Commission and overlapping operations to make the permitting process more efficient.

But with more control comes greater accountability, and in that regard the counties are urged to step up the enforcement of transient vacation rental ordinances. The state and counties are losing millions of dollars in TAT and GET revenues, money which we cannot afford to ignore.

So, I am looking to Ways and Means chair Jill Tokuda to begin the discussion of whether the counties should be granted the option of enacting a half-percent tax provided that it is earmarked specifically for housing, transportation, road improvements and Transient Vacation rentals enforcement.

Hearings on this measure will allow the Transportation Committee, chaired by Clarence Nishihara, to scrutinize the rail financial plan and obtain a full accounting for the half-percent tax surcharge the City has received thus far.

Majority Program

Certainly the issues facing us are daunting, so Senators led by Majority Leader Kalani English have spent the last few months formulating the Senate's Majority Legislative program. Our focus is on Energy & Food Resiliency, Government Effectiveness and Community Well-Being & Smart Growth.

This brings me to the Hawaii Health Systems Corporation. HHSC is facing a \$50 million shortfall for the next fiscal year and about \$1 billion or more in capital improvements in the next decade. While we are on the verge of a private/public partnership for Maui, I call upon Health Chair Josh Green and Commerce & Consumer Protection Chair Roz Baker to finally resolve the HHSC issue.

Human Services Chair Susanne Chun-Oakland has the challenging task of addressing our homeless population and the shortage of affordable housing along with helping our family caregivers as they care for our Kupuna. It will take all of us pulling together, the Hawaii Public Housing Authority, the counties, and private sector to come up with viable solutions.

Education

Senators, throughout our history, education has been the pathway to socio-economic success for generations of island people.

With the adoption of ACTS 51 and 130 our students have since experienced unprecedented growth in our national assessment test scores in math and reading.

Did you know that more students are graduating from high school, more enrolling in college, and fewer need remedial support?

U.S. Secretary of Education Arne Duncan recently visited Hawaii, something that has not happened in over 20 years. He spoke about Hawaii's performance, saying, "The progress has been extraordinary. Hawaii by any objective measure – is one of the fastest improving states in the nation – top five states."

But there is more work to be done. With Education Chair Michelle Kidani we have every reason to expect more improvements in our public education system, especially given the new governor's commitment and insight.

Community Colleges

In the same light, higher education is vital in helping diversify our economy with jobs that pay a living wage for our workers.

Public higher education is driven by the University of Hawaii System. The 3 baccalaureate campuses and 7 community colleges ensure that our people have the education they need to be ready to compete and be successful in this workforce.

Note, too, that Education has grown into an industry in itself. For instance, UH has brought in 400 Million in research dollars in FY 2014 and is 12% to 15% ahead of the pace for the current year.

Not enough is said about the vital role that community colleges play in providing an affordable and flexible education. Their graduation rates have doubled and students who go on to receive degrees in STEM have increased 15 fold. Students are better prepared to move on to higher degrees or succeed in the workforce.

Many are finding success in Hawaii's fashion industry which is generating more than \$750 million in annual sales, \$20 million in tax revenues and 3600 jobs, with huge growth potential.

Kini Zamora of Kapolei and Waianae's Ari South are shining examples of the UH's role in career development. Kini was one of the top three finalists in season 13 of the popular "Project Runway" TV series. Ari also finished in the top three in season 8.

Even after attending the prestigious Fashion Institute of Technology in New York, Kini said that they were teaching the same things he learned at HCC.

[Ari tells us, "The fashion technology program at Honolulu CC is the best program in the state. The instructors gave me the tools and support to be successful."]

I'm delighted that joining us here today is Kini Zamora.

With Kini and Ari joining the ranks of our “Made In Hawaii” businesses like Tori Richards, Iolani Sportswear, Mamo Howell and others, Hawaii can surely compete as a fashion power house and attract international students to our fashion program.

The culinary arts program at various community college campuses is another example of education as an industry. The advanced training being developed by the Culinary Institute of the Pacific will train students to excel in the culinary arts and restaurant management, as well as attract students from Asia, Europe, Canada, and the mainland who want to come here to learn about our regional cuisine.

It’s a shame though that this project has lagged. So, Higher Education Chair Brian Taniguchi and I will work to ensure that Construction begins soon on the first phase of this long awaited facility at KCC on the slopes of Diamond Head. With renowned local chefs like Roy Yamaguchi, Allan Wong, Russell Siu, Sam Choy and others this has got to be a priority.

Collaboration

Ladies and gentlemen, the Senate is a body of highly capable and dedicated individuals and I am humbled to serve as President. I thank you, members for this privilege.

While we represent different constituencies, we share a commitment and responsibility to do the people’s business, always mindful that the voters have entrusted us with their future.

The Senate stands ready, and committed, to collaborate with Speaker Souki and the members of the House of Representatives, with our lone Republican Sam Slom, and with our mayors and county officials.

We are eager to work with our former Senate colleagues, the new governor, David Ige, Lt. Gov. Shan Tsutsui, and an Ige administration that is committed to putting people back to work.

There is no one who better understands the State’s challenges of balancing the needs of our citizens with our limited State resources than the former chair of the Senate’s Ways and Means committee, Gov. Ige.

Governor, I’m confident that together, we will listen and work in the best interests of the people we represent.

A Spirit of Hope

While I began this speech concerned about what Hawaii has lost over time, I am nevertheless very optimistic about our future, a future that includes the aerospace industry and space tourism, championed by Senator Will Espero and which is projected to be a million dollar industry in Hawaii.

Hawaii has an incredible history of achievement. We are the beneficiaries of the hard work, sacrifices, and spirit of hope of our parents and those who came before us. And there’s absolutely no reason that, together, we can’t continue to build on this legacy we’ve inherited.

Hawaii's own Marcus Mariota said it best at a news conference after he accepted the prestigious Heisman Trophy. Marcus told reporters, "In Hawaii, when one person is successful the whole state is successful." Mahalo Marcus for the success you have brought to our great State. And we join you in thanking all of the people who nurtured, mentored and sacrificed to help you be successful and in the process lift us all. Marcus joins other keiki o ka aina like President Obama, Grammy award winner Bruno Mars, Maui's Shane Victorino and a host of island people who are just as accomplished and successful in their own fields and in their own lives.

I close by acknowledging the sacrifices of my mother and in particular my son, Micah who has been my inspiration. Yes our children are the reasons for us to put aside partisan politics and individual differences.

Let us dedicate ourselves to preserving what we treasure and to what makes Hawaii special. There is much we can do because all is not lost, YET.

Colleagues we have been given much....and as it is often quoted: "To whom much is given, much is expected." The expectation is for us to work together to make Hawaii a place we can be proud to leave to our children. Mahalo!