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MARIA E. ZIELINSKI
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

To: The Honorable Sylvia Luke, Chair
and Members of the House Committee on Finance

Date: Tuesday, February 28, 2017

Time: 3:00 P.M.

Place: Conference Room 308, State Capitol

From: Maria E. Zielinski, Director
Department of Taxation

Re: H.B. 547, H.D. 2, Relating to Taxation

The Department of Taxation (Department) appreciates the intent of H.B. 547, H.D. 2, which creates a new income tax credit for qualified expenses in hosting a foreign exchange individual. The credit is capped at \$400 per month per taxpayer, provided the taxpayer has hosted a foreign exchange individual for a minimum of thirty days. H.B. 547, H.D. 2, applies to taxable years beginning after December 31, 2016, but has a defective effective date of July 1, 2051.

First, the Department notes that the requirement that the taxpayer act as a host to a foreign exchange individual for a minimum of thirty days is unnecessary. This measure already requires that the taxpayer have acted as host for an entire month in order to claim the credit for that month. The requirement that the taxpayer act as host for a minimum of thirty days has no effect beyond making it impossible to claim the credit during the month of February.

Second, the Department suggests the deletion of subsection (b) because section 704 of the Internal Revenue Code would apply to the allocation of this credit. In most instances the credit will be allocated in proportion to the taxpayer's ownership interest in the entity claiming the credit.

Finally, if the Committee wishes to advance this measure, the Department requests that this new credit be applicable to taxable years beginning after December 31, 2017. This effective date will give the Department sufficient time to make the necessary form, instructions, and computer system changes.

Thank you for the opportunity to provide comments.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: NET INCOME, Credit for Exchange Student Host Families

BILL NUMBER: HB 547, HD-2

INTRODUCED BY: House Committee on Veterans, Military, & International Affairs, & Culture and the Arts

EXECUTIVE SUMMARY: Adds a new credit for expenses paid by families hosting foreign exchange students. A direct appropriation would be preferable as it would provide some accountability for the taxpayer funds being utilized to support this effort.

SYNOPSIS: Adds a new section to HRS chapter 235, to be titled the income tax credit for exchange program hosts. The credit amount is 100% of the taxpayer's qualified expenses, up to a maximum of \$400 per month per taxpayer, provided that the taxpayer has served as a host family for the foreign exchange individual for at least 30 days.

No credit is allowed for any amounts for which a deduction is taken under Internal Revenue Code section 170(g) with respect to amounts paid to maintain certain students as members of the taxpayer's household.

If the amount of credits exceeds the taxpayer's income tax liability, the excess of credit over liability may be used as a credit against the taxpayer's income tax liability in subsequent years until exhausted. All claims for a credit under this section shall be properly filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit.

Defines "foreign exchange individual" as a person who: (1) is an international student or pupil, fellow, intern, including those who are participants in an intern exchange or student exchange program of the Bureau of Educational and Cultural Affairs of the United States Department of State; and (2) holds a valid F-1, J-1, or M-1 visa, issued by the United States Department of State.

Defines "host family" as a taxpayer who provides room and board to maintain a foreign exchange individual for a minimum of thirty days; provided that the room and board is provided on a voluntary basis with no remuneration.

Defines "qualified expenses" as expenses incurred by a taxpayer solely and directly as a result of the taxpayer acting as a host family to a foreign exchange individual, except for amounts paid by a taxpayer: (1) to maintain a relative of the taxpayer as a member of the taxpayer's household, regardless of whether or not the relative of the taxpayer otherwise fulfills the requirements of a foreign exchange individual; or (2) for which the taxpayer receives any money or other property

as compensation or reimbursement for maintaining the foreign exchange individual in the taxpayer's household.

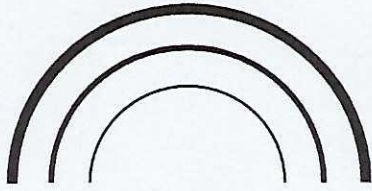
EFFECTIVE DATE: July 1, 2051, and applies to taxable years beginning after December 31, 2016.

STAFF COMMENTS: This credit provides a dollar-for-dollar reimbursement of the taxpayer's "qualified expenses," up to a maximum of \$4,800 per year. Qualified expenses are defined vaguely, and may prove difficult or impossible to audit. Avoidance of inflated or fraudulent claims may be a real concern.

Proposed subsection (b) provides standard rules as to what to do when the creditable expenses are incurred by a partnership, S corporation, estate, or trust. This subsection appears to be unnecessary as it is assumed that the expenses are incurred by individuals.

As with any other tax credit, this measure makes it very difficult to track the true cost of the incentive, and to ensure that the revenue forgone is in accordance with the fiscal priorities of the State. To ensure accountability and transparency, it is preferable to appropriate the money and disburse it to the individuals who are considered worthy of it.

Digested 2/25/2017



International Hospitality Center

224 Queen Emma Square • Honolulu, Hawaii 96813 • (808) 521-3554

ihc@priory.net • www.ihchawaii.org

TESTIMONY for HB 547

February 27, 2017

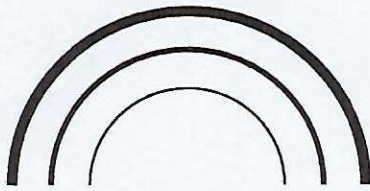
As Executive Director of the International Hospitality Center, Hawaii's community based, volunteer international educational and cultural exchange organization since 1976, I oversee and am personally responsible for the recruitment, training, counseling and support of a Statewide network of hosts who welcome J-1 United States Department of State government scholarship grantees (high school, university, graduate and mid-career adult professionals) as well as F-1 visa exchange students who are placed for homestays from one month to semester or academic year in volunteer host homes. International participants are placed with Volunteers who receive No Remuneration while providing room, meals, participation in host activities, frequent transportation etc. at host personal expense. IHC Volunteers reside Statewide and have served as hosts in some cases for more than 25 years. As Host and Exchange Participant Testimony submitted to the Committee will verify, the educational and cultural enrichment, long term connections and financial benefits brought to Hawaii are immeasurable. IHC Volunteers serve as person to person diplomats, donating their time, energy, hospitality, and personal resources to ensure appropriate attention as assistance to international participants who are guests of the United States government.

We request the Committee's approval of HB 547 to encourage and maintain the recruitment of volunteers in the State of Hawaii, while recognizing the outstanding services performed by Volunteers statewide. Now more than ever the Spirit of Aloha, the watchword of Hawaii, needs to be assured for those regarded as the Future and Current Leaders of their countries. Over the past 40 years, IHC Hosts have welcomed over 2,000 international participants representing 43 countries, who have resided with Hawaii Un-Remunerated Hosts for one to 10 months. At this time, academic year 2016-2017 some 59 grantees from Armenia, Austria, Bangladesh, Bulgaria, Cameroon, Gaza (Palestine) Georgia, Germany, France, Malaysia, Moldova, Mozambique, Nigeria, Russia, Spain, Switzerland, Tanzania and Ukraine are placed with Volunteer Hosts under the auspices of the International Hospitality Center. (In addition, IHC provides educational and cross cultural programs for over 1000 international participants per year in programs involving short term stays of a few days to a few weeks.)

I would like to thank the members of the Committee for your time and attention to this matter and urge the passage of HB 547 during the current 2017 session. Should there be a need for additional information, we would be most happy to provide pertinent information. Thank you for your consideration.

Submitted by:

Barbara Bancel
Executive Director



International Hospitality Center

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TESTIMONY for HB 547
February 27, 2017

House Bill 547 requests that Volunteer Hosts receiving No Remuneration for providing one or more months of Homestay for J-1 or F-1 Visa participants/students including room, meals, involvement in host activities, etc., be allowed a tax credit of \$400 per month. In support of HB 547 we ask that the Finance Committee consider the following information in evaluating the request for a \$400 per month tax credit:

1. The number of Volunteer Hosts in the State of Hawaii hosting J-1 and F-1 Visa participants for one or more months and receiving No Remuneration is estimated at this time to be less than 250 Hosts per year under all sponsoring organizations and academic institutions.
2. Volunteer Hosts are providing Room and meals without Remuneration estimated to be equivalent to \$1,500-1,800 per month, the current charges for Commercial Housing Organizations providing room and meals with paid hosts.
3. In addition to providing room and meals, Volunteer hosts for J-1 and F-1 participants provide far more as they include the participant in family activities, transportation, community events, extracurricular activities, holiday celebrations etc. These Host Expenses are estimated between \$300 - 600 per month.
4. Volunteer Hosts are providing \$1,800 to \$2,400 per month in out of pocket expenses for a participant....Thus the request for tax credit of \$400 seems an appropriate amount and justified.
5. Furthermore, it should be noted that the presence of J-1 and F-1 international participants in the State of Hawaii generates considerable income to the State and corresponding Tax revenues to the State. Participants purchase such items as school supplies, clothing, personal incidentals, entertainment, souvenirs, etc.
6. J-1 and F-1 participants are also generally required to provide Community Service. International Hospitality Center participants provide a minimum of 40 hours volunteer community service per academic year, but many complete well over 100 hours of service.

We deeply appreciate the review of the above statistics as the Finance Committee considers House Bill 547. Should there be a need for additional information, we would be most happy to respond to any request.

Submitted by:

Barbara Bancel
Executive Director

Michael J Leong
POB 10282
Honolulu, HI 96816
808 551 7896
mleonginhawaii@gmail.com

2/27/17

Representative Sylvia Luke
House of Representatives Finance Committee
Hawaii State House of Representatives
415 South Beretania Street #306
Honolulu, HI 96817

Dear Chair Luke:

I am writing in support of HB547. My wife and I have been host parents for the last seven years. Recently we hosted two Professional Fellows from NGO's (non-governmental organizations) through the International Hospitality Center, from Turkey and Singapore respectively, for one month at our home in October 2016. Also, during the 2015-2016 academic school year (August through June) we hosted a high school junior from Lithuania who attended St. Andrew's Priory.

We estimate there are between 100- 200 families on Oahu who are host parents. I have met them at informational meetings and they live in different areas of Oahu. They come from varied income levels- Aiea, Hawaii Kai, Kahala, Waianae, Pearl City, Papakolea, and the island of Kauai to name a few. Ours is totally voluntary, we receive no stipend, no honorariums, and additionally act as guardians for our under age visitors while they live with us. As hanai parents we ensure our "children" are safe, integrate them into our island culture, provide varied experiences, share them with our own children/grandchildren, resulting in lasting friendships. One of our hanai daughters has kept in touch with us for five years.

The opportunity affords us the chance to meet young people from all over the world from Tajikistan to Armenia, Turkey, Ukraine, Estonia, Lithuania, Georgia, Japan, Singapore, Thailand, Viet Nam, and the Philippines.

The tax benefit would incentivize others in our State to participate and increase their awareness of young people in the world.

Sincerely,

Michael J Leong

I am testifying as a private citizen in support of HB547. I have been a volunteer host family through the International Hospitality Center (IHC) for about 15 years now. I've hosted teachers of English from Japan and Korea who come here to learn new teaching skills; UH students from Norway and Okinawa; high school girls from Germany, Denmark, Turkmenistan, and Okinawa; and professional fellows from Turkey, Moldova, Indonesia, and Armenia. Each of these experiences has enriched my life in many ways and I am still in touch with many of the people I hosted.

Hosts are expected to bring their international guests into their daily lives and treat them as family. This entails providing two or three meals a day, orienting them to using local buses, showing them where to shop for bargains, and engaging with them in conversations about whatever topics they may bring up. But it's not all work; one of the best aspects of hosting is getting to be a "tourist" in our own hometown—going to beaches and Pearl Harbor, climbing Diamond Head, and all the other fun things that some families might not do unless they have out-of-town company. We even get to know other local hosts and expand our circle of friends more widely. To me, hosting is its own reward.

I also view being a host as a way to make a modest investment in world peace and understanding. I have always done it willingly but it does take time and energy. And it costs money. The introduction of HB 547 is a welcome acknowledgment by Representative Ito of what it takes to host an international visitor for varying lengths of time. In fact, when I tell people that I get no compensation for hosting, they are incredulous, asking me, "Why would you do that when it ends up costing you money?" I've answered that question above; however, I strongly believe that a \$400 tax credit could encourage more families to participate, which would serve our state well as we share our aloha with people from all over the world.

Therefore, I thank Representative Ito for introducing the bill and repeat that I am in strong support of HB 547.

Sincerely,
Melinda Wood

Dear Members of the Finance Committee,

My name is Bernadette Centeio and I'm a resident of Waimea, Hawaii.

I'm submitting this testimony in support of HB547, which would offer volunteer hosts of international exchange students a tax credit.

My husband, son and I are hosting a student from Lithuania this year. We have never hosted an exchange student before and have found the experience to be transformative! Of course we've done very typical things like share poi and laulau with Paulius, and he's cooked potato pancakes for us. But the cultural exchange possible during a school-year-long exchange is much deeper and more meaningful than just food-sharing, and extends well beyond the walls of our home.

Living together creates opportunities for understanding ourselves, our local and American cultures, and our family through the eyes of someone whose world, despite superficial similarities, is entirely different than our own. I've personally been trying to imagine how my life would have been different, how my family would've been shaped, had my great-grandparents been sent to Siberia. That's the story of Paulius' family; that's who and where and what he comes to is from.

Paulius volunteers widely, and participates in every local event he can, meeting people and engaging in cultural exchange frequently. He attends church, does martial arts, powerlifting, paddling, debate and many other school-related activities. Our community and school are enriched by having him. He's certainly a great role model for our son!

We are a very middle class family. Our son attended a great public charter school and now, by a scholarship, a wonderful private school, that also hosts Paulius. Like most families in Hawaii, my husband and I both work, and our dollars are stretched thin. It's completely worth it to share this exchange experience with our student, AND, the financial impact does not go unnoticed. A strapping sixteen year old can eat!!! The small luxuries we enjoy (pizza night, going to a movie, bowling) leave a larger footprint on the budget than usual. Even a small tax credit would help to defray some of the costs incurred by expanding a family thru exchange in Hawaii.

Moreover, the statement this gesture would make about the exchange program and its families is hefty: the State of Hawaii welcomes and supports people of all cultures to live here, and to learn here; to take back out into the world what is gained, and with it build bridges between countries!

Thanks you for considering this testimony. I'm happy to offer more information as needed. My address and contact information are below.

Respectfully,
Bernadette Ululani Centeio
64-5159B Kinohou St
Kamuela, HI 96743

808-037-9724

Dear Esteemed Members of the Committee on Finance.

I am writing to state my strong support for House Bill #HB547 to be reviewed by the Committee on Finance of the House of Representatives on Tuesday, February 28, 2017 at the Hawaii State Capitol. While I will not be able to attend this important meeting due to work demands, I hope this email testimony can be added to the information presented.

My wife M'Liss Moore and I (Devin Alford) have hosted international students at our home for a weekend on three occasions (twice with the International Hospitality Center, another time with Sacred Hearts Academy). While it is an enriching experience for all of us, it also takes up time and is somewhat costly as we provide food and gas and given the tradition of aloha in Hawaii, we take them on excursions as well. We are usually happy but pretty tired after a weekend.

Given our experience, we are frankly blown away by and so greatly admire and respect other families who are much more generous with their time and take in international students for a month, a semester, even a year. A 400\$ tax credit per calendar month would really help out these other families that give so much of their time and foot the bill for food, gas, and other entertainment that we provide these wonderful students. To be clear, we are not advocating a tax credit for our weekend stays, purely for the month or longer stays...

I am so happy about the work of the International Hospitality Center for connecting local families with international students who want to come learn more about Hawaii and the United States and our local culture and languages (my wife and daughter speak some Hawaiian, so we make sure they learn some Hawaiian as well as English!). We feel that this is an important time to encourage positive, healthy, construction international relations, and we so admire the other families that will take in international students for month or months. We urge your committee to move forward on this bill and thank you so much for your time and consideration of our testimony.

With warm aloha,

Devin Alford and M'Liss Hualani Moore
94-1075 Kamiki Street
Waipahu, HI 96797-5318
[808-469-8478](tel:808-469-8478)
devin.alford@gmail.com

CC:
Representative Ken Ito, repito@Capitol.hawaii.gov

Liana Maisuradze, 16 y.o, Republic of Georgia, currently living in Kailua, Hawaii

Exchange programs sponsored by the U.S Department of State are beneficial to not only exchange students - but their host families, host communities, schools and the future generations. Students who come to the United States are ambassadors of their countries and create cultural exchange. We share our knowledge with our peers every day and learn something new from them.

Host families play a huge role in these programs. Without their hospitality and willingness to volunteer to host us - we wouldn't be here. Their contribution to the community is enormous and it would only be fair if they got a small tax deduction. Many families have been hosting exchange students from all over the world for many years. Without them and their help - a lot of people would be missing out on friends from different countries and would've lacked the cultural exchange that we all share. Exchange students also give back to the community and volunteer for over 30 hours at least. Some even volunteer over 200 hours. It's important to have us in the U.S and it wouldn't be here if our host families weren't so generous. They contribute to the community and it's only right to give back to them as well.

My name is Lisa, and I'm an exchange student from Ukraine. I would like to contribute to the decision of establishing tax deductions for families, that host exchange students, the way I see it as an exchange student.

Host families are always doing their best: providing a student with comfortable housing, food, and transportation. These are basic things each host family needs to spend their own money for, not including additional expenses, like different extracurricular activities for the exchange student, or travelling. None of these expenses are reimbursed.

Host families are the ones, who introduce an exchange student to "real" American world, and explain democratic values of U.S, American traditions and culture. Why is it so important? The exchange student would bring their impressions about US to their home country, and share their American experience with everybody they know, make others understand American culture too, and thanks to their host family their impressions about the U.S. will be extremely positive.

The idea of hosting an exchange student brings more benefits to the U.S. than you would think! Many exchange students become influential citizens of their home countries, which means that they would try to bind to US, understanding US policy and politics.

Tax deductions is one of the ways to make hosting for many American families much easier, and as a result, make hosting more exchange students possible.

Lisa Byelikova

FLEX-student in Kailua Kona, HI

Aloha from Host Parent:

My name is Trisha Hansen and I have been a Host Parent along with Sterling Dorje, my husband, to 4 different Exchange Students over the last 6 years. Our current student is from Ukraine, and she has experienced unrest and aggression by Russia in her own country.

Why We Serve as Host Parents? We are an international couple... my husband is from Tibet and we are well travelled...having visited countries like Africa, Indonesia, Japan, Vietnam, Thailand, Germany, UK, etc. we feel very strongly that building a relationship with the International community, especially young students from other countries and exposing them to American Culture can help bring peace to the world. Those students who we have hosted in the past tell us of their experiences after leaving us and how being in American has opened up their world and moved them forward. In addition, those American students who interact with International Students are exposed to a world view beyond their own community and possibilities of a future for themselves outside of their current world. In most cases, the International Exchange Students are better educated and way ahead of their American classmates... in almost every aspect of their education... This was a real eye opener to me and I would guess to the American students and teachers as well... opening them up to a different view of their own education and their view of their own world.

What being a Host Parent entails:

- Providing a room in my home with bathroom, (approximate cost \$100/mo)

- All meals at home and at restaurants, transportation to activities, entertainment, (approximate cost \$300/mo)

Additional Activities:

- Hosting other students at my home for organized activities like debates on GMO's

- Exposing my student and her Exchange Student friends to other parts of the island to see the volcano and untouched nature of the Big Island. Includes stay at another house for 2 more students and their Host Parent.

- Travel to Los Angeles from Hawaii for Christmas to expose her to a cultural experience of American Family Christmas and a look at the Mainland US including Universal Studios, Overview of Los Angeles coastal and inland regions.

- Plans for another trip for our student to West Coast including San Francisco, Ca. to experience life there on the Mainland of the U.S.

To the members of the Committee on Finance —

I am both a long-time host parent and also a Local Coordinator for the exchange student program under the International Hospitality Center .

As you have heard from many other host families, the experience of having these young ambassadors in our homes and in our lives is most rewarding. Hosting requires a lot of “giving”, in terms of time, money, and energy — an experience most of us do willingly and in fact repeatedly. Many host families volunteer to host many times — our lives are better for it.

But you’ve heard all this from other host families. I’d like to address the issue of being a Local Coordinator. Part of that responsibility is to secure placements for the exchange students. That is the biggest hurdle we must face. Every year there are more students than families willing to host. Why? Because of the financial burden hosting places on us. It is very painful to hear that a family that would make a wonderful host say they simply cannot afford to host, otherwise they’d be happy to have a young adult from another culture live with them. And a point that cannot be argued.

The passage of HB 547 would be most effective in resolving that argument and so I urge its passage.

Thank you for your consideration.

Ginny Squier

Local Coordinator

Host parent since 1997

Aloha,

My family has been partnering with IHC to host many students over the last 3 years. It has been a rewarding yet costly experience when we support a student for the school year both in time and finances. Currently we are raising three children of our own, and have taken on a fourth through this program.

Our current student has presented some extra challenges we have not experienced before with unexpected medical needs. This required doctor, lab and pharmacy costs that we are still waiting reimbursement from.

On top of her extra costs, our food, water, electric and gas bills have all increased to accommodate another person in the house. When we go out to eat, we have to pay for her too. She is an extra person we need to drive to events or give her bus fare to get there. Her small stipend only covers her school needs and entertainment when she is not with us.

Our students have been wonderful people and have enriched our lives, but more financial support would go a long way to make it easier to support another person, especially when they are with us for 10 months. Please consider passing the bill to give host families a significant tax break for each month they show aloha to people from other countries and building international friendships and relationships.

Blessings,
Rachel Hilpert

Subj: SUPPORT House Bill #HB547

Testimony to the House Finance Committee on Tuesday, February 28, 2017, 3:00 p.m.

We support HB 547 introduced by Representative Ken Ito. This allows a tax credit to families who volunteer to host international, exchange students.

We hosted international students placed with our family by the International Hospitality Center. These relationships created lifelong friendships. While we volunteered willingly, we would accept the tax credit as the community's recognition that all of us together create positive relationships across borders. Aloha works in all directions.

Please pass this bill through committee and keep it going.

Respectfully submitted,

Hank and Ronaele Whittington
810A N. Kalaheo Avenue
Kailua, HI 96734
808 261 8400
RonaeleW@aol.com

Hello, my name is Eyleen Busch. I am 16 years old and from Germany. I have the opportunity to be an exchange student for 10 months here on Hawaii and to be a student at St. Andrew's School.

Before coming here I sincerely wished to spend a year abroad, specially on Hawaii. By a German Company in Bonn my school was quickly found in Honolulu.

But it took several months to find a family who was willing to accept a foreign student for almost one year. My parents and me, we were very happy that my host family and their daughter Emily of my age invited me to stay with them.

Arriving at the airport of Honolulu, I was really surprised how heartily the whole family, especially Emily, welcomed me.

During these first six months with my host family they have readily taken care of my everyday needs and I am glad I have a room of my own. My host parents were so kind to take me for trips in and around Honolulu, the whole Isle and to enjoy the interesting Hawaiian culture and wonderful nature. They allowed me to see and learn such a lot here, which no one could ever teach me in Germany. I even had the opportunity to go with my host family on a Thanksgiving trip to Washington DC., Philadelphia and New York City with the „All State Marching Band“, because my host sister is a member of this Band.

With all this experience and engagement of a host family for young people, I would appreciate that these families would get a benefit in form of tax reduction by the state.

We children are your future.

House Bill 547 Written Testimony

Submitted by:

Gary A. Dias

1314 Akele Street

Kailua HI 96734

Home/Cell Telephone: 292-5278

Thank you for allowing this testimony.

My wife and I are a Host Family for the International Hospitality Center, and we currently have 2 young women from Estonia and Germany. Following is a list of what we provide to these young women at no expense to them or their families:

- Housing
- Three meals a day
- As much snacks as they desire
- Laundry
- No expense when we eat at restaurants
- Visiting locations around Oahu
- Transportation via our vehicle to and from school
- Transportation via our vehicle to and from school sporting practice and events.
- Minor school fees
- School supplies

I'm certain I left something out.

Following is a list of expenses that we incur when we provide the above items to the young exchange students:

- Additional home electrical expense
- Additional home water expense
- Additional vehicle gas expense

Please note that we are not compensated for these expenses.

Having these children participate in this program is a wonderful way to bring about a better understanding and acceptance of a global culture. The people of the planet earth are widely diverse, but we are, nevertheless, one people. Our differences because we live in different countries gives us a wonderful diversity.

However, I'm sure you understand there sometimes may be differences and disagreements between our government and the governments of other countries. What better way to bring harmony to our different opinions than for our world

youth to experience other cultures, countries, and beliefs than to come into our lives and get to know us as human beings rather than just the ugly American.

Now more than ever....a time when some people in our world are not appreciated, this program can serve to minimize future discord between the youth of different nations.

As you are aware, Hawaii is one of the many states that welcomes diverse people from around the planet.

Bringing children in under programs like the International Hospitality Center develops well rounded young people who may grow up with the Hawaiian spirit of acceptance and aloha.

But, this can only happen if Hawaiian Families volunteer to take these children in.

My wife and I do so with a spirit of great welcoming and support. And we do so without asking for reimburse for our expenses.

House Bill 547 will help us continue to support the Hawaiian spirit of acceptance and aloha to all the people of the world and especially to children participating in programs like the one I've described.

As a citizen and constituent of our Hawaiian elected officials, I urge you to pass House Bill 547.

Thank you for allowing me the opportunity to express my views.

Gary A. Dias
February 27, 2017

My name is Rohna Hartenstein. My family and I have lived in Hawaii for over 47 years and for more than 30 of those my husband and I have volunteered to host international exchange students in our home. Some of these have been short term stays ranging from 6 weeks to 6 months. In the last 15 years we have hosted high school students for the full academic year, from August to end of school the following year in May or June. A few of our students have attended the university, but the majority have been between the ages of 15 to 18 and have attended the local high schools.

When we welcome a new student into our home they become a part of the family and we consider them our new son or daughter and our own sons and their families become their "host" siblings. They participate in all of our family activities, holidays and religious celebrations. We provide their own room and all meals, take them to restaurants, movies, special events. We support their school activities, bringing snacks for their team and cheering them on.

At last count, I believe we have hosted well over 38 students representing more than 30 countries. We have sons and daughters all over the world. We still maintain communications by email and social media and letters with most of them, following them as they grow up and marry and have families of their own – There's no telling how many "grandchildren" we have now.

With the direction and guidance of Mrs. Barbara Bancel, director of the International Hospitality Center, the experience of meeting these students from all over the world has been exhilarating and rich for us and our family. We have learned about their countries, their cultures and customs and we have shared ours with them and their families. Along with their studies in math and sciences, the students learn about our history and government. They are required to participate in community service activities and we encourage them to earn their certificate for 100+ hours of volunteering in the community. They make presentations about their home country to their classes and to various professional and business organizations. As their host parents, we support them, counsel them and keep them safe.

Our participation has always been voluntary. We receive no payment for any of the costs. The students receive a nominal stipend through their sponsoring program to help defray some of their personal expenses, but the majority of financial support for their stay is borne by us as the host parents. Any of you who have families or are raising children certainly know that it can be expensive. While we agree to take on this responsibility each year, some recognition or relief would be welcomed and appreciated.

Thank you for considering this bill. I will be attending the hearing so I welcome any questions you may have for me.

Respectfully and with Aloha,

Rohna Hartenstein

47-455 Lulani Street

Kaneohe, HI 96744

Ph: 808-239-8660 Email: rohna@hawaii.rr.com