



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

Testimony of
Ford Fuchigami
Administrative Director, Office of the Governor

Before the
House Committee on Finance

March 7, 2018
11:00 a.m., Room 308

In consideration of
House Bill No. 1900
RELATING TO THE STATE BUDGET

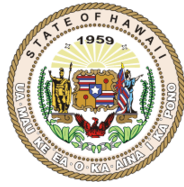
Chair Luke, Vice Chair Cullen and committee members:

The Governor is the CEO of the State of Hawai'i's Executive Branch and our Head of State, representing Hawai'i in national and international affairs. In addition to our O'ahu office, we have four neighbor island offices to serve our constituents across the state.

This year, the Office of the Governor is requesting an additional \$130,000 to fund the Chief Negotiator position which is important in assisting the Governor in the collective bargaining process. Governor Ige also has been active in the Western Governors' Association (WGA) and is currently the Vice Chair and will become Chair in 2018. Historically, the Chair hosts WGA's summer meeting in their home state. As such, we are requesting \$20,000. Finally, should there be a change in the Executive Administration, we have requested \$742,285 for transition and vacation payout.

We appreciate your attention and we hope to answer your questions, should you have any at this time. Again, mahalo for your continuing support of the Governor's Office budget.

Mahalo for your consideration.



OFFICE OF THE LIEUTENANT GOVERNOR
STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

DOUG CHIN
LIEUTENANT GOVERNOR

**TESTIMONY OF
Keira Kamiya, Chief of Staff,
OFFICE OF THE LIEUTENANT GOVERNOR
TO THE
HOUSE COMMITTEE ON FINANCE
03/07/18
11:00 am**

**HOUSE BILL NO. HB 1900
Relating to the State Budget**

Chair Luke, Vice-Chair Cullen and members of the Committee on Finance, the Office of the Lieutenant Governor **supports** House Bill No. 1900, Relating to the State Budget, as it pertains to the Office of the Lieutenant Governor. This measure appropriates funds for the supplemental operating and capital improvement budget of the Executive Branch for fiscal biennium 2018-2020.

The Office of the Lieutenant Governor has worked to fulfill its duties under the current Administration, including performing the statutory duties of the office, while also assuming the responsibility for several new initiatives and programs. Under new leadership, the Lieutenant Governor has continued work on the Farm to School Initiative to expand the inclusion of local products in school meals as it begins the next phase of implementation on Oahu. Additionally, he continues to support the Resources for Enrichment, Athletics, Culture and Health (R.E.A.C.H.) initiative, to help provide access to after-school programs to public middle/intermediate school students statewide, and is evaluating additional projects that he will be undertaking throughout the term. Such projects will likely continue to require staffing and operating expenses, which the Office will utilize within the existing budget. No additional funds are requested at this time; however, current funding levels are necessary to maintain staffing and operations moving forward.

We ask for the Committee's favorable consideration of our current budget request to ensure that the Office of the Lieutenant Governor can continue to ably serve the public and support current programs and responsibilities.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-NINTH LEGISLATURE, 2018**

ON THE FOLLOWING MEASURE:

H.B. NO. 1900, RELATING TO THE STATE BUDGET.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Wednesday, March 7, 2018 **TIME:** 11:00 a.m.

LOCATION: State Capitol, Room 308

TESTIFIER(S): Russell A. Suzuki, Acting Attorney General, or
George L. Ganir, Fiscal Officer

Chair Luke and Members of the Committee:

We support the Governor's Fiscal Biennium 2017-19 budget package, including Governor's Messages as submitted.

DAVID Y. IGE
GOVERNOR



LAUREL A. JOHNSTON
DIRECTOR
KEN KITAMURA
ACTING DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY LAUREL A. JOHNSTON
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1900**

**March 7, 2018
11:00 a.m.
Conference Room 308**

RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Cullen, and members of the Committee, thank you for the opportunity to provide testimony on House Bill No. 1900. The Department of Budget and Finance (B&F) supports the Executive Budget that was submitted by the Governor and as amended by the subsequent Governor's Message requests.

Our B&F FY 2019 requests include required adjustments to our non-discretionary fixed cost payments (debt service, State-employer retirement benefit payments, and State-employer health premium payments) and payments to meet Other Post-Employment Benefits (OPEB) for State employees. The fixed cost adjustments include Governor's Message items to:

- Reduce general fund appropriation request by \$9,569,549 in BUF 741 – Retirement Benefits Payments FY 2019 to correct the pension accumulation (PA) amounts for Correctional Officers. The PA amounts were calculated using the higher rate reserved

for the police and firefighters tier; however, most of the active Correctional Officers fall under the general employee's tier.

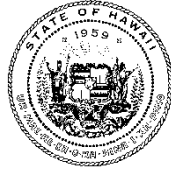
- Increase general fund appropriation request by \$48,978,602 in BUF 761 – Health Premium Payments to meet 100 percent of the Annual Required Contribution (ARC) for FY 2019 OPEB. Pursuant to Section 87A-42, Hawai'i Revised Statutes, beginning in FY 2019, the State is required to cover the entire ARC amount as determined by an actuary retained by the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF). The Governor's Message represents the additional amount required to meet the FY 2019 ARC as reported in the 2017 actuarial valuation, which was received after the FY 19 Executive Budget was submitted to the Legislature.
- Reduction in general fund requirements for Debt Service to reflect updated projections of debt service payments. These re-projections are based upon a revised bond issuance plan, resulting in reductions as follows:
 - \$1,217,222 for BUF 721 – Debt Service (State),
 - \$1,049,667 for BUF 725 – Debt Service (DOE) and;
 - \$388,480 for Debt Service (UH).

Finally, priority departmental budget requests for FY 2019 that are deemed necessary to support the mission critical needs of our departmental programs and attached agencies include the following:

- BUF 115 - Financial Administration Division (FAD) requests the conversion of 1.00 FTE authorized and filled Accountant V position from MOF (U) to MOF (A) as this Accountant position performs an on-going Statewide FAD Treasury function that should be funded by the General fund.

- BUF 141 – Employees’ Retirement System (ERS) requests 1.00 FTE Chief Compliance Officer and funds to ensure that ERS’ mission critical computer system which holds both Personal Identifiable Information (PII) and sensitive financial data are protected from an increasing array of security threats. The ERS also requests an additional \$1,485,000 for computer system programming changes to implement the Hawaii Domestic Relations Orders as mandated by Act 263, SLH 2016.
- BUF 151 – Office of the Public Defender (OPD) requests 1.00 FTE permanent Deputy Public Defender position for their Maui Office. This new Deputy Public Defender position is necessary to support the growing caseload activity in the Maui District and Family Courts to ensure that constitutionally mandated legal services are provided to the indigent in a timely, just, and cost-effective manner.

We appreciate the support from the House of Representatives on our past budget requests. Mahalo for your consideration of our comments.



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF
RODERICK K. BECKER, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE ON FINANCE
ON
WEDNESDAY, MARCH 7, 2018
11:00 A.M.
CONFERENCE ROOM 308

H.B. 1900

RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and members of the Committee, thank you for the opportunity to provide testimony on H.B. 1900. The Department of Accounting and General Services (DAGS) supports the Governor's supplemental budget package, which includes appropriations for DAGS' operations and capital improvement projects budgets during the 2018-2019 fiscal year.

We respectfully request this Committee's favorable consideration of the following items in our operating budget:

1. General Fund Items

- AGS104: Add 3.00 FTE temporary positions and \$280,000 for implementation of Act 1, First Special Session of 2017, for certification of disbursements related to rapid transit.
- AGS102: Add \$69,918 for full year funding for new positions authorized in Act 124, SLH 2016 to support DAGS accounting and payroll systems.
- AGS101: Add \$214,272 for full year funding for new positions authorized in Act 124, SLH 2016 for accounting and payroll system maintenance and upgrades.
- AGS807: Add \$75,000 for replacement of two utility vehicles at the DAGS Hilo baseyard.
- AGS232: Add 2.00 FTE permanent positions and \$141,180 to create a cemetery grounds-keeping crew.

- AGS240: Add \$118,872 to provide for the repricing of the Purchasing Specialist job series.
- AGS105: Add \$115,000 to provide for salary parity adjustments for Office of Information Practices.

2. Special Fund Item

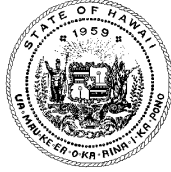
- AGS 111: Add \$265,000 for equipment for the Digital Archives Project.

Your committee's favorable consideration is also requested for the following capital improvement program items: 1) \$10 million for maintenance of existing facilities managed by DAGS statewide, 2) \$5.9 million for health and safety improvements for critical communication systems statewide, maintained by the Information and Communication Services Division, 3) \$15 million for health and safety improvements at Aloha Stadium, Oahu, and 4) \$500,000 for Washington Place health and safety improvement and Queen's Gallery renovation projects.

We also respectfully request for inclusion in this measure the transfer of 6.00 temporary positions and \$900,000 in general funds from DAGS to the Department of Taxation (DOTAX) for the Tax System Modernization project as contained in the Governor's Message No. 11.

Thank you for the opportunity to submit testimony on this measure.

DAVID Y. IGE
GOVERNOR



RYKER WADA
INTERIM DIRECTOR

JASON MINAMI
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES
DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 6, 2018

TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE

For Hearing on Wednesday, March 7, 2018
11:00 a.m., Conference Room 308

BY

RYKER WADA
INTERIM DIRECTOR

House Bill No. 1900
Relating to the State Budget

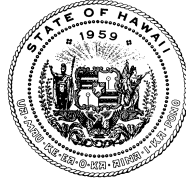
TO CHAIRPERSON LUKE, VICE CHAIR CULLEN AND MEMBERS OF THE
COMMITTEE:

The purpose of House Bill No. 1900 is to appropriate funds for the operating and capital improvement costs for agencies in the Executive Branch for the fiscal year 2019.

The Department of Human Resources Development (DHRD) **strongly supports** this measure as it relates to DHRD's budget request for \$101,080 to continue the learning management system (LMS) and self-directed learning library. The LMS and self-directed learning library makes it possible for DHRD to offer Executive Branch employees access to hundreds of training topics (e.g., leadership, customer service, EEO, safety and workplace violence, Microsoft Office, etc.) from their desktops, making training for performance improvement and career development available at any time.

We are aware of the challenges ahead and remain committed to work with the Legislature to seek solutions that effectively balance short and long-term priorities.

Thank you for the opportunity to provide testimony on this measure.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of H.B. 1900
RELATING TO THE STATE BUDGET**

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: March 7, 2018
Time: 11:00 am

Room Number: 308

1 **Fiscal Implications:** Sufficient appropriations are required to assure optimal public health, and
2 in particular for addressing the kupuna, the homeless, ambulance services, environmental
3 management, and community mental health issues.

4 **Department Testimony:** The Department of Health (DOH) supports House Bill 1900, Relating
5 to the State Budget. This measure appropriates funds for the operating and capital improvement
6 budget of the Executive Branch for Supplemental FY19 beginning July 1, 2018 and ending June
7 30, 2019.

8 The department appreciates the Legislature's ongoing support, which included as part of FY18's
9 budget, operating funds to support homeless outreach and counseling, funds for care of the
10 aging, funds for the rebase of the provider payment rates for I/DD Home and Community Based
11 Services Waiver, as well as funds to support long-term sustainability of key public health
12 programs that improve the health of Hawaii's residents.

13 For FY19, DOH supports the Governor's Executive Supplemental Budget Request and
14 Governor's Message dated January 22, 2018 and wishes to highlight several priorities by
15 Administration:

16

17

1 Behavioral Health Administration:

- 2 • Adult Mental Health Division (Outpatient) is requesting to convert 42.5 temporary
3 general funded FTE positions to permanent FTE positions to assist in the recruitment and
4 retention of employees in the Oahu Community Mental Health Centers. The duties and
5 responsibilities for these positions are of a permanent nature.
6
7 • The Alcohol and Drug Abuse Division is requesting general funds to provide outreach
8 counseling and law enforcement diversion services for the chronically homeless who
9 suffer from severe substance abuse disorders. (\$800,000).

10

11 Health Resources Administration:

- 12 • The Family Health Services Division, Early Intervention Services is requesting
13 additional general funds to meet the rising costs of providing federally mandated Early
14 Intervention Services. (\$2M).
15
16 • The Emergency Medical Services and Injury Prevention Systems Branch is requesting
17 additional general funds to meet requirements for collective bargaining for contracted
18 employees to provide emergency ambulance service for the County of Maui, the County
19 of Kauai, the County of Hawaii, and the City and County of Honolulu. (\$2.8M).

20

21 Environmental Health Administration:

- 22 • The Environmental Management Division is requesting to change means of financing
23 from federal funds to general funds for 1 permanent Environmental Health Specialist IV
24 for water pollution control enforcement. The projected reductions in EPA funds will not
25 support this position, however the department needs to meet its legal obligations for
26 compliance over sight of the Hawaii National Pollutant Discharge Elimination System
27 regulated facilities. (\$46,932). The Environmental Management Division is also

1 requesting to change means of financing from federal funds to general funds for 2
2 permanent Environmental Health Specialist V positions for supervision of the
3 Underground Storage Tank Section. With declining federal funding, the Department of
4 Health is still responsible for statewide monitoring inspection and enforcement of
5 underground storage tank owner and operator compliance. (\$154,836).

6 General Administration:

- 7 • The Communication's Office is requesting for 1.00 permanent Information Specialist IV
8 (#99602H) and general funds for public health alerts, risk communication, information
9 management and public education. (\$27,546).
- 10
- 11 • The Executive Office on Aging is requesting general funds for continued development
12 and implementation of the Aging and Disability Resource Center (ADRC). Funds will be
13 used to support the operations of the 4 ADRC sites throughout the State. (\$1.7M).
- 14
- 15 • The Executive Office on Aging is also requesting general funds to increase Kupuna Care
16 base to support vulnerable older adults to reduce their risk of admission to facilities.
17 (\$3.8M). A request is also being made for general funds for the Kupuna Caregiver
18 program to support working caregivers up to \$70 a day to cover the costs of providing
19 care. (\$600,000).

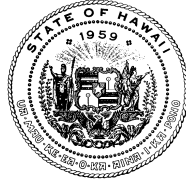
20 Capital Improvement Projects:

- 21 • \$3.7M in CIP bond funds in FY19 as state match for the Environmental Protection
22 Agency federal capitalization grants (\$18.5M) to be able to maximize loan funds to the
23 counties for drinking water, waste water, and storm water infrastructure projects.
- 24
- 25 • \$1.75M for Kalaupapa Settlement improvements, \$7.6M for DOH health and safety
26 improvements statewide, \$5.4M for Hawaii State Laboratories improvements, and
27 \$950,000 for Hawaii State Hospital improvements.

- 1 Governor's Message dated January 22, 2018: The DOH is requesting \$17.4M in general
- 2 obligation bond funds for perimeter security fence at the Hawaii State Hospital to comply with a
- 3 condition for a Planned Review Use permit needed to proceed with the building of the planned
- 4 new forensic facility on the Hawaii State Hospital campus.

- 5 Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR OF HAWAII



TERRI BYERS
DIRECTOR

VIRGINIA PRESSLER, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831
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Testimony in SUPPORT of HB1900
Relating to the State Budget

COMMITTEE ON FINANCE
REPRESENTATIVE SYLVIA LUKE, CHAIR
REPRESENTATIVE TY J.K. CULLEN, VICE CHAIR

Testimony of Terri Byers
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: March 7, 2018
11:00 a.m.

Room Number: 308

1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
2 of Health is in strong support of our operating budget as outlined in the General Appropriations
3 Act of 2018, H.B. 1900, HTH 904, page 43, item 25.

4 **Purpose and Justification:** The appropriation amount of \$13,829,319 for SFY 2018-2019 is to
5 support the following:

- 6 1) A housekeeping measure to move state operating funds in the amount of \$8,844 from
7 current expenses to personnel;
- 8 2) A funding request for the Kupuna Care program;
- 9 3) A funding request for Aging and Disability Resource Center (ADRC); and
- 10 4) A funding request for the Kupuna Caregivers program.

11 Kupuna Care funds will support vulnerable older adults with support services to reduce their risk
12 of admission to a care facility. As Hawaii's aging population continues to grow, the need for

1 long term services and supports will increase, thus putting a severe strain on the State's
2 resources. Kupuna Care assists frail adults, age 60 and older to lead independent, meaningful,
3 and dignified lives. It provides a continuum of home and community based services and
4 supports to age in place thus preventing or delaying the need for more expensive and more
5 restrictive levels of care. On average, the annual cost for a Kupuna Care participant is \$1,379
6 compared to the annual cost of a semi-private room nursing home at \$137,244 per person.¹
7 In SFY 2017, Kupuna Care services was provided to 5,367 individuals, a 10% increase from
8 FFY 2015. EOA is requesting an increase in Kupuna Care's base budget by \$3,877,063 for a new
9 base budget of \$8,731,368.

10 The funding allocation distributed to each county for the Kupuna Care program supplemental
11 request needs to be amended to reflect the following: 1) Kauai County (\$405,897); City and
12 County of Honolulu (\$2,188,400); Maui County (\$542,130); and Hawaii County (\$740,636).

13 The funding allocation for the ADRC will enable EOA and the four county based Area Agencies
14 on Aging to continue to implement, operate, and maintain their ADRC sites in accordance with
15 federal requirements, and integrate participant directed supports that meet the needs of Hawaii's
16 kupuna. During SFY 2017, a total of 35,007 calls were made to the ADRC statewide, a 30%
17 increase in call volume from SFY 2016. The ADRC linked 11,039 older adults to federal and
18 State publicly funded long term services and supports, a 35% increase over SFY 2016. The
19 request is for an additional \$1.7 million to the ADRC base budget of \$1.4 million totalling \$3.3
20 million dollars.

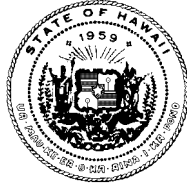
¹Genworth 2017 Annual Cost of Care Survey: Home Health Care Costs Increased in Hawaii

1 Lastly, funding is requested for the Kupuna Caregivers program to support family caregivers.
2 The Kupuna Caregivers program is in the pilot phase and was launched in December 2017. To
3 date, the program is serving 21 individuals statewide and has generated 9 new service provider
4 contracts with 8 new providers within Honolulu. The Kupuna Caregivers program addresses the
5 growing needs of working caregivers.

6 **Recommendation:** EOA respectfully requests your support of EOA operating budget as
7 outlined in HTH 904 of HB1900.

8 Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

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

March 6, 2018

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1900 – RELATING TO THE STATE BUDGET**

Hearing: Wednesday, March 7, 2018, 11:00 a.m.
Conference Room 308, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the Governor's supplemental budget request and provides comments.

PURPOSE: The purpose of the bill is to adjust and request appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

The Department's guiding principles, vision statement, mission statement, and core values are as follows:

Guiding Principles

DHS is guided by article IX, section three of the Hawaii State Constitution regarding public assistance, the "Aloha Spirit" statute (section 5-7.5, Hawaii Revised Statutes (HRS)), and 'Ohana Nui, Hawai'i's multi-generational approach to the delivery of human services.

Vision Statement

The people of Hawai'i are thriving.

Mission Statement

To encourage self-sufficiency and support the well-being of individuals, families, and communities in Hawai'i.

Core Values

- T Team-oriented** – We acknowledge that internal and external partnerships are critical to the success of DHS.
- H Human-centered** – We develop strategies and make improvements as necessary from the client’s perspective.
- R Respectful** – We recognize the inherent value of each person as well as the diverse cultures of Hawai‘i.
- I Intentional** – We are mindful of our decisions and actions in our collective work.
- V Visionary** – We strive to support our clients by co-creating generative, forward-looking strategies.
- E Evidence-based** – We make decisions that are based on data and take actions that we know will have sustainable outcomes.

DHS consists of four major divisions, six staff offices, the Director's Office, two attached agencies, and two attached commissions. DHS provide benefits and services to one in four Hawai‘i residents, or nearly 360,000 individuals. The state’s Medicaid program, QUEST Integration, provides medical insurance coverage for nearly one-half of Hawai‘i’s children. We have approximately 2,300 employees deployed in 84 offices across the state, and we manage an annual budget of nearly \$3.5 billion, of which 64.5% are federal funds.

The work we do supports our residents to achieve well-being in a holistic sense. We understand that well-being encompasses many facets of life, including health, housing, safety, work, education, family, and community. We provide critical benefits, programs, and services in these vital areas.

DHS distributes approximately \$2.9 billion in benefits to the state’s low-income, disabled, elderly, individuals, and families. The impact of these public benefits to the community is significant. For example, in state fiscal year (SFY) 2017 DHS provided \$483 million in Supplemental Nutrition Assistance Program¹ (SNAP) benefits to 166,923 individuals across the state, and research shows that every \$5 in SNAP benefits generates as much as \$9 of economic activity.

We developed the supplemental budget in support of the mission with the ultimate goal to reduce intergenerational poverty. By investing in continuing improvement of administrative processes and IT capacities, we also set the foundation to integrate our services, improve our service delivery, and develop data analytics. The following is a summary of our key budget requests and we incorporate additional adjustments per Governor's Message (GM) 11 received by the Senate on March 2, 2018. See https://www.capitol.hawaii.gov/measure_indiv.aspx?billtype=GM&billnumber=11&year=2018.

Hawai‘i Public Housing Authority (HPHA)

The Hawai‘i Public Housing Authority will provide testimony separately.

¹ Previously referred to as food stamps.

Office of Youth Services (OYS)

Operating Budget Request

HMS 501YA – In-Community Youth Programs

**501YA-01 Juvenile Justice Program Services
\$240,000 A**

This request follows the significant decrease of federal funds from \$918,864 for federal fiscal year (FFY) 2011 to a total federal grant award amount of \$394,251 in FFY 2017. This state fund request will support graduated responses to prevent secure detention and confinement for arrested youth. Program services will support youth and their families with issues such as trauma and mental health to prevent entrance into the juvenile justice system. These funds will further support community-based services to develop and address effective prevention, diversion, rehabilitation programs, and training.

CIP Budget Requests

HMS 503 – Hawai'i Youth Correctional Facility (HYCF)

**FY19.1 HYCF Campus Improvements Planning
\$100,000 C**

This project involves plans to redevelop the Hawai'i Youth Correctional Facility campus to include modernization of existing facilities, construction of new facilities, demolition of unneeded facilities, and site and infrastructure improvements. The proposed building and facility improvements will have a useful life of over 20 years.

**FY19.3 HYCF – Observation and Assessment Cottage, Perimeter Fence, Oahu
\$200,000 C**

This project will demolish the existing fence line and replace it with new fencing that will provide visual privacy of clients around the entire compound (both buildings and other supporting structures including parking areas). The new fence line will include two motorized gate access points and several pedestrian gates into the compound.

Benefits, Employment & Support Services Division (BESSD)

Operating Budget Requests

HMS 204 – General Assistance Payments

**204PD-01GM Interim Assistance Reimbursement Special Fund
\$3,000,000 B**

Act 196, Session Laws of Hawaii (SLH) 2015, codified as section 346-57.5, HRS, established the Interim Assistance Reimbursement (IAR) special fund. Act 196 was an appropriation bill and not part of the Budget Act, therefore the special funds were not made part of the program budget after state fiscal year (SFY) 2016. This request creates an ongoing ceiling in the IAR special fund and integrates the amount into the program budget.

The funds deposited into the IAR special fund are reimbursements received from the U.S. Social Security Administration on behalf of recipients of state-funded financial benefits who were retroactively approved for federally funded supplemental security income (SSI). This primarily involves the General Assistance (GA) program which provides financial assistance to disabled single adults and is 100 percent state funded.

The IAR special fund was created because the processes to determine SSI eligibility and the subsequent reimbursement amount may take several years to complete. In a majority of cases, the federal IAR is not received by DHS in the same fiscal year in which the state-funded benefits were paid. Prior to the IAR special fund, DHS was not allowed to retain IARs received for a prior fiscal year as the reimbursements were returned to the general fund.

Retaining the IAR funds provides fiscal continuity to the GA program that is a 100 percent state funded block grant. With the ability to retain the reimbursed funds, DHS will avoid future requests for emergency appropriations to continue the GA program as was required in 2012, or avoid downward fluctuating benefit payment levels as in 2013 to stay within the program's appropriation while addressing an increased caseload of eligible disabled individuals.

The targeted use of the IAR special fund will only be for state-funded financial assistance payments and for programs that support and assist recipients to qualify for federal SSI benefits. Further, the IAR special fund limits the accrued amount of IAR to \$3,000,000, with unexpended moneys remaining on balance in the fund lapsing to the general fund.

HMS 224 – Homeless Services

224HS-01 Family Assessment Center \$680,000 A

The Family Assessment Center (FAC) in Kaka‘ako utilizes 'Housing First' principles to quickly move families with minor children experiencing homelessness off the streets and into permanent housing. FAC can accommodate 12-14 families (up to 50 people) at any one time and needs additional funding to continue critical services beyond SFY 18.

The center opened in September 2016 and served 184 people. During its first year of operation, 35 out of 38 families entering the facility were placed into housing. The housing placement rate in FAC's first year was 92% (35 out of 38), and families were housed in an average of 82 days.

In addition to quickly moving families with minor children out of homelessness and into permanent housing, the center also increased the income for 59% of families through linkages to public benefits, employment, and other critical resources during their stay at the facility.

Incorporating the DHS ‘Ohana Nui strategy of service integration, FAC addresses the social determinants of health and provides increased housing stability for families with minor children.

224HS-02 Homeless Outreach and Civil Legal Services \$1,750,000 A

Homeless outreach is a key area of our homeless services system of care that requires additional resources. Homeless outreach services are intended for unsheltered homeless population, to engage them in services to be housed, and end their homelessness. The services offered by homeless outreach providers include: assistance with obtaining identification documents and other vital records (e.g. birth certificates); identifying and locating suitable housing options; providing support through the housing location and move-in process; and assistance to increase income through job search and applications for public benefits.

This request also includes funds for civil legal services to obtain identification, assist with landlord-tenant, and fair housing issues. Civil legal services for fair housing issues were federally funded through the U.S. Department of Housing and Urban Development (HUD); however, federal funds were cut in federal fiscal year (FFY) 2016.

**224HS-03 Rapid Re-Housing Program
\$3,000,000 A**

Rapid Re-Housing is a nationally recognized best practice that helps individuals and families to quickly exit homelessness, return to housing in the community, and avoid future homelessness. The core components of Rapid Re-Housing are housing identification and location services, time-limited move-in and rental assistance, and short-term case management services. This practice has been long endorsed by HUD as an effective way to end homelessness among families with minor children. Rapid Re-Housing assists persons living in shelters as well as unsheltered locations. Consistent with 'Ohana Nui' strategy, the Rapid Re-Housing program will address the social determinants of health and provide increased housing stability for families with minor children.

In 2017, the Rapid Re-Housing program provided Rapid Rehousing assistance to 232 households with 588 individuals to remain in housing and avoid homelessness. The following is a preliminary list of the average amount of potential housing expenses and illustrates how families may use Rapid Re-Housing assistance to remain in housing:

- Rent = \$657.30;
- Security Deposit = \$742.74;
- Utilities Deposit = \$257.88;
- Rent Arrears = \$950.25; and
- Move in Expense = \$600.00.

**224HS-05 Housing First Program
\$3,000,000 A**

The Housing First program provides housing and supportive case management services to individuals and families considered chronically homeless. Supportive case management services and rental subsidies are key to moving individuals and families off the streets, ensuring that they remain successfully housed, and reducing utilization of high-cost emergency room services.

With the requested funds, the Housing First program is projected to serve at least 175 individuals and family members statewide. The funding for Housing First includes both monthly rent and ongoing wraparound case management. Without sustained funding, the individuals who are currently supportively housed through Housing First will be at immediate risk to return to homelessness.

Established by section 346-378, HRS, the state's successful Housing First program has been in operation on O'ahu for over four years and has provided

supportive housing to 115 chronically homeless, highly vulnerable individuals and family members during this period. The housing retention rate of the state's Housing First program is approximately 97% – that is 97% remain housed – which far exceeds the national average of 80%.

A preliminary analysis by the University of Hawai'i's Center on the Family of a subset of state Housing First clients estimated that based on client report, that with housing stability, healthcare costs for clients dropped an average of 43% in just six months following housing placement – from an average of \$10,570 per client per month to \$5,980 per client per month.

**224HS-06BF Homelessness Property Storage, Trash and Debris Removal, Notifications, and Equipment, State-wide
\$5,000,000 A**

The state's framework² to address homelessness includes ensuring public safety, especially related to unauthorized encampments located on state lands. Responsible state agencies require support to take measures that prevent unauthorized encampments from becoming established, such as placing appropriate signage and installing fencing when appropriate. The same agencies also need to address personal property left on state lands after an encampment is vacated or when individuals trespassing on state land leave the property.

The funds requested will support a stored property program to be implemented statewide and will be utilized to contract a vendor for stored property, purchase necessary supplies and equipment for property storage and debris removal activities, and support the installation of signage and fencing to prevent unauthorized encampments from becoming established on state lands.

In other jurisdictions on the U.S. mainland, communities without the process or means to temporarily store personal property left behind on public lands have become vulnerable to litigation related to the individual's right to due process. Additionally, service providers have reported that enforcement of homeless encampments may result in the loss of government ID and other vital records, which then becomes a barrier to achieving permanent housing for displaced homeless persons.

HMS 302 – General Support for Child Care

**302DA-01 Funds and position count for General Support for Child Care
\$19,160 A, FTE 0.50 A / \$28,788 N, FTE 0.50 N**

² See https://governor.hawaii.gov/wp-content/uploads/2016/07/160721-Homeless-Plan-One-pager_v12-FINAL_media.pdf

This supplemental budget request is for the state's child care program to meet federal program requirements for the posting of full monitoring inspection visits and substantiated complaint reports on the public website.

The goal of the child care licensing program is to ensure the health, safety, and well-being of children attending licensed and registered child care homes and facilities by developing and enforcing minimum standards for each type of regulated care. This budget request will augment the need for additional quality assurance reviews based on the federal Child Care and Development Block Grant (CCDBG) Act of 2014 (Public Law 113-186) and 45 Code of Federal Regulations (CFR) Part 98 requirement to post full monitoring inspection reports and substantiated complaint reports on a public website that is consumer-friendly and has summary information in plain language.

States are required to conduct site visits for all licensed and registered child care providers at least annually. DHS oversees approximately 1,000 regulated child care homes and facilities statewide and strives to visit each home or facility twice a year. These visits result in nearly 2,000 inspection reports that will be required to be posted to the public website on an annual basis.

Regulated child care programs and providers that meet established health and safety requirements are providing vital services in the community so that Hawai'i's parents are able to maintain employment activities that are necessary for their family's well-being and ultimately increase family resources. Greater access to information about child care providers, will assist parents to make appropriate and informed child care decisions for their children.

In addition to site visits, DHS will begin monitoring exempt, non-related providers who care for children receiving child care subsidies; this includes 200 exempt center-based programs and 1,000 non-relative home-based caregivers.

DHS will also conduct complaint investigations for violation of minimum health and safety standards for exempt child care providers who care for children receiving child care subsidies. Substantiated complaint investigation reports for licensed and registered child care providers and exempt center-based providers will need to be posted on the public website.

Social Services Division (SSD)

Operating Budget Request

HMS 303 – Child Protective Services Payments

303WP-01 Foster Board Rates
\$4,634,292 A / \$2,495,388 N

This budget request is to cover an increase in board rates for children in foster care along with concomitant increases in adoption assistance, permanency assistance, Imua Kākou, and higher education payments. The new board rates for SFY 2019 will be \$649 for children ages birth to 5 years, \$742 for children ages 6 to 11 years, and \$776 for youth and young adults ages 12 years and over.

Med-QUEST Division (MQD)

Operating Budget Requests:

HMS 401 – Health Care Payments

401PE-01 Restore Adult Dental Benefit
\$4,704,480 A / \$7,056,720 N

In 2009, the adult dental benefit was eliminated, except for emergency procedures including extractions, resulting in no coverage for preventive dental care. Provision of preventive dental care for adults would reduce the need for emergency dental care. Since the elimination of the full adult dental benefit, preventable emergency room visits for oral health have more than doubled, largely driven by adults. Oral health has a direct impact on the overall health of individuals, especially those who have chronic diseases such as diabetes and heart disease. The lack of an adult dental benefit has meant that the Medicaid beneficiary cannot receive a whole-person approach to their health and health care. This request would restore the benefit to prior levels, with a spending cap of \$600 for preventive dental benefits per benefit year.

401PE-01GM Restore Adult Dental Benefit
(\$294,480) A / (\$441,720) N

This request reduces the restored adult dental benefit for Medicaid recipients by \$294,480 in general funds and \$441,720 in federal funds from the original Governor's request due to a review of the assumptions.

MOF	Original	Current	Difference
A	\$4,704,480	\$4,410,000	\$294,480
N	\$7,056,720	\$6,615,000	\$441,720
Total	\$11,761,100	\$11,025,000	\$736,200

**401PE-02BF Medicaid Savings Adjustment
(\$783,505) A**

This is an adjustment to the base budget of HMS 401 in SFY 19 due to the projected expenditures being less than the budgeted appropriation in the base budget.

**401PE-02GM Medicaid Increase Adjustment
\$2,798,600 A**

This adjustment is proposed due to projected expenditures being greater than the budgeted appropriation. Prior estimates used a preliminary Federal Medical Assistance Percentage (FMAP) rate. The actual approved FMAP rate is lower than the preliminary one, necessitating state expenditures that are higher than prior estimates.

September 2017 Projection	FY 2019			
	Federal Funds	General Funds	Other Funds	Total
Capitation Expenditures	\$ 1,543,574,457.51	\$ 713,073,957.69	\$ 12,610,392.00	\$ 2,269,258,807.20
CCS Capitation	\$ 29,635,515.00	\$ 24,964,485.00	\$ -	\$ 54,600,000.00
Other FFS	\$ 206,303,349.75	\$ 205,286,650.25	\$ 8,764,223.00	\$ 420,354,223.00
TOTAL	\$ 1,779,513,322.26	\$ 943,325,092.94	\$ 21,374,615.00	\$ 2,744,213,030.20
Appropriation	\$ 1,803,909,546.00	\$ 944,108,598.00	\$ 21,374,615.00	\$ 2,769,392,759.00
Difference	\$ 24,396,223.74	\$ 783,505.06	\$ -	\$ 25,179,728.80
November 2017 Projection	FY 2019			
	Federal Funds	General Funds	Other Funds	Total
Capitation Expenditures	\$ 1,541,395,291.17	\$ 715,253,124.03	\$ 12,610,392.00	\$ 2,269,258,807.20
CCS Capitation	\$ 29,557,710.00	\$ 25,042,290.00	\$ -	\$ 54,600,000.00
Other FFS	\$ 205,761,721.50	\$ 205,828,278.50	\$ 8,764,223.00	\$ 420,354,223.00
TOTAL	\$ 1,776,714,722.67	\$ 946,123,692.53	\$ 21,374,615.00	\$ 2,744,213,030.20
Appropriation	\$ 1,803,909,546.00	\$ 944,108,598.00	\$ 21,374,615.00	\$ 2,769,392,759.00
	\$ 27,194,823.33	\$ (2,015,094.53)	\$ -	\$ 25,179,728.80
TOTAL VARIANCE		\$ (2,798,599.59)		

HMS 902 – General Support for Healthcare Payments

**902IA-01 Enterprise System Maintenance and Operations
\$5,250,000 A**

This request is for the maintenance and operations (M&O) of the DHS Enterprise System Medicaid eligibility and enrollment application, known as the Kauhale On Line Eligibility Assistance (KOLEA). KOLEA is the information technology system developed in accordance with the Patient Protection and Affordable Care Act (ACA), signed into law by President Barack Obama on

March 23, 2010. KOLEA supports the eligibility determination process for the state's medical assistance programs. M&O includes hosting of the system, all underlying software licenses (Oracle, IBM) and the hardware to operate the platform, the state hub (provides connectivity to the federal data services hub required by the Affordable Care Act), and connectivity to other data sources for verification. It also includes the technical services to continually monitor the system, to implement updates and patching of underlying software to keep software updated, and to address vulnerabilities. Finally, the request includes production support staff that provide a help desk and make necessary enhancements to address eligibility determination. This request is eligible for 75% federal financial participation rate. The federal financial participation amount of \$15,750,000, or 75% participation rate, approved in Act 49 (2017) (HB100 HD1 SD1 CD1) for the fiscal biennium, SFY 2017 – SFY 2019.

9021A-03

Health Analytics

\$703,980 A, FTE 1.20 A / \$495,120 N, FTE 0.80 N

MQD is seeking to expand and enhance its capabilities for health analytics and will also enhance other capabilities for health analytics through the management, coordination, and collaboration with other state departments in the use of the All-Payer Claims Data warehouse (APCD). The administration is submitting a legislative measure to create a health analytics program and the APCD within MQD. This effort includes the Department of Health, State Health Planning and Development Agency, Insurance Division with Department of Commerce and Consumer Affairs, the University of Hawai'i, the Department of Budget and Finance, Hawai'i Employee-Union Health Trust Fund, and Enterprise Technology Services of the Department of Accounting and General Services, who are all members of the governing body for the APCD.

Increasing the health analytics and informatics capabilities are essential for program administrators and policy makers to be able to comprehensively analyze cost, utilization, and quality trends across all payers. Also, new federal rules regarding Medicaid managed care and network adequacy require examining community standards for accessing care which is only possible if one can readily access such standards using datasets such as those in the APCD. Additionally, Medicaid is able to more readily leverage federal Medicaid dollars for APCD if the analyses and some contracting are located in and working for the Medicaid agency.

The proposal adds two exempt positions to MQD: a Health Analytics/Informatics Program Manager and a Research Analyst/Statistician to do the needed analyses using APCD and Medicaid data. There is anticipated that legal advice from the Department of the Attorney General will be required. Additionally, there is the core need for the actual information

technology and infrastructure, data management, and applied analyses of the APCD, which is currently being contracted with University of Hawai'i.

General Administration (DHS)

Operating Budget Requests:

HMS 904 – General Administration

**904AA-02 Change in MOF for Planner V
\$0 A, FTE 0.25 A / (\$22,867) N, FTE (0.25) N**

Position Number 46389, Planner, is under the General Administration/Budget Planning Management Office. Currently, the position is split funded – 75% MOF A and 25% MOF N.

General Administration does not have federal funds to cover the federal fund portion of the Planner V position. The reduction would correct the FTE for the position to be 100% MOF A.

We respectfully request to change the means of funds for Position number 46389 from 75% A, 25% N to 100% general funded.

**904AA-03GM Funds for Five (5.00) AAO Exempt Hearing Officers and Transfer Funds from Other Current Expenses to Personal Services.
\$0 A, FTE 3.75 A / \$85,159 N, FTE 1.25 N**

This request adds 5.00 permanent positions and \$403,939 (3.75 FTE and \$318,780 in general funds, and 1.25 FTE and \$85,159 in federal funds) in personal services, and trades off \$318,780 in general funds in other current expenses to budget 5.00 special projects Hearing Officer positions in the General Administration program budget.

The department's Administrative Appeals Office (AAO) is mandated by federal and state laws, regulations, and rules to conduct administrative hearings and issue final decisions on behalf of the Director within sixty (60) or ninety (90) days from the date of the request for administrative review of an adverse decision by the department. Annually, AAO receives nearly 1,900 requests from applicants or recipients for administrative relief. AAO also receives approximately thirty requests per year for administrative relief from providers of medical goods or services.

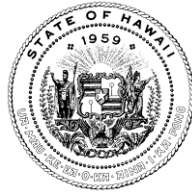
In 2017, Governor David Y. Ige granted the Department's request to establish and fill five exempt Administrative Appeals Hearing Officer positions as part of a temporary pilot project. Prior to this, DHS contracted private licensed

attorneys to act as administrative appeals hearing officers. After consultation with the Department of the Attorney General, DHS decided it would be more efficient to have in-house officers to maintain program integrity, timeliness, compliance with program regulations, and other statutory mandates. To date four (4) positions have been filled, and these administrative hearing officers are rendering final decisions in accordance with state laws.

No additional general funds are being requested. Although the current budgeted amount is insufficient to sustain the salaries, other budgeted current expenses will be used to supplement the general fund portion. However, we are requesting an additional ceiling of \$85,159 in federal funds.

The funding for the five (5) exempt hearing officers is necessary and required for the department's full compliance with the statutory requirements and to ensure an efficient and prompt administrative hearing process for the department's clients, applicants, and providers of medical goods and services.

Thank you for the opportunity to provide testimony on this measure.



DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
LIEUTENANT GOVERNOR

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**PRESENTATION OF THE
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-NINTH LEGISLATURE
Regular Session of 2018

Wednesday, March 7, 2018
11:00 A.M.

TESTIMONY ON HOUSE BILL NO. 1900, RELATING TO THE STATE BUDGET.

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

The Department of Commerce and Consumer Affairs (“DCCA” or “Department”) appreciates the opportunity to testify on H.B. 1900, Relating to the State Budget. My name is Catherine Awakuni Colón, and I am the Director of the Department (“Director”). DCCA supports this bill, which appropriates funds for the Department’s operations during the 2017-2019 fiscal biennium (“FB 2017-2019”).

DCCA is the state agency responsible for promoting a strong and healthy business environment by upholding fairness and public confidence in the marketplace and by increasing knowledge and opportunity for our businesses and citizens. The Department is supported exclusively by special funds to cover the operations of the Department’s multiple divisions and programs. The Department supports the appropriation items requested in H.B. 1900 as being necessary to support DCCA operations during FB 2017-2019 and as dedicated funds to improve communications infrastructure and government functionality.

The Department would like to highlight the following budget request items relating to the addition of positions in various DCCA divisions, as set forth in the FB 2017-2019 Executive Budget, that will enhance departmental operations:

- **CCA-111 – Business Registration and Securities Regulation (BREG):** \$85,029 in special funds for FY 19 to add one permanent position of Deputy Securities Commissioner (EM-05). As the final adjudicator of administrative legal cases prosecuted by the Securities Enforcement Branch (SEB), the Securities Commissioner is unable to know the specifics of cases while they are being investigated and litigated. In contrast, the Deputy Securities Commissioner would be directly involved in these cases and able to supervise SEB's investigations and litigation. The Deputy Securities Commissioner would also assist the Securities Commissioner in handling the daily administrative and operational functions of BREG, provide program continuity and experience, and align BREG with the organizational structure that exists in other DCCA divisions of comparable size.
- **CCA-104 – Division of Financial Institutions (DFI):** \$71,200 in special funds for FY 19 to add one permanent position of staff attorney. The staff attorney would provide legal expertise to DFI and handle a workload that has increased dramatically due to the number and type of financial institutions DFI regulates and the scope and complexity of the work.
- **CCA-106 – Insurance Regulatory Services (INS):** \$1,210,906 in federal funds for FY 19 to add two temporary positions (\$248,000) and allow for other expenses (\$962,906). These temporary positions and related expenses would help build INS' market analysis and market conduct capacity to examine Hawaii health insurers' compliance with health insurance market reforms and consumer protections. In addition, this federal funding will support a market regulation program and mechanisms for gathering insurance-related information.

Thank you for the opportunity to testify in support of H.B. 1900. I would be happy to answer any questions the Committee may have.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

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Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development & Tourism

Before the

HOUSE COMMITTEE ON FINANCE

Wednesday, March 7, 2018

11:00 AM

State Capitol, Conference Room 308

HB1900

RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee. Thank you for this opportunity to testify on the Department of Business, Economic Development, and Tourism's budget.

DBEDT Budget Priorities:

1. **BED 143 – Hawaii Technology Development Corporation - \$970,000 General Fund Appropriation** to pay HTDC staff and continue programs when rent payments from incubator tenants at Manoa Innovation Center shift to the University of Hawaii on July 1, 2018. Tenant rent is HTDC's primary source of revenue.
2. **BED 142 – Hawaii Broadband Initiative CIP request** - Appropriation of \$10 million in general obligation bonds to fund a secure, carrier-neutral, open-access cable landing site. GO bonds will allow successful completion and amended competitive procurement and implementation of the project.
3. **BED150 – Natural Energy Laboratory of Hawaii Authority - \$500,000 in General Funds** for an Aquaculture Proof of Concept Center with commercialization services for start-ups in Hawaii's Aquaculture cluster. The general approach is to create a facility and program at NELHA, using the existing world-class facilities, to attract entrepreneurs in startups to help them expand into the market and find a commercial space for their project.
4. **BED120 – Hawaii State Energy Office - \$500,000 (MOF: A) State Energy Plan Update** As with the initial 2008 Hawaii Clean Energy Initiative (HCEI), due diligence with regard to analyses to support the Energy Plan was completed prior to developing goals and policies. With the swift changes in technologies and innovation, new utility grid concerns, and expanding plans and goals for transportation, we must conduct due diligence by updating and conducting new analyses. Preparing an updated State Energy Plan requires resources.

5. **BED143 – Hawaii Technology Development Corporation - \$750,000 Excelerator program.** This funding helps support Hawaii’s start-up innovation accelerators. The accelerators are still in their early formation and need financial support to provide the necessary training to equip young entrepreneurs for success. All four accelerators are nationally recognized and ranked as the top accelerators in the country. There are three new accelerators that have been created in the last year to assist young companies to become globally competitive and meet the demand for Made in Hawaii products.

Mission Statement: DBEDT’s mission is to support the development of a Hawaii economy that embraces innovation; an economy that is globally competitive, dynamic and productive; and provides opportunities for all Hawaii’s citizens.

Overview: DBEDT is Hawaii’s resource center for economic and statistical data, business development opportunities, energy and conservation information, and foreign trade advantages. The department oversees six divisions and has 11 attached agencies.

Objectives: DBEDT’s primary objectives are to create broad policy determinations with respect to economic development in the State of Hawaii, and to stimulate opportunities that offer the most immediate promise of expanding Hawaii’s economy. The department encourages initiative and creative thinking in developing objectives and activities that are in line with our overall growth strategy.

DBEDT is working to develop an environment that promotes long-term economic growth, encourages entrepreneurship, and facilitates job creation through innovation. At the department, we continue to position the State to compete in today’s global economy. Our divisions focus on initiating, promoting, and creating opportunities to develop and grow our innovation workforce.

Overall, our economic growth remains stable. Currently, we have the best labor market in the nation. At the end of 2017, Hawaii’s unemployment rate was the lowest in the nation, our labor force, employment, and payroll job counts were at record high levels in the State’s history.

Hawaii’s tourism industry continues to grow with visitor arrivals creating another record year and possibly a record year in the coming year as well. Based on the current trend, we may potentially welcome more than 9.5 million visitors in 2018. Our construction industry looks brighter in the coming year, especially in the area of residential construction.

With the State’s 100 percent renewable energy goal by 2045, DBEDT is increasing its efforts to build a reliable energy industry for Hawaii. The department is also focused on other areas of innovation, which include global broadband; creative media/film studio complex; and the

80/80 Initiative: a goal for Hawaii to create 80,000 new tech and innovation jobs earning more than \$80,000 annually by 2030.

In addition, we are working on advancing aerospace, foreign trade, exporting locally made products, and increasing international student exchanges to further move the State's economy forward and create new jobs and opportunities for Hawaii's residents.

DBEDT is committed to supporting a vibrant, balanced, and diversified economy that benefits individuals across all income levels in Hawaii. We've been actively working on building infrastructure, attracting capital, and developing talent. We are moving from a service-based economy to a knowledge-based economy that's focused on new and emerging technologies.

Hawaii's economy is transforming right before our very eyes. With our shared understanding of what's needed to advance, Hawaii's future looks bright and the possibilities are endless.

It is the Administration's Priority to Continue to Develop Hawaii's Innovation Economy:

Innovation is the key to Hawaii's growth strategy in today's global economy. Innovation drives economic growth, creates jobs, and is necessary to transform the State into a knowledge- and technology-based economy in order to remain competitive around the world.

DBEDT's divisions and attached agencies have organized and aligned their programs to support an entrepreneurial ecosystem. Hawaii has made tremendous progress in support of this ecosystem, which include:

- Co-working spaces opening up around the State
- Startup Weekends and Pitch Events
- 80/80 Initiative
- Neighbor Island Innovation Initiative
- Creative media/film studio complex
- Creative Lab Hawaii
- Broadband – increasing the State's broadband capacity and speed
- Hawaii State Trade Expansion Program (HiSTEP)
- Student Ambassador Program
- International Student Exchange
- Export tradeshows (e.g. Tokyo International Gift Show)
- Industry showcases (e.g. Honolulu Fashion Week)
- Investor/Education Summits (e.g. VERGE Hawaii, East Meets West conference)
- A continuum of startup capital available, from accelerator programs to Hawaii-based investment funds
- FTZ's and NELHA's new business incubators

Department Priorities: DBEDT's budget priorities are based on those initiatives that best meet the following objectives:

- **Create an Innovation Economy** – Create an infrastructure that enables Hawaii’s creative and entrepreneurial talent to turn ideas into products and services in a globally competitive economy. This will, in turn, increase the flow of people, products, services and ideas between Hawaii and export markets.
- **Expand Hawaii’s Clean Energy Initiative** – Grow Hawaii’s clean energy economy through the Hawaii Clean Energy Initiative by transforming how the State uses energy by accelerating the production of renewable and alternative energy, increasing energy efficiency, and developing and adopting new technologies, thereby ensuring energy security, long-term environmental quality and benefits to residents.
- **Improve Hawaii’s Business Environment** – Lead public sector efforts to bring about a business environment that is market-driven, and rewards productivity and entrepreneurship.
- **Increase Hawaii’s Broadband Capacity and Speeds** – Expanding the State’s broadband capacity will enable rapid access to information, accelerate business development, connect first responders more efficiently, create telemedicine opportunities for the healthcare industry, enhance educational resources, improve communications networks, enhance telecommuting, and enable smart grid technology.
- **Plan Dynamic Communities** – Plan and develop live-work-play communities to attract and retain a skilled workforce. At the same time, meet the demand for housing by supporting the creation of low- and moderate-income homes for Hawaii’s residents through financing of private sector developments with long-term affordability.
- **Measure and Monitor Economic Conditions** -- Provide economic data and research analysis, and policy recommendations to government agencies and to the business community by making them accessible online.
- **Sustain the Visitor Industry** – Develop and implement Hawaii’s strategic and marketing plan for tourism to sustain a healthy visitor industry through the alignment of global marketing programs with Hawaii’s distinctive products, natural resources, the Hawaiian host culture and multi-cultures.

Hawaii’s Economic Conditions: We have the best labor market in the nation, lowest unemployment rate, and record levels of labor force, employment, and job count.

BED 100 EXECUTIVE BUDGET ADJUSTMENT: BUSINESS DEVELOPMENT & SUPPORT DIVISION

- **\$50,000** to conduct activities to attract and recruit international students to study in Hawaii.
- **\$700,000 increase ceiling of STEP Grant Fund** in order to accept and expend funds in the STEP federal program.
- **\$150,000 for the commemoration of the 150th Anniversary of Japanese Immigration to Hawaii.**
- **\$50,000 for the commemoration of the 25th Anniversary of Hawaii-Taiwan Sister-State.** To conduct a trade and investment mission to Taiwan; produce a community business promotion event locally to commemorate the 25th anniversary.

BED 105 EXECUTIVE BUDGET ADJUSTMENT: CREATIVE INDUSTRIES DIVISION

- **\$50,000 for Accounting/Audit Services** are necessary to support implementation of Act 143 including production report reviews, on-going data collection and metrics associated with economic impacts and reporting responsibilities per statute for the film tax credit program.

BED 120 BUDGET ADJUSTMENT: STATE ENERGY OFFICE

- **\$500,000 (MOF: A) State Energy Plan Update (BED 120/SI)**
As with the initial 2008 Hawaii Clean Energy Initiative (HCEI), due diligence with regard to analyses to support the Energy Plan was completed prior to developing goals and policies. With the swift changes in technologies and innovation, new utility grid concerns, and expanding plans and goals for transportation, we must conduct due diligence by updating and conducting new analyses. Preparing an updated State Energy Plan requires resources.
- **Conversion of Energy Analyst Position (BED 120/SI)**
An Energy Analyst position (#122382), 100 percent federally funded by repurposed State Energy Program (SEP) - ARRA grant funds, was established and filled in FY18 based on approval from the U.S. Department of Energy. The position supports clean transportation initiatives within HSEO to fulfill the responsibilities of the Lead Agency for Hawaii under the Environmental Mitigation Trust portion of the Volkswagen Settlement.
- **Transfer \$50,000,000 Special Fund Ceiling from the BED120/SI to BED 138/GI**
Transfer the Special Fund ceiling from HSEO to the Hawaii Green Infrastructure Authority (HGIA) which manages the Green Energy Market Securitization (GEMS) program. As the HGIA was established in 2014 to administer the Hawaii green infrastructure loan program, the Green Infrastructure Special Fund should be moved to HGIA.
- **Governor's Message 11** requesting \$240,000 in trust funds for FY2019 and nine years thereafter for administrative expenses related to the Volkswagen Environmental Mitigation Trust Agreement.

BED 138 EXECUTIVE BUDGET ADJUSTMENT: HAWAII GREEN INFRASTRUCTURE AUTHORITY

- **\$50,000,000 Lending Ceiling.** Transfer the lending ceiling in the Hawaii Green Infrastructure Special Fund (S-395) of \$50 million from BED 120 to BED 138 to support its lending programs for the fiscal year ending June 30, 2019.

BED 142 EXECUTIVE BUDGET ADJUSTMENT: ADMINISTRATIVE SERVICES OFFICE

- **CIP request.** Appropriation of \$10 million in general obligation bonds to fund a secure, carrier-neutral, open-access cable landing site. GO bonds will allow successful completion and amended competitive procurement and implementation of the project.
- **CIP lapse.** Lapse of \$25 million in reimbursable general obligation bonds appropriated by S.B. 892, (2015). The 2017 RFP for a cable landing site was cancelled because acceptable offerors were unable to meet the standard repayment schedule for reimbursable bonds due to the long-term revenue forecasts for this project.

BED 143 EXECUTIVE BUDGET ADJUSTMENT: HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

- **\$500,000 Manufacturing Assistance Program Grant (MAP).** The goal of the program is to reduce the need to import consumer products and make Hawaii companies more competitive in the global market by increasing manufacturing in Hawaii. This is a matching grant program that provides a 20 percent match, up to \$100,000, for manufacturers to purchase equipment, train employees or become more energy efficient. In FY 17, the MAP program was funded at \$1 million and 49 manufacturers applied for the grant and only 25 companies were able to receive funding. In 2016, MAP grant awardees contributed \$515 million in economic impact and generated nearly \$21 million in taxes.
- **\$500,000 Hawaii SBIR phase 2 and phase 3 matching grant program.** Hawaii's technology industry is well known nationally for its companies conducting Research and Development and turning them into products to solve our nation's top challenges. These companies are at the stage where they are ready to turn their high technology research into important products. This matching grant program provides funding to companies to hire staff and purchase equipment and other necessary items to move the company from lab into viable products more quickly. Last year, the program was funded at \$1 million and was able to fund 8 out of the 9 companies applying for funding.
- **\$750,000 Excelerator program.** This funding helps support Hawaii's start-up innovation accelerators. The accelerators are still in their early formation and need financial support to provide the necessary training to equip young entrepreneurs for success. All four accelerators are nationally recognized and ranked as the top accelerators in the country. There are three new accelerators that have been created in the last year to assist young companies to become globally competitive and meet the demand for Made in Hawaii products.

- **\$970,000 General Fund Appropriation** to pay HTDC staff and continue programs when rent payments from incubator tenants at Manoa Innovation Center shift to the University of Hawaii on July 1, 2018. Tenant rent is HTDC's primary source of revenue.

BED 146 EXECUTIVE BUDGET ADJUSTMENT: NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

- **\$500,000 in General Funds** for an Aquaculture Proof of Concept Center with commercialization services for start-ups in Hawaii's Aquaculture cluster. The general approach is to create a facility and program at NELHA, using the existing world-class facilities, to attract entrepreneurs in startups to help them expand into the market and find a commercial space for their project.
- **CIP request. \$500,000 in general obligation bond funds** for removal of abandoned deep sea pipelines. A former NELHA tenant closed their business due to bankruptcy 15 years ago and abandoned in place on the ocean bottom offshore six pipelines. These funds will be used to survey and develop a plan to remove the pipelines entirely from the ocean.
- **CIP request. \$250,000 in general obligation bond funds** for design and planning regarding Kona regional seawater air conditioning (SWAC) district. This project will capitalize on investments in NELHA's existing seawater system design and plan a regional SWAC system. This is a proven technology and an attractive "green energy" investment which will help Hawaii achieve its goal of becoming 100% renewable by 2045.

BED 150 EXECUTIVE BUDGET ADJUSTMENT: HAWAII COMMUNITY DEVELOPMENT AUTHORITY

- **Conversion of Funding for 19 Staff Positions - \$ 1,516,362.** This operating request converts 19 staff positions from revolving funds to general funds. Revenues generated by HCDA programs are not designed to cover payroll for these 19 positions, nor is there adequate funding available. With the addition of fringe costs, revolving funded salaries available funding for these positions would result in a \$3 million deficit per year, fully exhausting these funds in 2021. Using HCDA's revolving fund to fund these staff positions would divert funds otherwise intended for public facilities and affordable housing. HCDA has a total of 23 staff positions, so failure to fund 19 of the positions would be catastrophic to the agency. HCDA has a similar request to delete the existing allocation of revolving funds for the same 19 positions that is currently in the budget.
- **Conversion of Funding for 19 Staff Positions – (\$1,547,082).** This request removes the existing allocation of revolving funds for 19 staff positions, for which a general fund request is being proposed. Funding these 19 positions, which were formerly funded by CIP funds, with special funds would result in an annual deficit of approximately \$3 million and fully exhaust HCDA's revolving fund in 2021. Using the special fund would also divert funds intended for public facilities and affordable housing.
- **CIP request. Kakaako Makai Park Improvements - \$2,000,000.** During 2017, HCDA adopted revisions to the community development plan for its makai parks. The revised plan seeks to activate the park to bring more vitality to the makai area and the

underutilized park. The plan also identifies specific projects that can be implemented in the near-term and address deferred maintenance and vandalism. Activation of the makai area would go a long way to reduce the illegal camping that has plagued the area.

- **CIP request. Kalaeloa Community Development Plan Update - \$500,000.** The Kalaeloa Community Development Plan was adopted by HCDA in 2005 and, since then, the BRAC has completed certain conveyances of property and progress has been made on infrastructure. During that time, there has also been dramatic improvements made just beyond the development district with the expansion of Kapolei. Updating the community development plan is timely as the work moves forward and landowners, developers, and the community have had more time to consider the direction for the district.

BED 160 BUDGET ADJUSTMENT: HAWAII HOUSING & FINANCE DEVELOPMENT CORPORATION

Budget requests are intended to address the dire need for affordable housing. Approximately 64,000 housing units are projected to be needed statewide by 2020 – the majority of which are in the affordable housing category for households at or below 140 percent of the area median income. However, HHFDC’s current resources will only assist in developing approximately 5,500 housing units in that timeframe. An infusion of additional State funds could be leveraged to escalate housing production. The requests are listed below, in order of priority. The prioritization of supplemental budget requests is based on project/program readiness to proceed and its impact on increasing housing supply, particularly for lower income households.

1. **CIP request. \$50,000,000 (MOF: C) Rental Housing Revolving Fund Infusion, Statewide (BED 160/HF) in taxable General Obligation Bond funds for infusion into the Rental Housing Revolving Fund (formerly known as the Rental Housing Trust Fund).** The Rental Housing Revolving Fund (RHRF) provides “equity gap” loans for affordable rental housing projects. The RHRF primarily is utilized in conjunction with the Low-Income Housing Tax Credit (LIHTC) program. The LIHTC program can be broken down into two programs, the 9 percent competitive and the 4 percent non-competitive. During calendar year 2017, the RHRF received over \$180 million in applications.

The 9 percent LIHTC projects utilize approximately \$15-20 million dollars from the RHRF to produce 150-175 new affordable rental units (approximately \$110,000 per unit). The 9 percent LIHTC program is highly competitive and the number of units remains consistent from year to year. However, please note that the passage of the federal tax reform bill will negatively impact housing production. HHFDC is assessing the impact.

The number of new affordable rental units produced using the 4 percent LIHTC program is dependent on the availability of funding in the RHRF. With a greater need from the RHRF because of the smaller amount of equity generated by the 4 percent LIHTC, the average per unit increases to roughly \$140,000 per unit.

With the assumption that the RHRF's share of the conveyance tax would meet the 9 percent LIHTC units, any infusion in the form of a "lump sum" appropriation would be used by projects utilizing the 4 percent LIHTC program. For every \$10 million dollars infused to the RHRF, it is estimated that approximately 70 new units could be produced. This Supplemental request would therefore help produce up to 350 new units.

Of the \$50 million requested for the RHRF, approximately \$25 million is requested to be earmarked for the residential component of the proposed Alder Street mixed-use residential development comprised of about 180 affordable family rental units, incidental uses (such as management office and community room), and parking. HHFDC and the Judiciary have entered into a Memorandum of Agreement to develop the mixed-use residential project on a 1.45-acre parcel in Honolulu, Oahu, which is owned by the State of Hawaii and set aside to the Judiciary for a Detention Home (which has since been relocated to Kapolei). The parcel is zoned A-2 (medium density apartment) and is located in a Transit Influence Zone which is within ¼ and ½ mile of the planned Ala Moana rail station. The water and sewer systems are currently adequate to accommodate the proposed mixed-use residential project which will also include space for a juvenile shelter and services.

HHFDC issued a Request for Proposals for the development of the Alder Street mixed-use residential project on October 18, 2017; proposals were due on February 28, 2018. HHFDC anticipates that the earmarking of the \$25 million in the RHRF for Alder Street could shave as much as a year in development time by not having to go through the RHRF application process.

2. **CIP request.** \$25,000,000 (MOF: C) Dwelling Unit Revolving Fund Infusion, Statewide (BED 160/HD) in taxable General Obligation Bond funds for infusion into the Dwelling Unit Revolving Fund. The Governor's housing strategy establishes a goal of 10,000 housing units statewide by 2020. As the housing shortage in Hawaii is a long-standing complex issue that the State alone cannot solve, attaining this goal requires collaboration between all major stakeholders – State government, housing developers, the non-profit sector and the Counties. Some of the factors affecting the housing shortage are the limited financing tools available to make construction of affordable units feasible and the lengthy and costly process involved with development (Governor's State Housing Strategy, August 2016). The Dwelling Unit Revolving Fund (DURF) has been a valuable source of interim construction financing for private developers of affordable housing projects. Act 132, SLH 2016, broadened the uses of DURF to also fund regional state infrastructure construction in conjunction with housing and mixed-use transit-oriented development projects. This will enable the State to address a significant barrier to the development of housing -- the lack of infrastructure such as roads, water, sewer, drainage, and utilities.

The Governor's housing strategy prioritizes housing development on State lands around rail stations, as well as the coordination of infrastructure needs along the transit route

to support transit-oriented development (TOD). Act 130, SLH 2016, established a TOD interagency council to coordinate planning for TOD and transit-ready development (TRD) on the Neighbor Islands, including mixed-use and affordable and rental housing projects, on State lands in each County. Funds would support TOD and TRD projects as follows: mixed-use residential projects at the Liliha Civic Center (located ¼ mile from the planned Iwilei rail station) and Kahului Civic Center (which would include a new Maui Bus Hub) in partnership with the Department of Accounting and General Services; affordable rental housing and permanent housing for the homeless in West Hawaii pursuant to a Memorandum of Understanding with the County of Hawaii; and affordable rental housing in HHFDC's Villages of Leialii in West Maui.

In summary, there is a well-documented need for housing statewide and a strategy to address that need. Existing tools, such as DURF, are in place and can be deployed quickly with an infusion of additional resources to facilitate housing development.

3. **CIP request.** \$5,500,000 (MOF: C) Waiahole Water Systems Improvements (BED 160/HD) in taxable General Obligation Bond funds for a re-appropriation of funds due to a project delay. These funds will be used to construct a new .2 MG reservoir, upgrade the booster pumps and connect the waterline to the BWS 272-foot water system located along Kamehameha Highway. Additionally, a new source well and pump station at the existing potable tank site will be designed and constructed closer to power sources and a paved roadway for more reliable service. This request will be offset by the lapsing of an estimated balance of \$5,230,000 of funds previously appropriated in FY16.



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

Date: 03/07/2018
Time: 11:00 AM
Location: 308
Committee: House Finance

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: HB 1900 RELATING TO THE STATE BUDGET.

Purpose of Bill: To adjust and request appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Department's Position:

The Department of Education (Department) strongly supports this measure to appropriate funds for the operating and capital improvement needs of the public school system.

The Department's general fund appropriation per Act 049, SLH 2017 are:

- \$1,610,321,050 for the current year, FY 2017-18; and
- \$1,604,971,277 for next fiscal year, FY 2018-19.

Included in HB 1900 is a request for general fund support to the Department totaling \$1,629,216,293 in FY 2018-19, which represents a 1.17% increase from FY 2017-18.

As outlined in the Department's Budget Briefing held in January for the FY 2018-19 Supplemental Operating Budget and approved by the Executive Branch, this measure includes the following line items totalling \$24,245,016:

- \$2.0 million for the Weighted Student Formula -- English Language Learners
- \$1.8 million for the Office of Hawaiian Education
- \$3.1 million for equipment for new facilities
- \$4.1 million for workers compensation
- \$2.8 million for the Hawaii Keiki Program
- \$1.0 million for the Early College Program
- \$1.0 million for the Office of Strategy, Innovation and Performance
- \$2.0 million for heat abatement repair and maintenance
- \$1.1 million and nine positions for Data Governance
- \$1.0 million and five positions for the Systematic Leadership Development and Support Program

- \$70,992 and one position for the Board of Education Support Office
- \$91,909 and one position for the English Language Learners Program
- \$131,806 and two positions for the School Health Section
- \$114,336 and two positions for the “Farm-to-School” Program
- \$341,213 and nine positions for the Teacher Mentor Program
- \$293,557 and three positions for Community Engagement
- \$533,868 and six positions to meet the workload requirements of the Workforce Innovation and Opportunity Act (WIOA) and the Adult Education and Family Literacy Act (AEFLA)
- \$904,384 for the hard to staff provision in the BU 05 Contract
- \$600,000 for the Alternative Teacher Route Program
- \$400,000 for the Teacher Certification Stipend Program
- \$250,000 for hazardous materials disposal
- \$100,000 for athletic travel between Molokai, Hana, and Lanai
- \$65,016 and two positions for the Early Learning Board (ELB) and Early Learning Program
- \$20,000 for the Online Professional Learning System for preschool staff
- \$68,800 for the Early Learning Office and ELB operating expenses and equipment

The Department appreciates the support included for capital improvement projects in the Executive Budget, in particular the funding to address the statewide repair and maintenance (R&M) and capacity issues in urban Honolulu. However, while mindful of competing statewide priorities, additional funding is necessary to continue to address the R&M backlog, capacity, program support, and equity concerns. The Department has been running a \$300M R&M backlog balance for several years and just to keep up with the annual incoming R&M requires about \$120M. Beyond that, the Department needs funds to address priority areas of equity, capacity and 21st century school facilities.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
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NOLAN P. ESPINDA
DIRECTOR

Cathy Ross
Deputy Director
Administration

Jodie F. Maesaka-Hirata
Deputy Director
Corrections

Renee R. Sonobe Hong
Deputy Director
Law Enforcement

No. _____

TESTIMONY ON HOUSE BILL 1900
RELATING TO THE STATE BUDGET

by

Nolan P. Espinda, Director
Department of Public Safety

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

Wednesday, March 7, 2018; 11:00 a.m.
State Capitol, Conference Room 308

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Department of Public Safety (PSD) **supports** House Bill 1900, which, in part, details the Department's Supplemental Fiscal Year (FY) 2019 Budget Request for operating and capital improvement appropriations.

PSD's operating budget request adds 12.0 positions and \$6,760,680 in general funds to the Department's base budget. The operating budget request includes the cost-neutral transfer of positions, funds for the continued housing of 248 Halawa Correctional Facility (HCF) inmates at an out-of-state facility for the first six months of FY 2019, recurring funds for lease rent, additional funds for Medicaid, pharmacy, and malpractice insurance premiums, and funds for pre- and post-psychological testing for deputy sheriffs and adult correctional officers.

The Department's request also includes funds for the Narcotics Enforcement Division's forensic drug laboratory, additional positions for the Sheriffs Division and Information Technology, continued funding for Acts 119 and 56, SLH 2017 funded programs, funds to replace telephone poles at the Hale Nani site, and operational costs related to CALEA certification.

Testimony on HB 1900
House Committee on Finance
March 7, 2018
Page 2

PSD'S capital improvement budget request of \$50 million will provide much-needed funds to complete ongoing CIP projects that will improve inmate housing and projects to meet compliance requirements.

Thank you for the opportunity to present this testimony.

DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
LIEUTENANT GOVERNOR



LEONARD HOSHIJO
DIRECTOR

**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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March 7, 2018

To: The Honorable Sylvia Luke, Chair,
The Honorable Ty J.K. Cullen, Vice Chair, and
Members of the House Committee on Finance

Date: Wednesday, March 7, 2018
Time: 11:00 a.m.
Place: Conference Room 308, State Capitol

From: Leonard Hoshijo, Director
Department of Labor and Industrial Relations

HB1900 Relating to the State Budget

Chair Luke, Vice Chair Cullen, and Members of the Committee—my name is Leonard Hoshijo and I am the Director of the Department of Labor and Industrial Relations (DLIR). The Governor's executive budget reflects a modest and sensible allocation of resources that will allow the Department to continue its operations through the next fiscal year. Most of DLIR's requests entail trade-offs/transfers and adjustments to federal funding levels. The Department is seeking a modest increase in resources for the Office of Community Services to offset expenses related to processing Grant-in-Aids.

Thank you for the opportunity to testify on this important manner.

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1900
A BILL RELATING TO THE STATE BUDGET

PRESENTATION TO
THE HOUSE COMMITTEE ON FINANCE

BY
MAJOR GENERAL ARTHUR J. LOGAN
ADJUTANT GENERAL
7 March 2018

Chair Luke, Vice-Chair Cullen and Members of the Committee.

I am Major General Arthur J. Logan, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in **SUPPORT** of House Bill 1900. The Department of Defense (DoD) supports the executive Budget that was submitted and as amended by the Governors' message requests.

Major Adjustments contained in the DoD budget request include:

Item 2. Increase in funding for the Youth Challenge Academy to provide for an \$18,000 per cadet program. Currently YCA is budgeted at a \$17,000 per cadet level.

Item 3. Add 1.00 permanent Homeland Security Fusion Center Director position.

Item 4. Add 1.00 permanent Electrician I position for the Engineering Office.

Item 5. Provide \$146,200 for renovation and relocation costs for the Homeland Security Office.

Item 6. Add 4.00 permanent positions (Electrician I, Air Conditioning Mechanic I, Plumber I, and General Laborer II) to provide repair and maintenance services at the HIANG facility at Hickam.

Item 8. Provide \$912,000 for high priority facilities special maintenance projects to be managed by the Engineering Office.

Item 9. Provide \$238,000 to the HIEMA to support its Emergency Operations Center.

Item 10. Add 1.00 temporary position to support the Homeland Security Office SCIF (Secret Compartmented Installation Facility) program.

Item 12. Provide \$150,000 for IT infrastructure costs for the HIEMA Operations Support Facility.

Item 15. Provide authorization for the KOA program's two temporary positions and interdepartmental transfer (U) funding from the Department of Health.

Item 17. Provide funds for the Office of Veterans Services overtime costs due to ceremonies held on holidays.

Item 19. Add \$200,000 for the Office of Veterans Services to repair water tanks.

Item 21. Reduce by \$14 M the Homeland Security Office's federal (N) and other federal (P) funds budget ceilings due to reduced funding available.

Items 22 - 29. Housekeeping requests to either correct means of financing (MOF) full time equivalent (FTE) percentages or Program ID Org codes to properly reflect the positions' funding and organizational placements in the department.

Highlights of the Executive CIP Budget Request: The Department requested four (4) Capital Improvement Projects totaling \$4,920,000 in GO Bonds for FY19.

1) In priority, our first CIP project is the OPERATIONS SUPPORT CENTER ROOF (Bldg 303) for the Hawaii Emergency Management Agency (HIEMA). This project adds \$724,000 in construction to replace the roof of the State Emergency Operation Center's Operations Support Center in Bldg 303, located in Diamond Head Crater. The design for this project was

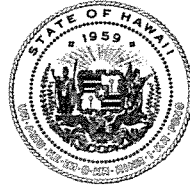
provided in FY18 and construction funds are required to complete the project in FY19 (scheduled to start construction in February 2019).

2) Our second CIP priority is the Fort Ruger Building 306 and 306A Hurricane Hardening project at the department's Headquarters near Diamond Head Crater. This project adds \$1,330,000 in design and construction to retrofit Buildings 306 and 306A to withstand a Category 3 Hurricane and install a new Emergency Generator. This is critical because these buildings support the HING Joint Staff and Joint Task Force, as well as the department's supporting staff which are critical in conducting National Guard Domestic Operation in support of state disasters and emergencies. Design is on-going and construction is anticipated to start in 2018.

3) Our third CIP priority is the Birkhimer Emergency Operating Center Modernization project in Diamond Head Crater. This project will modernize and expand the state's Emergency Operating Center. The initial request is for \$1,250,000 in planning and design funds. The department has already conducted a feasibility study and looked at several alternatives and different sites, and it has determined that modernizing and expanding the existing EOC at its current location is the most feasible and cost effective means to ensure the state EOC is in the right location and equipped to support the state in an emergency or disaster.

4) The last CIP request is the Hawaii State Fusion Center project at the Department's headquarters near Diamond Head. This project will create a secure information facility and renovations for the department's Office of Homeland Security division. This project will create a secure room for reviewing top secret information that will help the OHLS division and the Hawaii State Fusion Center which is currently being supported by the High Intensity Drug Trafficking Area (HIDTA) at Restaurant Row, and HIDTA does not have a secure information facility nor a JWICS (Joint Worldwide Intelligence Communications System) node that can receive secret and top secret information. This project adds \$1,616,000 in construction funds. The design of this project is scheduled to be completed at the end of 2018 and construction funds are needed in 2019.

Thank you for allowing me to testify in **SUPPORT** of House Bill 1900.



Testimony by:
JADE T. BUTAY
DIRECTOR

Deputy Directors
ROY CATALANI
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:
PPB 12.3241

March 7, 2018
11:00 a.m.
State Capitol, Room 308

**HB 1900
RELATING TO THE STATE BUDGET**

House Committee on Finance

The Honorable Chair Luke, Honorable Vice-Chair Cullen and Honorable members of the Committee on Finance:

The Department of Transportation (DOT) **supports** HB 1900, which appropriates funds for the DOT's operating and capital improvement programs in the Governor's FY 2019 Supplemental Budget request, as amended by the Governor's Messages as presented below:

1. Governor's Message No. 6, which includes an **Emergency Appropriation of \$3,000,000 in general obligation bond funds (MOF C) for FY 2018 to finance the relocation of the "I Heart Radio" Aerial (Tower) located near the Kapalama Canal on Dillingham Blvd. to an appropriate location or locations;**
2. Governor's Message No. 7, which includes an **operating appropriation of \$1,980,600 in special funds (MOF B) for FY 2019 for the development and implementation of a new Highways Financial Management System, Phase III; and**
3. Governor's Message No. 11, which includes an **additional appropriation of \$2,000,000 in general obligation bond funds (MOF C) for FY 2019 to complete the relocation of the "I Heart Radio" tower to Palehua Ridge.**

An overview of DOT's budget priorities by division is presented below for your consideration. Given the critical role of transportation infrastructure to the well-being of our communities and our economy, any DOT budget adjustments would create unacceptable risks to the State's ability to fulfill its responsibility for essential infrastructure maintenance and improvement. Moreover, DOT is funded by special funds requiring that each division must use their special funds for the specific purpose only of that division.

AIRPORTS

1. The Airports Division receives approximately \$30M in Federal Capital and Operating Grants annually. Any funds transferred out of the Airports Division that does not directly benefit our Airport System would be considered a revenue diversion and jeopardize our federal grant assurance funding program. Airports cannot afford to operate without our federal funding, which subsidizes our airline rates and charges, thus federal funding requests are Tier 1 priorities. Please see Attachment A – Listing of Airports FY19 CIP Budget Requests ranked according to top priority, with “#1” as the highest priority.
2. No change in current FY 19 Supplemental budget requests in O&M as submitted in the Executive Budget. Please see Attachment B- Listing of Airports FY19 O&M Budget Requests by Priority.

HARBORS

1. Pursuant to Governor’s Message No. 6, there is an **Emergency Appropriation of \$3,000,000 in general obligation bond funds (MOF C) for FY 2018** to finance the relocation of the “I Heart Radio” Aerial (Tower) located near the Kapalama Canal on Dillingham Blvd. to an appropriate location or locations. This project will mitigate safety and economic concerns shared by both the airline and maritime industries. The current tower is considered an obstruction by the airline industry and may not accommodate the taller cranes that maritime industry intends to install and operate in Honolulu Harbor. This project is in the public interest and for the public’s health, safety, and general welfare of the State. DOT requests your support for **SB 80 SD1 with general obligation bond funds (MOF C)**, the vehicle for this emergency appropriation. In addition, Governor’s Message No. 11 includes in the FY19 Supplemental Budget an **appropriation of \$2,000,000 in general obligation bond funds (MOF C) for FY 2019** to complete the relocation of the FM station of the “I Heart Radio” tower to Palehua Ridge.
2. The first operating budget priority for the Harbors Division is the request for \$4.1 million in special funds to pay for back rent owed to the Airports Division. Please refer to Attachment C- Listing of Harbors FY19 O&M Budget Requests by Priority. Without this appropriation, the Kapalama Container Terminal project cannot be completed. Please see also Attachment D -Listing of Harbors FY19 CIP Budget Requests ranked according to priority.
3. The CIP requests for the Pier 1 and 2 improvements in Honolulu Harbor for \$20.2 million and the Kahului Harbor improvements for \$17.6 million are the top priorities. Both requests are for special funds and revenue bond funds. Please see Attachment D, Listing of Harbors FY19 CIP Budget Requests ranked according to priority.

HIGHWAYS

The operating portion of the Highways Division's FY 2019 supplemental budget requests comprises only of four items and thus it is not further broken into two tiers. Please refer to Attachment E (for O&M) and Attachment F (for CIP), which are ranked according to priority. Pursuant to Governor's Message No. 7, an additional **operating appropriation of \$1,980,600 in special funds (MOF B) for FY 2019** is included for the development and implementation of a new Highways Financial Management System, Phase III. The project will include implementation consultant services for the general ledger and budget modules, software license fees, hosting services, and various computer equipment.

The CIP portion of the division's FY 2019 supplemental budget has a list of 31 requests. Requests nos. 1-26 are for Safety, System Preservation, and Required appropriations (required as per mandate, obligation, repayments, etc.); they are considered as Priority Tier 1. Requests Nos. 27-31 are for Congestion Mitigation and Facility appropriations; they are considered as Priority Tier 2.

ADMINISTRATION

Administration only has five Operating FY19 Supplemental budget requests and they are all Priority Tier 1. A Special Project established an Office of Security and Law Enforcement reporting to the Director of DOT to manage, under a single unified command and control structure, all security and law enforcement for Airports, Harbors and Highways to comply with mandated Federal Statutes. Failure to approve the Office of Law Enforcement and Security for Transportation positions may result in violations in mandated security requirements or trespassing at our Airports, Harbors, and Highways in the State of Hawaii. The remaining Administration's requests are related to Federal fund ceiling increase and matching funds for: Coordinated Public Transit Services Plan (MOF B) and (MOF N) and Hawaii Statewide Transportation Plan Update requiring state match (MOF B). Please see Attachment G, listing of Administration FY 19 O&M Budget Requests ranked according to priority.

Thank you for your consideration.

Attachments

Department of Transportation - Airports Division Listing of Airports FY19 CIP Budget Requests by Priority

PART A: PROPOSED LAPSES						Amount	
Dept Pri	Act/Yr	Item No.	Proj No.	Project Title and Reason for Lapsing	MOF	FY 18	FY 19

TOTAL
BY MOF

General Fund	A	-	-
Special Funds	B	-	-
General Obligation Bonds	C	-	-
Reimbursable GO Bonds	D	-	-
Revenue Bonds	E	-	-
Federal Funds	N	-	-
Other Federal Funds	P	-	-
Private Contributions	R	-	-
County Funds	S	-	-
Trust Funds	T	-	-
Interdepartmental Transfers	U	-	-
Federal Stimulus Funds	V	-	-
Revolving Funds	W	-	-
Other Funds	X	-	-
TOTAL		-	-

PART B: NEW REQUESTS							
Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
O	1	TRN102	A04D	DANIEL K. INOUE INTERNATIONAL AIRPORT, EB-5 LOAN REPAYMENT, OAHU	E	-	76,000,000
AI	2	TRN195	F05R	WATER SCALPING, STATEWIDE	N	-	6,400,000
M	3	TRN195	F05J	AIRPORT IMPROVEMENTS, STATEWIDE	X	-	-
M	3	TRN195	F05J	AIRPORT IMPROVEMENTS, STATEWIDE	X	-	53,000,000
M	4	TRN102	A23L	DANIEL K. INOUE INTERNATIONAL AIRPORT, RECONSTRUCT TAXIWAYS AND RUNWAYS	E	-	9,000,000
M	5	TRN102	A34A	DANIEL K. INOUE INTERNATIONAL AIRPORT, FIRE SPRINKLER SYSTEM UPGRADE, OAHU	E	-	1,000,000
M	6	TRN111	B05D	HILO INTERNATIONAL AIRPORT, RUNWAY AND TAXIWAY LIGHTING REPLACEMENT	E	-	1,000,000
M	7	TRN195	F05I	AIRFIELD IMPROVEMENTS, STATEWIDE	B	-	(40,500,000)
M	7	TRN195	F05I	AIRFIELD IMPROVEMENTS, STATEWIDE	N	-	(2,000)
M	7	TRN195	F05I	AIRFIELD IMPROVEMENTS, STATEWIDE	B	-	-
M	7	TRN195	F05I	AIRFIELD IMPROVEMENTS, STATEWIDE	E	-	45,500,000
M	7	TRN195	F05I	AIRFIELD IMPROVEMENTS, STATEWIDE	N	-	2,000
M	8	TRN102	A08E	HONOLULU INTERNATIONAL AIRPORT, RESTROOM RENOVATION, OAHU	E	-	(20,000,000)
M	8	TRN102	A08E	DANIEL K. INOUE INTERNATIONAL AIRPORT, RESTROOM RENOVATION, OAHU	E	-	32,500,000
O	9	TRN131	F04T	KAHULUI AIRPORT, ENVIRONMENTAL IMPACT STATEMENT, MAUI	N	-	3,750,000
M	10	TRN131	D04Z	KAHULUI AIRPORT, BAGGAGE HANDLING SYSTEM IMPROVEMENTS, MAUI	E	-	2,680,000
HS	11	TRN102	A26C	DANIEL K. INOUE INTERNATIONAL AIRPORT, SOUTH RAMP HELICOPTER OPERATIONS AREA, OAHU	E	-	7,500,000
HS	12	TRN111	B10A	HILO INTERNATIONAL AIRPORT, NOISE MONITORING SYSTEM UPGRADE, HAWAII	E	-	300,000
HS	12	TRN111	B10A	HILO INTERNATIONAL AIRPORT, NOISE MONITORING SYSTEM UPGRADE, HAWAII	N	-	1,000
O	13	TRN195	F05K	RUNWAY SAFETY AREA IMPROVEMENTS, STATEWIDE	B	-	-
O	13	TRN195	F05K	RUNWAY SAFETY AREA IMPROVEMENTS, STATEWIDE	E	-	3,000,000
M	14	TRN151	D70M	LANAI AIRPORT, RUNWAY 3-21 RECONSTRUCTION, LANAI	E	-	22,300,000
M	14	TRN151	D70M	LANAI AIRPORT, RUNWAY 3-21 RECONSTRUCTION, LANAI	N	-	1,000
O	15	TRN102	A41S	DANIEL K. INOUE INTERNATIONAL AIRPORT, PROGRAM MANAGEMENT, OAHU	E	-	10,000,000
M	16	TRN102	A26B	DANIEL K. INOUE INTERNATIONAL AIRPORT, RE-ROOF T-HANGARS, OAHU	E	-	5,500,000
M	17	TRN102	A08D	DANIEL K. INOUE INTERNATIONAL AIRPORT, RE-ROOF TERMINAL, OAHU	E	-	10,500,000
M	18	TRN114	C10H	KONA INTERNATIONAL AIRPORT AT KEAHOLE, RESTROOM RENOVATION, HAWAII	E	-	-

PART B: NEW REQUESTS							
Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
M	18	TRN114	C10H	ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE, RESTROOM RENOVATION HAWAII	E	-	6,600,000
HS	19	TRN102	A40A	DANIEL K. INOUE INTERNATIONAL AIRPORT, POTABLE WATER SYSTEM UPGRADE OAHU	E	-	11,000,000
M	20	TRN102	A20D	DANIEL K. INOUE INT'L AIRPORT, EWA AND DIAMOND HEAD CONCOURSE RDWY IMPRVMENTS HAWAII	E	-	2,000,000
M	21	TRN102	A10E	DANIEL K. INOUE INTERNATIONAL AIRPORT, ELLIOTT STREET ROADWAY IMPROVEMENTS OAHU	E	-	1,000,000
M	22	TRN102	A16B	DANIEL K. INOUE INT'L AIRPORT, INTERNATIONAL ARRIVALS BUILDING RENOVATION OAHU	E	-	13,000,000
M	23	TRN102	A23S	HONOLULU INTERNATIONAL AIRPORT, AIRCRAFT APRON RECONSTRUCTION OAHU	B	-	(19,118,000)
M	23	TRN102	A23S	HONOLULU INTERNATIONAL AIRPORT, AIRCRAFT APRON RECONSTRUCTION OAHU	E	-	(5,882,000)
M	23	TRN102	A23S	HONOLULU INTERNATIONAL AIRPORT, AIRCRAFT APRON RECONSTRUCTION OAHU	N	-	(1,000)
M	23	TRN102	A23S	HONOLULU INTERNATIONAL AIRPORT, AIRCRAFT APRON RECONSTRUCTION OAHU	X	-	(28,000,000)
M	23	TRN102	A23S	DANIEL K. INOUE INTERNATIONAL AIRPORT AIRCRAFT APRON	B	-	19,118,000
M	23	TRN102	A23S	DANIEL K. INOUE INTERNATIONAL AIRPORT AIRCRAFT APRON	E	-	6,882,000
M	23	TRN102	A23S	DANIEL K. INOUE INTERNATIONAL AIRPORT AIRCRAFT APRON	N	-	1,000
M	23	TRN102	A23S	DANIEL K. INOUE INTERNATIONAL AIRPORT AIRCRAFT APRON	X	-	28,000,000
M	24	TRN102	A41N	HONOLULU INTERNATIONAL AIRPORT, TERMINAL MODERNIZATION OAHU	E	-	(24,500,000)
M	24	TRN102	A41N	DANIEL K. INOUE INTERNATIONAL AIRPORT, TERMINAL MODERNIZATION OAHU	E	-	25,500,000
M	25	TRN102	A10F	DANIEL K. INOUE INTERNATIONAL AIRPORT, OVERSEAS TERMINAL SIDEWALK IMPROVEMENTS OAHU	E	-	800,000
O	26	TRN151	D70J	LANAI AIRPORT, RUNWAY 3-21 EXTENSION, LANAI	E	-	7,000
O	26	TRN151	D70J	LANAI AIRPORT, RUNWAY 3-21 EXTENSION, LANAI	R	-	5,000,000
T	27	TRN195	F05L	RENTAL CAR FACILITY IMPROVEMENTS, STATEWIDE	E	-	67,000,000
M	28	TRN102	A13A	DANIEL K. INOUE INTERNATIONAL AIRPORT, HAWAIIAN GARDEN RENOVATION OAHU	E	-	5,500,000
O	29	TRN114	C10I	ELLISON ONIZUKA KONA INT'L AIRPORT AT KEAHOLE, NEW ADMIN OFFICE BUILDING, HAWAII	E	-	1,500,000
O	30	TRN195	F05Q	FIBER OPTIC INSTALLATION, STATEWIDE	E	-	3,500,000
M	31	TRN161	E03I	LIHUE AIRPORT, PARKING IMPROVEMENTS, KAUAI	E	-	1,000,000
M	32	TRN102	A30B	DANIEL K. INOUE INT'L AIRPORT, 400 HERTZ GROUND POWER UNIT UPGRADE OAHU	E	-	-
M	33	TRN102	A41Z	DANIEL K. INOUE INT'L AIRPORT, BAGGAGE HANDLING SYSTEM IMPRVMENTS OAHU	E	-	-
O	34	TRN102	A11E	DANIEL K. INOUE INTERNATIONAL AIRPORT ELLIOTT STREET SUPPORT	E	-	-
O	35	TRN102	A37H	DANIEL K. INOUE INT'L AIRPORT, LOADING BRIDGE PRE-CONDITIONED AIR INSTALLATION OAHU	E	-	-
O	36	TRN102	A04C	DANIEL K. INOUE INT'L AIRPORT, NEW DIAMOND HEAD CONCOURSE DEVELOPMENT STUDY OAHU	E	-	-
HS	37	TRN102	A24C	DANIEL K. INOUE INT'L AIRPORT, PEDESTRIAN BRIDGE REPLACEMENT AND/OR REHABILITATION OAHU	E	-	-
O	38	TRN102	A35E	DANIEL K. INOUE INT'L AIRT, ROADWAY/TERMINAL SIGNAGE IMPROVEMENTS OAHU	E	-	-
HS	39	TRN102	A23T	DANIEL K. INOUE INTERNATIONAL AIRPORT, TAXIWAY LIGHT IMPROVEMENTS OAHU	E	-	-
M	40	TRN102	A41B	DANIEL K. INOUE INT'L AIRPORT, TERMINAL IMPRVMENTS AT GATES 29 AND 34 OAHU	E	-	-
M	41	TRN102	A41F	DANIEL K. INOUE INTERNATIONAL AIRPORT, TICKET LOBBY IMPROVEMENTS OAHU	E	-	-
O	42	TRN102	A08F	DANIEL K. INOUE INTERNATIONAL AIRPORT, USDA INSPECTION FACILITY OAHU	N	-	-
O	43	TRN114	C10G	ELLISON ONIZUKA KONA INT'L AIRT AT KEAHOLE, AGRICULTURAL INSPECTION STATION HAWAII	E	-	-

PART B: NEW REQUESTS							
Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
HS	44	TRN114	C03F	ELLISON ONIZUKA KONA INT'L AIRT AT KEAHOLE, ARFF EMERGENCY OPERATIONS COMMAND CENTER, HI	E	-	-
HS	45	TRN114	C03E	ELLISON ONIZUKA KONA INT'L AIRPORT AT KEAHOLE, EMERGENCY GENERATOR UPGRADE HAWAII	E	-	-
HS	46	TRN114	C10F	ELLISON ONIZUKA KONA INT'L AIRT AT KEAHOLE, PERIMETER FENCE REPLACEMENT HAWAII	B	-	-
HS	46	TRN114	C10F	ELLISON ONIZUKA KONA INT'L AIRT AT KEAHOLE, PERIMETER FENCE REPLACEMENT HAWAII	E	-	-
HS	46	TRN114	C10F	ELLISON ONIZUKA KONA INT'L AIRT AT KEAHOLE, PERIMETER FENCE REPLACEMENT HAWAII	N	-	-
TOTAL - NEW REQUESTS						-	349,382,026

BY MOF		
General Fund	A	-
Special Funds	B	(40,500,000)
General Obligation Bonds	C	-
Reimbursable GO Bonds	D	-
Revenue Bonds	E	321,687,000
Federal Funds	N	10,152,000
Other Federal Funds	P	-
Private Contributions	R	5,000,000
County Funds	S	-
Trust Funds	T	-
Interdepartmental Transfers	U	-
Federal Stimulus Funds	V	-
Revolving Funds	W	-
Other Funds	X	53,000,000
TOTAL		349,339,000

Request Category:	
AI	Administration Initiatives
E	Energy Efficiency
HS	Health, Safety, Court Mandates
M	Major R&M of Existing Facilities
O	Other
T	Trade-off (Offset by Lapse)

**Department of Transportation - Airports Division
Listing of Airports FY19 O&M Budget Reports by Priority**

Priority	Prog ID	Sub-Orig	Description of Request	Justification	FY19			
					MOF	Pos (P)	Pos (T)	
							\$\$\$	
1	TRN102		Transfer between cost elements and object codes - PSD security	Transfer from PSD to TRN.	B	59.00	(2.00)	\$ -
2	TRN102		Add'l Wiki-Wiki buses (10)	This request is seeking funds to acquire electric vehicles for Wiki Wiki bus replacements. Having the proper number working vehicles will enable staff to work and/or respond more efficiently and effectively and reduce the passenger wait time, particularly international passengers in Customs & Border Protection.	B			10,994,788
3	TRN102		Increase in Wiki-Wiki bus service	Continue 2nd year funding.	B			347,459
1	TRN111		Add'l Routine Maintenance	Additional funds are needed to support routine maintenance contracts for various equipment which are up for rebidding and requiring a new contract. Anticipated cost increases are due to inflation, aging equipment and facilities.	B			734,000
1	TRN114		Airport Operations Controller II psns	Add'l manpower to the operations in order to meet the requirements & needs of this expanding airport.	B	2.00		61,152
2	TRN114		APC Kiosk assistance VIP positions	To expedite passengers with required arrival & departure procedures.	B	4.00		112,025
1	TRN131		Kahului Access Rd landscape maintenance	Funds will be used for the daily maintenance of the roadway, landscaping, water feature & irrigation system of the recently completed airport access road from Hana Hwy to Kahului Airport. The new access road "gateway" consists of nearly 6 lane miles of roadway, covering an improved & manicured area of 1,200,000 sq ft or 27 acres with an initial investment of \$60M.	B			824,000
2	TRN131		Groundskeeper positions	Add'l manpower to the operations in order to meet the requirements & needs of this expanding airport.	B	3.00		93,427
1	TRN161		ARFF vehicles	Purchase (2) 1500-gal ARFF vehicles.	B			2,040,000
2	TRN161		ARFF positions	Add'l manpower to the operations in order to meet the requirements & needs of this expanding airport.	B	12.00		740,176
3	TRN161		Airport Operations Controller II psns	Add'l manpower to the operations in order to meet the requirements & needs of this expanding airport.	B	3.00		91,728
1	TRN195		Consultant Services, O&M SMP - Statewide	Funds will be used to supplement the current Airports Division Engineering Branch (AIR-EM) with Architectural & Engineering firms to handle the increased workload on "as needed" basis to assist with the design and construction management of special maintenance projects.	B			3,700,000

**Department of Transportation - Airports Division
Listing of Airports FY19 O&M Budget Reports by Priority**

2	TRN195	Consultant Svcs - Environmental	Needed for the Environmental Engineering Section to provide a broad range of services Statewide including environmental engineering mngmt, design, inspections, compliance services with emphasis on stormwater prog to comply with the DOT consent decree.	B			8,000,000
3	TRN195	Architectural & Engineering Svcs, Mechanical Sys - Statewide	This contract will provide engineering and inspection support for oversight of the mechanical systems maintenance contracts statewide. Engineering & certified inspection services are required to insure the systems are being maintained according to manufacturer requirements per the maintenance contract specifications.	B			2,000,000
4	TRN195	Increase APC kiosk maintenance	Cost to maintain additional APC kiosks.	B			200,000
5	TRN195	AIR-LF Secretary position	This position will serve as Secretary to the Airports Fire Chief, who is the head of the Airport Division Aircraft Rescue Firefighting Program, located in the Airports Operations Branch, Airports Division.	B	1.00		30,576
6	TRN195	Mass Notification - Arpt Communication System	The proposed Mass Notification System platform keeps the airport employees and passengers informed to ensure public safety. A mass notification system enhances the airport communications to airport employees and tenants by sending email and text messages to a small or large group of people during an event (i.e. active shooter, airport evacuations, building lockdown, etc).	B			200,000
7	TRN195	CFC - OGG & HNL CONRAC	To support the Consolidated Rent-A-Car facilities (ConRAC) program approved by the Legislature in prior legislative sessions, the Division is seeking to purchase the (alternative fuel) shuttle buses, and provide management services in operating and maintaining the shuttle services for the (ConRAC).	B			39,000,000

**Department of Transportation - Harbors Division
Listing of Harbors FY19 O&M Budget Reports by Priority**

Priority	Prog ID	Sub-Org	Description of Request	FY19		
				MOF	Pos (P)	Pos (T)
1	395	CB	Back Rent Owed to DOT-AIR	B		4,159,351
2	395	CB	Central Services 5% Assessment	B		2,464,000
3	341	CF	Additional travel to support new Harbor Agent III Pos 01091	B		6,170
4	351	CF	Full Operating Budget for Harbor Agent III	B		57,400
5	331	CF	CCTV Camera Maintenance	B		20,000
6	311	CD	Other Utilities - Refuse Services	B		6,000
7	331	CF	Add Funds for Solid Waste	B		6,000
8	311	CD	Cell Phones and Office Telephone Service	B		7,000
9	313	CD	Other Utilities - Refuse Services	B		6,000
10	331	CF	Additional Funds for Water	B		18,000
11	331	CF	Additional Telephone and Internet	B		3,500
12	301	CB	Transfer of Special Maintenance Funds to TRN301,303,311,313,331,333,341,351,361,363	B		15,000,000
13	301	CC	Transfer of Special Maintenance Funds from TRN301 to TRN395	B		(8,060,000)
14	301	CF	Transfer of Special Maintenance Funds from TRN331 to TRN395	B		(1,580,000)
15	301	CG	Transfer of Special Maintenance Funds from TRN311 to TRN395	B		(1,475,000)
16	301	CF	Transfer of Special Maintenance Funds from TRN361 to TRN395	B		(1,280,000)
17		CF	Transfer of Special Maintenance Funds from TRN341 to TRN395	B		(650,000)
18	301	CG	Transfer of Special Maintenance Funds from TRN313 to TRN395	B		(615,000)
20	341	CC	Transfer of Special Maintenance Funds from TRN303 to TRN395	B		(610,000)
21	301	CD	Transfer of Special Maintenance Funds from TRN351 to TRN395	B		(400,000)
22	301	CD	Transfer of Special Maintenance Funds from TRN363 to TRN395	B		(300,000)
23	361	CF	Transfer of Special Maintenance Funds from TRN333 to TRN395	B		(30,000)
24	361	CF	Restore Funds for Electricity	B		119,786
25	363	CG	Restore Funds for Electricity	B		55,100
26	351	CD	Restore Funds for Electricity	B		9,111
27	395	CG	Restore Funds for Electricity	B		6,868
28	301	CC	New Office Assistant III Position SR-08	B	1.00	23,913
29	311	CC	New Wharf Maintenance Worker I	B	1.00	43,442
30	303	CC	Add Equipment Operator III BC-09	B	1.00	43,442
30	333	CC	Add Store Keeper I SR-11	B	1.00	26,850
31	313	CC	Add (2) Building Maintenance Worker I BC-09	B	2.00	86,883
32	331	CC	New Office Assistant III Position SR-08 HAR-OE	B	1.00	23,913
33	361	CF	Add One Building Maintenance Helper Position BC-05, BU-01	B	1.00	36,050
34	331	CC	Convert GP III from Temporary to Permanent	B	1.00	(1.00)
35	395	CB	Engineering and Architectural Serv	B		200,000

**Department of Transportation - Harbors Division
Listing of Harbors FY19 CIP Budget Requests by Priority**

<u>Prog ID</u>	<u>Prog ID Priority</u>	<u>Senate District</u>	<u>Rep. District</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY18 \$\$\$ (000's)</u>	<u>FY19 \$\$\$ (000's)</u>
TRN301	01	13	026	PIER 1 AND 2 IMPROVEMENTS, HONOLULU HARBOR, OAHU	B		2
TRN301	01	13	026	PIER 1 AND 2 IMPROVEMENTS, HONOLULU HARBOR, OAHU	E		20,200
TRN331	02	05	009	KAHULUI HARBOR IMPROVEMENTS, MAUI	B		2
TRN331	02	05	009	KAHULUI HARBOR IMPROVEMENTS, MAUI	B		17,600
TRN301	03	13	026	IMPROVEMENTS TO HARBORS DIVISION BUILDINGS AND ASSOCIATED FACILITIES, HONOLULU HARBOR, OAHU	B		1
TRN301	03	13	026	IMPROVEMENTS TO HARBORS DIVISION BUILDINGS AND ASSOCIATED FACILITIES, HONOLULU HARBOR, OAHU	B		3,400
TRN301	03	13	026	IMPROVEMENTS TO HARBORS DIVISION BUILDINGS AND ASSOCIATED FACILITIES, HONOLULU HARBOR, OAHU	B		1
TRN301	04	13	026	IMPROVEMENTS TO ALOHA TOWER AND ALOHA TOWER MARKETPLACE COMPLEX, HONOLULU HARBOR, OAHU	B		1
TRN301	04	13	026	IMPROVEMENTS TO ALOHA TOWER AND ALOHA TOWER MARKETPLACE COMPLEX, HONOLULU HARBOR, OAHU	B		1,000
TRN301	04	13	026	IMPROVEMENTS TO ALOHA TOWER AND ALOHA TOWER MARKETPLACE COMPLEX, HONOLULU HARBOR, OAHU	B		1
TRN311	05	01	002	DEMOLITION OF PIER 2 SHED AND WATER TOWER AND RELATED IMPROVEMENTS, HILO HARBOR, HAWAII	B		2
TRN311	05	01	002	DEMOLITION OF PIER 2 SHED AND WATER TOWER AND RELATED IMPROVEMENTS, HILO HARBOR, HAWAII	B		2,200
TRN395	06	00	000	IMPROVEMENTS TO CRUISE SHIP FACILITIES, STATEWIDE	B		2
TRN395	06	00	000	IMPROVEMENTS TO CRUISE SHIP FACILITIES, STATEWIDE	B		13,200
TRN395	06	00	000	IMPROVEMENTS TO CRUISE SHIP FACILITIES, STATEWIDE	B		1
TRN331	07	05	009	MODERNIZATION PROGRAM - KAHULUI HARBOR LAND ACQUISITION AND IMPROVEMENTS, MAUI	B		2
TRN331	07	05	009	MODERNIZATION PROGRAM - KAHULUI HARBOR LAND ACQUISITION AND IMPROVEMENTS, MAUI	B		17,000
TRN301	08	13	029	KEEHI INDUSTRIAL LOTS IMPROVEMENTS, HONOLULU HARBOR, OAHU	B		2
TRN301	08	13	029	KEEHI INDUSTRIAL LOTS IMPROVEMENTS, HONOLULU HARBOR, OAHU	B		19,250

**Department of Transportation - Highways Division
Listing of Highways FY19 O&M Budget Reports by Priority**

Priority	Prog ID	Sub-Org	Description of Request	Justification	FY19		
					MOF	Pos (P)	Pos (T)
1	TRN 595	DB	Highways Financial Management System Phase III	Request additional state highway special funds (B) for the development and implementation of a new Highways Financial Management System (Phase III) including implementation consultant services for the general ledger and budget modules, software license fees, hosting services and various computer equipment.	B		\$ 1,980,600
2	TRN597	AB	County Speed Enforcement	The amount of \$200,000 is needed to fund the counties speed enforcement effort. The police departments of the City and County of Honolulu, County of Maui, County of Hawaii, and County of Kauai will use the funds to purchase various speed enforcement equipment. Providing funding to the county police departments for the purchase of speed enforcement equipment will enhance their speed enforcement efforts, thereby deterring drivers from speeding and making our roads safer for our residents and visitors.	B		\$ 200,000
3	TRN597	AB	Federal Funds Increase 405h Non-Motorized programs	As this was the first year that DOT qualified for FAST Act 405f funding, the anticipated amount was not included in the FY19 base budget. DOT is anticipated to receive \$223,189 in FY19. The current allocated base is \$69,442. Therefore an increase of \$153,717 is requested. FAST Act 405f funding for Nonmotorized Safety programs are for the purpose of decreasing pedestrian and bicyclist fatalities and injuries that result from crashes involving a motor vehicle.	N		\$ 153,747
4a	TRN531	DM	Trade-off/transfer: Equipment Budget Correction	The 2017 Legislature intent was to reduce the program's equipment budget to zero. However, TRN 531/DM Maui Highways (Molokai Office) program equipment budget was erroneously reduced by \$63,787, thus creating a negative budget. Concurrently the equipment budget for TRN 531/DL Maui Highways (Lanai Office) has a balance of \$63,787. Thus, the requested trade-off/transfer is necessary to correct the program's error to comply with the legislative intent of a zero program budget.	B		\$ 63,787

**Department of Transportation - Highways Division
Listing of Highways FY19 O&M Budget Reports by Priority**

4b	TRN531	DL	Trade-off/transfer: Equipment Budget Correction	<p>The 2017 Legislature intent was to reduce the program's equipment budget to zero. However, TRN 531/DM Maui Highways (Molokai Office) program equipment budget was erroneously reduced by \$63,787, thus creating a negative budget. Concurrently the equipment budget for TRN 531/DL Maui Highways (Lanai Office) has a balance of \$63,787. Thus, the requested trade-off/transfer is necessary to correct the program's error to comply with the legislative intent of a zero program budget.</p>	B				<p align="right">\$ (63,787)</p>
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**Department of Transportation - Highways Division
Listing of Highways FY19 CIP Budget Requests by Priority**

Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
PART B: NEW REQUESTS - Tier 1							Amount
O	1	TRN595	Y101	CLOSEOUT OF HIGHWAY DESIGN PROJECTS, STATEWIDE	E	-	7,500,000
O	1	TRN595	Y101	CLOSEOUT OF HIGHWAY DESIGN PROJECTS, STATEWIDE	N	-	500,000
M	2	TRN501	S324	FARRINGTON HIGHWAY, REPLACEMENT OF MAIPALAOA BRIDGE, OAHU	E	-	4,000,000
M	2	TRN501	S324	FARRINGTON HIGHWAY, REPLACEMENT OF MAIPALAOA BRIDGE, OAHU	N	-	16,000,000
O	3	TRN595	X099	HIGHWAY PLANNING, STATEWIDE (includes corrected description and increase)	E	-	2,500,000
O	3	TRN595	X099	HIGHWAY PLANNING, STATEWIDE (includes corrected description and increase)	N	-	10,000,000
M	4	TRN561	X121	KUHIO HIGHWAY, REPLACEMENT OF WAINIHA BRIDGES, NUMBERS 1, 2, AND 3, KAUAI	E	-	600,000
M	4	TRN561	X121	KUHIO HIGHWAY, REPLACEMENT OF WAINIHA BRIDGES, NUMBERS 1, 2, AND 3, KAUAI	N	-	2,400,000
O	5	TRN531	V051	HONOAPIILANI HIGHWAY WIDENING AND/OR REALIGNMENT, HONOKOWAI TO LAUNIUPOKO, MAUI	E	-	1,500,000
O	5	TRN531	V051	HONOAPIILANI HIGHWAY WIDENING AND/OR REALIGNMENT, HONOKOWAI TO LAUNIUPOKO, MAUI	N	-	6,000,000
O	6	TRN501	S356	SAND ISLAND ACCESS ROAD, TRUCK WEIGH STATION, OAHU	E	-	100,000
O	6	TRN501	S356	SAND ISLAND ACCESS ROAD, TRUCK WEIGH STATION, OAHU	N	-	400,000
M	7	TRN501	S296	KAMEHAMEHA HIGHWAY, KAIPAPAU STREAM BRIDGE REPLACEMENT AND/OR REHABILITATION, OAHU	E	-	3,800,000
M	7	TRN501	S296	KAMEHAMEHA HIGHWAY, KAIPAPAU STREAM BRIDGE REPLACEMENT AND/OR REHABILITATION, OAHU	N	-	15,200,000
HS	8	TRN511	T077	GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, HAWAII	E	-	350,000
HS	8	TRN511	T077	GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, HAWAII	N	-	1,400,000
O	9	TRN511	T082	QUEEN KAAHUMANU HIGHWAY WIDENING, HAWAII	E	-	200,000
O	9	TRN511	T082	QUEEN KAAHUMANU HIGHWAY WIDENING, HAWAII	N	-	800,000
HS	10	TRN501	S266	GUARDRAIL AND SHOULDER IMPROVEMENTS, VARIOUS LOCATIONS, OAHU	E	-	2,000,000
HS	10	TRN501	S266	GUARDRAIL AND SHOULDER IMPROVEMENTS, VARIOUS LOCATIONS, OAHU	N	-	8,000,000

Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
PART B: NEW REQUESTS - Tier 1							Amount
M	11	TRN501	S315	KAMEHAMEHA HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF LAIELOA STREAM BRIDGE, OAHU	E	-	2,000,000
M	11	TRN501	S315	KAMEHAMEHA HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF LAIELOA STREAM BRIDGE, OAHU	N	-	8,000,000
M	12	TRN595	X241	MAJOR PAVEMENT IMPROVEMENTS, STATEWIDE	E	-	35,300,000
M	12	TRN595	X241	MAJOR PAVEMENT IMPROVEMENTS, STATEWIDE	N	-	141,200,000
M	13	TRN501	S317	KAMEHAMEHA HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF WAIPILOPILO STREAM BRIDGE, OAHU	E	-	600,000
M	13	TRN501	S317	KAMEHAMEHA HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF WAIPILOPILO STREAM BRIDGE, OAHU	N	-	2,400,000
HS	14	TRN501	S318	HIGHWAY LIGHTING AT VARIOUS LOCATIONS, OAHU	E	-	2,600,000
HS	14	TRN501	S318	HIGHWAY LIGHTING AT VARIOUS LOCATIONS, OAHU	N	-	10,400,000
M	15	TRN501	S348	FARRINGTON HIGHWAY, ULEHAWA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, OAHU	E	-	1,700,000
M	15	TRN501	S348	FARRINGTON HIGHWAY, ULEHAWA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, OAHU	N	-	6,800,000
HS	16	TRN531	V075	HANA HIGHWAY ROCKFALL MITIGATION, HUELO TO HANA, MAUI	E	-	4,200,000
HS	17	TRN561	X051	GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, KAUAI	E	-	100,000
HS	17	TRN561	X051	GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, KAUAI	N	-	400,000
M	18	TRN595	X222	SEISMIC RETROFIT OF VARIOUS BRIDGES, STATEWIDE	E	-	1,000,000
M	18	TRN595	X222	SEISMIC RETROFIT OF VARIOUS BRIDGES, STATEWIDE	N	-	4,000,000
M	19	TRN595	X097	MISCELLANEOUS DRAINAGE IMPROVEMENTS, STATEWIDE	E	-	1,400,000
O	20	TRN501	R030	INTERSTATE ROUTE H-3, FINISH WORK AND MITIGATION, JUNCTION AT H-1 TO KMCAS, OAHU	E	-	2,150,000
O	20	TRN501	R030	INTERSTATE ROUTE H-3, FINISH WORK AND MITIGATION, JUNCTION AT H-1 TO KMCAS, OAHU	N	-	19,350,000
M	21	TRN501	S284	FREEWAY DESTINATION SIGN UPGRADE/REPLACEMENT, OAHU	E	-	100,000
M	21	TRN501	S284	FREEWAY DESTINATION SIGN UPGRADE/REPLACEMENT, OAHU	N	-	900,000
M	22	TRN501	S349	KAMEHAMEHA HIGHWAY, WAIALEE STREAM BRIDGE REPLACEMENT, OAHU	E	-	150,000
M	22	TRN501	S349	KAMEHAMEHA HIGHWAY, WAIALEE STREAM BRIDGE REPLACEMENT, OAHU	N	-	600,000

Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
PART B: NEW REQUESTS - Tier 1							Amount
M	23	TRN511	T148	HAWAII BELT ROAD, KAPEHU BRIDGE REPLACEMENT, HAWAII	E	-	400,000
M	23	TRN511	T148	HAWAII BELT ROAD, KAPEHU BRIDGE REPLACEMENT, HAWAII	N	-	1,600,000
HS	24	TRN531	V100	HANA HIGHWAY IMPROVEMENTS, VICINITY OF MILEPOST 28.1, MAUI	E	-	800,000
M	25	TRN501	S362	KAMEHAMEHA HIGHWAY, PAUMALU BRIDGE REHABILITATION, OAHU	E	-	1,030,000
M	25	TRN501	S362	KAMEHAMEHA HIGHWAY, PAUMALU BRIDGE REHABILITATION, OAHU	N	-	1,000
M	26	TRN501	S363	KAMEHAMEHA HIGHWAY, WAIMANANA BRIDGE REPLACEMENT, OAHU	E	-	920,000
M	26	TRN501	S363	KAMEHAMEHA HIGHWAY, WAIMANANA BRIDGE REPLACEMENT, OAHU	N	-	1,000

Req Cat	Dept Pri	Prog ID	Proj No.	Project Title	MOF	FY 18	FY 19
PART B: NEW REQUESTS - Tier 2							Amount
O	27	TRN511	T118	TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES, HAWAII	E	-	2,000,000
O	28	TRN561	X112	TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAYS, KAUAI	E	-	2,600,000
O	29	TRN561	X143	KUHIO HIGHWAY INTERSECTION IMPROVEMENTS AT KOLO ROAD / KALAMANIA ROAD, KAUAI	E	-	1,500,000
O	29	TRN561	X143	KUHIO HIGHWAY INTERSECTION IMPROVEMENTS AT KOLO ROAD / KALAMANIA ROAD, KAUAI	N	-	2,000
O	30	TRN531	V083	TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES, MAUI	E	-	4,000,000
O	31	TRN595	Y104	KAKUHIHEWA BUILDING OFFICE RENOVATIONS, STATEWIDE	E	-	1,000,000
TOTAL - NEW REQUESTS						-	344,454,000

BY MOF

General Fund	A	-	-
Special Funds	B	-	-
General Obligation Bonds	C	-	-
Reimbursable GO Bonds	D	-	-
Revenue Bonds	E	-	88,100,000
Federal Funds	N	-	256,354,000
Other Federal Funds	P	-	-
Private Contributions	R	-	-
County Funds	S	-	-
Trust Funds	T	-	-
Interdepartmental Transfers	U	-	-
Federal Stimulus Funds	V	-	-
Revolving Funds	W	-	-
Other Funds	X	-	-
TOTAL		-	344,454,000

Request Category:	
AI	Administration Initiatives
E	Energy Efficiency
HS	Health, Safety, Court Mandates
M	Major R&M of Existing Facilities
O	Other
T	Trade-off (Offset by Lapse)

**Department of Transportation - Administration
Listing of Administration FY19 O&M Budget Reports by Priority**

Priority	Prog ID	Sub-Org	Description of Request	Justification	FY19		
					MOE	Pos (P)	Pos (T)
1	TRN995	AA	Federal Fund Ceiling Increase	Bookkeeping update			\$ 4,787,338
1	TRM995	AA	Office of Law Enforcement & Security for Transportation Positions	Needed to manage transportation facility law enforcement and safety initiatives to comply with mandated Federal statutes	B	3.00	\$ 588,146
1A	TRN995	AA	Coordinated Public Transit Services Plan	Required for Federal Funds	B		\$ 302,925
1A	TRN995	AA	Coordinated Public Transit Services Plan	Required for Federal Funds	N		\$ 200,000
1B	TRN995	AA	Hawaii Statewide Transportation Plan Update	Required for Federal Funds	B		\$ 400,000

DAVID Y. IGE
Governor

DOUGLAS S. CHIN
Lt. Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON FINANCE

**MARCH 7, 2018
11:00 A.M.
CONFERENCE ROOM 308**

**HOUSE BILL NO. 1900
RELATING TO THE STATE BUDGET**

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1900. This bill amends Act 49, Session Laws of Hawaii 2017 and other appropriations and authorizations effective during fiscal biennium 2017-2019. The Department supports this bill.

Major operating requests included in the Executive budget for FY 19 includes a trade-off/transfer request to provide an additional Human Resources Specialist to improve recruitment efforts, and revolving funds and positions for the Agribusiness Development Corporation to provide clerical help and positions to maintain irrigation systems.

Capital improvements program requests include funds for a Cash Infusion for the Agricultural Loan Revolving fund, Halawa Animal Industry Facility Improvements, Kahuku Agricultural Park Improvements and Kekaha Ditch Irrigation System Improvements.

We realize the budget will undergo further iterations before reaching its final form and look forward to working with the committees to craft a budget that is amenable to all of those involved.

Thank you again for the opportunity to testify on this measure.



DAVID Y. IGE
GOVERNOR OF
HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
FINANCE**

**Wednesday, March 7, 2018
11:00 AM
State Capitol, Conference Room 308**

**In consideration of
HOUSE BILL 1900
RELATING TO THE STATE BUDGET**

House Bill 1900 (HB 1900) proposes to appropriate funds for the operating and capital improvement budgets of the Executive Branch for Fiscal Year (FY) 2018-2019. **The Department of Land and Natural Resources (Department) supports this measure and respectfully asks this Committee's favorable consideration on the insertion of additional cost adjustments, as requested and submitted by the Administration via Governor's Message No. 11.**

Operating Budget:

HB 1900 proposes to appropriate the following to the Department's operating budget:

- \$2.3 million in general funds
- \$3.6 million in special funds
- \$1.7 million in federal funds

The Department's requests in HB 1900 are as follows:

- Re-establishment (restoration) of seven (7) permanent positions and funds abolished from various programs by Act 49, Session Laws of Hawaii (SLH), 2017: LNR 172 Forestry and Wildlife Technician IV (\$17,454 A); LNR 401 Ecosystem Protection and Restoration Program Manager (\$46,050 A); LNR 402 Forester IV (\$26,478 A); LNR 407 two (2) Natural Area Reserve Specialist IV (\$52,956 A); LNR 805 District Resource Management Program Manager (\$46,050 A); LNR 906 Accountant IV (\$26,478 A).
- Increase LNR 101 Land Conservation Fund ceiling for the acquisition of interests or rights in land having value as resource to the State (\$1,848,498 B).
- Increase LNR 111 Bureau of Conveyances Special Fund ceiling for the preservation and digitization of records including maps (\$350,000 B).

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

- Add general funds in LNR 402 for Fire Protection Program (\$200,000 A).
- Add special funds ceiling in LNR 407 for Native Ecosystem Recovery (\$500,000 A).
- Add 2 permanent positions and general funds in LNR 405 for Division of Conservation and Resources Enforcement (DOCARE) training academy to train newly hired officers throughout the State of Hawaii (\$500,928 A).
- Add 3 permanent positions and special fund ceiling in LNR 405 for DOCARE dispatch center (\$84,816 B).
- Increase DOCARE Special Fund ceiling in LNR 405 for homelessness policy enforcement statewide (\$330,000 B).
- Add general funds in LNR 802 for the completion of phase three of State Historic Preservation Division's Integrated Information Management System and digitization of reports, records and files (\$450,000 A).
- Add general funds in LNR 802 to offset increases in operating expenditures (\$80,000 A).
- Add general funds in LNR 806 to cover increases in county contracts for lifeguard services (\$536,819 A).
- Add 1 permanent Program Specialist III (Geographic Information Systems) position and special fund ceiling in LNR 401 (\$39,158 B).
- Add 3 permanent Aquatic Biologist III positions and special fund ceiling in LNR 805 (\$117,475 B).
- Add 1 permanent Planner IV position and special fund ceiling in LNR 404 (\$42,365 B).
- Add 10 permanent positions (2 Archaeologist IV; 1 Archaeologist III; 1 National Register & Tax Credit Coordinator; 2 Burial Specialists; 1 Ethnographer; 1 GIS Technical Assistant; 2 Office Assistant III) and general funds in LNR 802 to meet the statutory mandates and the time sensitive deadlines and due dates along with the grant program requirements reiterated in the National Park Service Corrective Action Plan (\$315,812 A).
- Add 2 permanent Park Interpretive Technician positions and special fund ceiling in LNR 806 (\$53,818 B).
- Add 1 permanent Accountant IV position and special fund ceiling in LNR 906 (\$42,365 B).
- Trade-off general funds in LNR 172 from other current expenses to personal services for 6 permanent positions: 4 Forestry and Wildlife Technician IV and 2 Forester III.
- Trade-off general funds in LNR 407 from other current expenses to personal services for 6 permanent positions: 2 Natural Area Reserve Specialist IV; 2 Forestry and Wildlife Technician IV; 1 Forestry and Wildlife Worker II; 1 Staff Services Supervisor III.
- Trade-off general funds in LNR 407 from other current expenses to personal services for full year funding of salary of 5 positions.
- Trade-off revolving funds in LNR 405 from personal services to other operating expenditures.
- Change the means of financing of Engineer V position (0.50 FTE) in LNR 810 from Other Federal Fund to Special Fund.
- Change the means of financing of 2 temporary positions in LNR 401 from Other Federal Fund to Federal Fund.
- Change the means of financing of 1 temporary position in LNR 401 from Other Federal Fund to Special Fund.
- Transfer 1 permanent position and funds from LNR 101 to LNR 906.

- Convert 28 temporary positions to permanent status for various programs by all means of financing: 25 in general funds (A) and 3 in revolving funds (W).
- Adjust federal fund ceilings based on anticipated federal awards in FY 2019.

Capital Improvement Project (CIP) Budget:

The Department requests \$41.4 million for its CIP budget for various projects and initiatives that provide multiple benefits to Hawaii’s people and economy. Major projects include (among others) the statewide watershed protection and initiatives, improvements at various state parks and deep monitor wells, restoration improvements, flood damage reconstruction at Iao Valley State Monument, and other land acquisitions.

Governor’s Message (GM) 11:

The Department respectfully requests your favorable consideration for the following budget items submitted by way of GM 11:

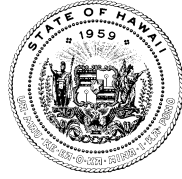
- **Land Division (LNR 101):** Reduces 1.00 permanent position and \$97,250 in general funds, and adds 1.00 permanent position and \$155,600 in special funds for FY19 to revise the means of financing for a Project Development Specialist position (special funds from the Special Land and Development Fund (SLDF)).
- **Land Division (LNR 101):** Adds \$1,000,000 in special funds ceiling in FY19 to cover the increased cost of the management of public lands (special funds from the SLDF).
- **Forestry Division (LNR 172):** Adds \$270,000 in special funds ceiling in FY19 to improve resource protection and visitor access in State Forest Reserves (special funds from the SLDF).
- **Forestry Division (LNR 402):** Adds \$200,000 in special funds ceiling in FY19 for helicopter contracts to control wildland fires for the Division of Forestry and Wildlife (special funds from the SLDF).
- **Forestry Division (LNR 402):** Adds 9 permanent positions and \$423,706 in special funds ceiling in FY19 for Forestry and Wildlife Technician IV positions to remove invasive species from forests per the Hawaii Interagency Biosecurity Plan (special funds from the SLDF).
- **Enforcement (LNR 405):** Adds \$365,000 in special funds ceiling in FY19 for a new records management system for the Conservation and Resources Enforcement Program (special funds from the SLDF).
- **Enforcement (LNR 405):** Adds \$411,000 in special funds ceiling in FY19 for a new dispatch center for the Conservation and Resources Enforcement Program (special funds from the SLDF).
- **Historic Preservation (LNR 802):** Adds \$300,000 in special funds ceiling for FY19 for the State Historic Preservation Program to contract a law fellow and archaeologists to support program operations (special funds from the SLDF).
- **Park Interpretation (LNR 806):** Adds \$515,200 in special funds ceiling in FY19 to cover increased costs of lifeguard contracts for Hapuna Beach in Hawaii County, and Keawaula Beach in the City and County of Honolulu (special funds from LNR 806 State Parks Special Fund).

NOTE: Inadvertent error in GM 11. The special funds for lifeguard contract request are not coming from SLDF but from LNR 806 State Parks Special Fund.

- **Flood Control & Dam Safety (LNR 810):** Reduces 0.50 permanent position and \$59,902 in other federal funds in FY19 for the Prevention of Natural Disasters program. This is a housekeeping adjustment to correct an inadvertent error in the trade-off request for the statewide Flood Insurance Program Coordinator (Position #52373).
- **Capital Improvement Projects (CIP):** Adds \$1,250,000 in G.O. bond funds and \$1,250,000 in private contribution funds for FY19 for the Royal Hawaiian Groin Replacement project in LNR 101. Reauthorization is requested due to updated project costs that exceed current funds, and design delays. This request will reauthorize funds proposed for lapsing from Act 119, SLH 2015, as amended by Act 124, SLH 2016, Item K-5.01, Royal Hawaiian Groin Replacement, Oahu.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

SHAN S. TSUTSUI
LT. GOVERNOR
STATE OF HAWAII

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

**TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
TO THE HOUSE COMMITTEE ON FINANCE
IN SUPPORT OF**

HB 1900, RELATING TO THE STATE BUDGET

March 7, 2018

Aloha Chair Luke, Vice-Chair Cullen and Members of the Committee:

HB1900, as introduced, includes the Governor's Executive Budget request for our two (2) programs, HHL 602 – Planning and Development for Hawaiian Homesteads and HHL 625 – Administrative and Operating Support. The Governor's Budget request includes \$25.12 million in general funds to cover the department's existing personnel, administrative and operating costs.

In addition to the request for general funds, the current version of the budget bill includes requests for \$4.824 million in special funds, \$3.74 million in trust funds and \$23.318 million in authorization to receive federal funds from the Native American Housing and Self-Determination Act (NAHASDA).

We are most appreciative of the support given by the Legislature to the Hawaiian homes program. DHHL requests that the House Committee on Finance consider our request in your deliberation. Thank you for your consideration of our testimony.



STATE OF HAWAII
Executive Office on Early Learning
1390 Miller Street, Room 303
HONOLULU, HAWAII 96813

March 7, 2018

TO: Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice-Chair
House Committee on Finance

FROM: Lauren Moriguchi, Director
Executive Office on Early Learning

SUBJECT: Measure: H.B. No. 1900 – Relating to the State Budget
Hearing Date: March 7, 2018
Time: 11:00 a.m.
Location: Room 308

Purpose of Bill: To adjust and request appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: The Executive Office on Early Learning (EOEL) strongly supports the funding requests included in the Executive Supplemental Budget for early learning.

The supplemental budget request for Program ID EDN700 includes funds as follows:

- \$133,816 to support the responsibilities of EOEL and the Early Learning Board, which has transitioned into a governing board (Act 202, Regular Session of 2017), by providing for additional operational costs, including equipment, supplies, and personnel costs associated with Act 202 and Act 49, Session Laws of Hawaii 2017 (the State budget); and
- \$20,000 for an online platform to facilitate professional learning for EOEL Public Pre-Kindergarten Program educators, which will help ensure equitable access – especially for our teachers on neighboring islands and in rural areas – to the needed professional development and face-to-face collaboration with their peers and mentors that are key to improving instruction and implementing a high-quality pre-kindergarten program.

The details of our request are attached. Thank you for the opportunity to testify on this bill. I am happy to answer any questions you may have.

EXECUTIVE OFFICE ON EARLY LEARNING – FY19 SUPPLEMENTAL BUDGET REQUEST

EDN 700; Prog ID 10304 (EOEL Office)		
Item	Expense	Justification
Position- Office Assistant IV	\$29,340	Act 202, SLH 2017, transformed the Early Learning Advisory board into the Early Learning Board (ELB), with governing authority over the Executive Office on Early Learning. With the additional responsibility of a governing board, ELB requires clerical support. The position will be shared with EOEL, which will require additional support as the EOEL office and EOEL Public Pre-Kindergarten Program expands.
Position- Data Processing User Support Technician (DPUST) II	\$35,676	EOEL staff require ongoing support and assistance in the management and operation of computer systems as well as technical support in problem identification, diagnosis, and resolution.
Travel for Early Learning Board Members	\$28,800	Board members who reside on neighbor islands will need to travel to Oahu for monthly board meetings as well as additional subcommittee meetings. As such, funds will be required for travel and transportation (rental car).
Phone Lines	\$10,000 estimated	With the addition of staff members (Research Statistician, Government Affairs Specialist, Program Specialist, and Secretary) as well as the 2 additional requested positions (Office Assistant and DPUST), additional phone lines (local + long distance & conference) will need to be installed.
Computer Equipment	\$20,000	Computer equipment, laptops, and software programs are required for the ELB Chairperson, EOEL Director, Data Processing User Support Technician, and Office Assistant positions to support them in performing the responsibilities of their respective positions.
Supplies and Printing for ELB	\$10,000	In order to support the statutory obligations of the board, ELB will require funds for supplies as well as printing costs.
Total	\$133,816	

EDN 700; Prog ID 10301 (EOEL Public Pre-Kindergarten Program)		
Item	Expense	Justification
On-Line Platform for Staff Professional Development	\$20,000	<p>Research has shown that to impact teaching practices and improve child outcomes, teachers are most effective when they have bachelor's degrees or higher, with specialized training or licensure in early childhood education. Studies have also revealed that school principals who are well-trained in instructional methods in early education are instrumental to high-quality pre-k programs. Thus, both teachers and principals need ongoing, targeted professional development and opportunities for reflective practice.</p> <p>Currently, only 20% of the EOEL Public Pre-K Program teachers have coursework in early childhood education, so the in-service training and support provided through EOEL's Early Learning Academy is even more crucial as we strive to implement high-quality programs in every classroom.</p> <p>There are a limited number of EOEL Public Pre-K Program classrooms scattered across the state. We want to ensure the teachers and principals on neighboring islands and in rural areas do not feel isolated and have equitable access to the needed professional development and face-to-face collaboration with their peers and mentors that are key to improving instruction.</p> <p>The online platform will allow all EOEL Public Pre-K Program staff to access the PDE3 courses offered by EOEL. It will also offer the ability to permanently house recorded trainings and meetings, as well as other professional development resources, so teachers and principals statewide can access them at any time. Though the PDE3 system and online learning platforms that may be available through DOE offer some of the tools that are needed, the tools are not all in one place and the system/platforms do not provide the permanency needed for an effective online community of learners.</p>

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: House Committee on Finance

From: Cheryl Kakazu Park, Director

Date: March 7, 2018, 11:00 a.m.
State Capitol, Conference Room 308

Re: Testimony on H.B. No. 1900
Relating to the State Budget

Thank you for the opportunity to submit testimony on this bill, which would provide **\$115,000 in supplemental funding** for fiscal year 2019 for the state Office of Information Practices (“OIP”) **for AGS 105. OIP is in strong support of this supplemental budget request.**

As the attached budget chart shows, OIP has historically been underfunded. *See Chart 1, Budget Chart* from OIP’s FY 2017 Annual Report. OIP was created 29 years ago in 1988 to administer the Uniform Information Practices Act (UIPA). At its height in FY 1994, OIP had 15 authorized positions and an allocated budget of \$827,537, which is the inflation-adjusted equivalent of \$1,374,543 today. Five years later, in FY 1999, OIP was given the additional responsibility of administering the Sunshine Law, which essentially doubled its work, but OIP had been slashed to only 8 positions and its budget was cut to \$354,505, which is the inflation-adjusted equivalent of \$523,064 today. Since FY 1999, OIP faced additional budget and position cuts, furloughs, and supplemental leaves without pay. It was not until FY 2014 that OIP was authorized an additional attorney position. **Currently, OIP has 8.5 FTE authorized positions and a**

legislative appropriation of \$576,855, which is \$304,473 less in unadjusted dollars and only 42% on an inflation-adjusted basis of what it had in FY 1994. In short, OIP has been doing double the work with half the resources that it had 24 years ago.

And while OIP has the most extensive jurisdiction, OIP has the least resources of the State's good government agencies, as demonstrated in the attached **Chart 2**, State Good Government Agencies Comparison Chart. No other agency has OIP's widespread jurisdiction over all state, county, and independent agencies (including UH, OHA), as well as all branches of government: Executive (including the Governor, Lt. Governor, and all mayors), Legislative (including the Legislature and county Councils), and Judicial (excluding only the courts' nonadministrative functions). But OIP's 8.5 positions, which consists primarily of attorneys (6), and a total \$576,855 budget for FY 2018, is nowhere near the following agencies' position count and personal services (not total) budgets for FY 2018:

State Ethics Commission: 11 positions; \$944,402

State Ombudsman: 14 positions; \$1,256,599

State Auditor: 37 positions (26 filled); \$2,630,927

On a per capita basis, even the State Campaign Spending Commission with five employees (of which two are attorneys) has a bigger personal services budget at \$443,932.

Besides this history of underfunding, which was exacerbated by budget and position cuts and furloughs over the years, OIP's current Director began her term in April 2011 with a backlog of 89 of the oldest, hardest cases left unresolved by four prior administrations since FY 1999.

See attached **Chart 3**, Formal Cases Pending as of 4/4/2011. Because 37 of those

older cases required written opinions, it was not until FY 2015 that OIP was finally able to resolve the last of these “inherited” cases.

In the meantime, **new formal cases filings to OIP doubled from 142 in FY 2011 to 278 in FY 2017, which amounts to an average increase of 17% per year over six years.** This average increase, however, masks FY 2017’s 40.4% increase in new formal cases that were filed with OIP (blue dotted line), which led to a steep increase in OIP’s backlog (red dashed line) as shown in the attached Chart 4, Formal Cases: New, Closed, & Outstanding (FY 2011-FY 2017). **Chart 4 shows that the backlog continues to increase with the correlated increases in new case filings, despite OIP’s increased productivity** (green solid line), which jumped substantially higher in FY 2014 after a new attorney position was added to OIP.

A large portion of recent increases in case filings may be attributed to repeat requesters. For example, in FY 2017, 80 of the 278 formal cases (29%) were filed by one couple (42 cases) and two individuals (25 and 13 cases each). To reduce abuse by requesters, OIP has proposed new rules as well as legislation. But rulemaking and legislation, along with the other duties that OIP performs, take much time and resources.¹

Even though new case filings for FY 2018 have been lower to date, OIP has been extremely busy working since last year on **rulemaking** for its second set of rules since 2012, when it last adopted rules for appeals to OIP. OIP has prepared draft rules and informational briefing materials and presentations, which it has presented in person on each island, televised several times on ‘Olelo, and posted on OIP’s website – and it still has not yet gone to public hearing because it has revised

¹ For a list of OIP’s 18 statutorily enumerated powers and duties, see section 92F-42, Hawaii Revised Statutes. Since 2013, OIP has also been charged with helping the Office of Enterprise Technology Services with open data issues. HRS sec. 27-44.3.

the draft rules to address comments received from the agencies and members of the public before it actually proposes new rules for adoption. OIP is now awaiting the Attorney General's review of its proposed rules and is currently preoccupied with the legislative session, where it spends the better part of four months each year proposing, monitoring, testifying, and working with various stakeholders on **legislation** relating to open government issues.

After each session and the adoption of new rules, OIP prepares new **training** materials and, if funding is available, will go to each island to present courses on new laws and rules. In fact, the changes to the rules that OIP is currently considering will require extensive revisions to and training sessions on the **UIPA Record Request Log**, which OIP created in FY 2013 and is now being used by all state, county, and independent agencies to track, report, assist requesters, and train employees regarding record requests subject to Hawaii's open records law. OIP heavily relies upon its website to efficiently stretch its resources through technology and it was one of the first agencies to prepare **online training** programs, which are freely and conveniently available to all members of the public, and not just government employees. OIP was also one of the first agencies to produce its **online materials to be ADA compliant and to produce accredited continuing legal education courses**.

Each year, **OIP prepares two reports** – one for state and one for county agencies – **to summarize the Log results**. All of OIP's work is detailed in a third report, **its Annual Report to the Legislature**. Frequently, throughout the year, OIP communicates with the good government community and agencies through its **What's New** emails, which are archived on its website.

OIP also monitors **litigation** relating to open government issues, and has been fortunate since 2009 to not be embroiled in litigation itself. It was because

of the uncertainty over OIP's authority resulting from the appellate decision in County of Kauai vs. Office of Information Practices² that OIP sought and successfully obtained legislative clarification in 2012, which has changed how OIP writes its opinions. Because OIP's opinions are now written to withstand judicial scrutiny and "speak for themselves" in court, OIP has not had to take time from its other duties to defend OIP opinions in court.³ **OIP's opinions are thus unlike the short, conclusory opinions typical of other states, as they include factual and legal analyses that courts could defer to under the high standard of judicial review that was mandated by the 2012 legislative changes.**

Now that OIP has cleared up the backlog from prior administrations that were as old as 12 years, it is giving priority to writing opinions in its oldest cases (filed in FY 2015) while continuing to meet its

² 120 Haw. 34, 200 P.3d 403, 2009 Haw. App. Lexis 35 (2009). Until that decision, OIP operated under the assumption that the UIPA did not give government agencies the right to appeal OIP decisions as the Legislature had intended that OIP would have the final word. The Intermediate Court of Appeals, however, concluded in Kauai that agencies had the right to appeal under the Sunshine Law, which was also implicated in that case. Because this cloud was placed over OIP's authority in 2009, OIP sought legislative clarification in 2012. Act 176, SLH 2012, resolved the matter by recognizing the agencies' and boards' right to appeal OIP decisions under the UIPA and Sunshine Law in exchange for a high standard of judicial review requiring judicial deference to OIP's opinions unless they are "palpably erroneous" as to the facts and law. See Cheryl Kakazu Park and Jennifer Brooks, 2013 Law and Administrative Rules Governing Appeal Procedures of Hawaii's Office of Information Practice, 36 University of Hawai'i Law Review 271 (Winter 2014).

³ For example, OIP was entangled in litigation for four years in the Kauai case that began in 2005 and ended in 2009. Although special counsel was appointed to represent OIP, OIP's attorneys wrote briefs and assisted in the litigation, which took time away from their normal duties. In contrast, the Office of Hawaiian Affairs (OHA) filed a lawsuit in December 2014 challenging OIP Op. No. F15-02, which involves Sunshine Law issues. The case is still in the First Circuit Court, which ruled on May 1, 2017 that OIP's opinion was not palpably erroneous and denied OHA's motion for summary judgment. While OIP is defended by the Attorney General's office in the OHA case, OIP has not had to provide legal assistance and has continued its normal work while the case winds its way through the courts.

increasing case load and doing many other duties. **If requesters are not willing to wait their turn for written opinions, they have the option to get free, informal advice from OIP, within days or months.** Such informal advice is **similar in content yet faster than other states' "opinions"** and is available when Correspondence files are opened, or through **the Attorney of the Day (AOD) service, which is OIP's most popular service that operates like the "express line" at a supermarket and typically provide same day responses to requesters.** Because of the neutral, expert advice from OIP's attorneys, the AOD service often prevents disputes from arising or resolves them without the need for further OIP involvement. The AOD service is used by both government employees (61%) as well as the general public (39%).⁴ When 956 AOD inquiries are combined with the 232 formal cases filed and resolved by OIP in FY 2017, **OIP resolved 93% of its 1,234 total requests for its services the same year and 77% the same day.**

The current supplemental budget request for \$115,000 in AGS 105 is solely for the purpose of providing salary parity for OIP's current employees, who are underpaid relative to other government attorneys and without whom OIP would fall even further behind. OIP has already lost employees to other state and county agencies that can pay more than OIP can afford. OIP does not want to lose its experienced personnel and unparalleled institutional memory that goes back to 1988, when the Legislature was considering the UIPA legislation and before OIP was even created. **If the Legislature wants OIP to do its opinions faster while continuing to do its other necessary duties, OIP would need to**

⁴ Even other government attorneys use the AOD service to obtain expert advice from OIP's attorneys who provide consistent, uniform interpretation and administration of the UIPA and the Sunshine Law. Members of the public, including media representatives, also frequently call, write, or email OIP for AOD advice.

House Committee on Finance
March 7, 2018
Page 7 of 7

respectfully request additional positions, dedicated funding in excess of its current \$115,000 request, and a reasonable time to hire and train new employees.

Thank you for considering OIP's testimony in support of its \$115,000 supplemental budget request in AGS 105 to obtain much needed salary parity for its employees.

CHART 1

Office of Information Practices Budget FY 1989 to FY 2017



Fiscal Year	Operational Expense Allocation	Personnel Allocation	Total Allocation	Allocations Adjusted for Inflation**	Approved Positions
FY 17	22,324	553,660	575,984	575,984	8.5
FY 16	31,592	532,449	564,041	578,142	8.5
FY 15	45,228	507,762	552,990*	574,597	8.5
FY 14	88,862	450,895	539,757*	560,346	8.5
FY 13	18,606	372,327	390,933	412,253	7.5
FY 12	30,197	352,085	382,282	409,560	7.5
FY 11	42,704	314,454	357,158	393,836	7.5
FY 10	19,208	353,742	372,950	417,961	7.5
FY 09	27,443	379,117	406,560	467,591	7.5
FY 08	45,220	377,487	422,707	486,307	7.5
FY 07	32,686	374,008	406,694	487,911	7.5
FY 06	52,592	342,894	395,486	484,313	7
FY 05	40,966	309,249	350,215	445,966	7
FY 04	39,039	308,664	347,703	455,917	7
FY 03	38,179	323,823	362,002	483,809	8
FY 02	38,179	320,278	358,457	491,515	8
FY 01	38,179	302,735	340,914	472,799	8
FY 00	37,991	308,736	346,727	498,808	8
FY 99	45,768	308,736	354,504	523,064	8
FY 98	119,214	446,856	566,070	850,642	8
FY 97	154,424	458,882	613,306	936,106	11
FY 96	171,524	492,882	664,406	1,044,972	12
FY 95	171,524	520,020	692,544	1,118,940	15
FY 94	249,024	578,513	827,537	1,374,543	15
FY 93	248,934	510,060	758,994	1,292,519	15
FY 92	167,964	385,338	553,302	972,942	10
FY 91	169,685	302,080	471,765	851,136	10
FY 90	417,057	226,575	643,632	1,226,836	10
FY 89	70,000	86,000	156,000	312,823	4

*Total allocation for FY 2014 and 2015 includes the additional appropriation through Act 263, SLH 2013, to assist with open data and open government matters.

CHART 2

STATE GOOD GOVERNMENT AGENCIES COMPARISON CHART (REVISED as of 2/21/2018) (All serve the general public)

Office/HRS/Constit.	Jurisdiction	Term	How Appointed	How Removed	Salary	FY 2018-19		
						Gen. Funds Appropriation	Personnel Services	Authorized FTE Positions
OIP Director HRS 92F-3, -41, -42; HRS 92-1.5, -2, -10	State, counties (including Mayors, Councils, and departments), independent agencies (UH, OHA), and including Executive branch (Gov, Lt. Gov. and agencies), Legislature, and Judiciary (except courts' nonadministrative functions), for UIPA (open records) ; also all Sunshine Law boards of state, county, and independent entities	At will	Governor's discretion	Governor's discretion	Governor's discretion			
OIP Budget						\$576,855	\$567,388	8.5 (includes 6 attorneys)
Auditor Constit. Art. VII, Sec. 10; HRS 23-1, -2, -3, -8	State and its political subdivisions, except Legislature	8 yrs	Legis. by maj. vote of each house in jt. session	2/3 vote in jt session, for cause May be removed by 2/3 vote in jt session "at any time for cause"	Same as DOH Director Cannot be diminished during term			
Auditor Budget						\$3,007,127	\$2,630,927	37 (26 actual)

CHART 2

Ombudsman HRS 96-1, -2, -3	Administrative acts of agencies, except Legislature, Judiciary, federal govt. , multistate govt'l entity, Gov. and personal staff, Lt. Gov. and personal staff, mayors, councils	6 yrs	Legis. by maj vote of each house in jt session	2/3 vote in jt session Legis. may remove "but only for neglect of duty, misconduct, or disability"	Same as DOH Director Cannot be diminished during term
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Ombudsman Budget						\$1,330,834	\$1,256,599	14.0
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LRB Director HRS 23G-1, -2	Serves Legislature	6 yrs	Legis. by maj. vote of each house in jt. session	2/3 vote in jt session Legis. may remove "but only for neglect of duty, misconduct, or disability"	Same as DOH Director Cannot be diminished during term
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LRB Budget						\$3,459,738 excl. dues	\$2,917,394 incl. session staff & OT	38.0
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State Ethics Exec Dir. HRS 84-2, -3, - 35	State only: all nominated, appointed, or elected officer, employee, and candidate to elected office, but excluding justices and judges	At will	State Ethics Commission's discretion	May be removed "at pleasure" as Commission "deems necessary for the performance of its functions"	Same as DOH Director
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State Ethics Budget						\$1,112,093	\$944,402	11.0
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CHART 2

State Campaign Spending Commission Executive Director Candidates

At will

Campaign Spending Commission's discretion

Campaign Spending Commission's discretion

Campaign Spending Commission's discretion; 2017: \$129,912

HRS 11-314(12)

State CSC Budget						\$505,585	\$443,962	5.0
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Chief Election Officer HRS 11-1, -1.6,

Elections

At will

Elections Commission's discretion

Elections Commission's discretion

Not to exceed 87% of DHRD Director's salary; 2018: \$128,276

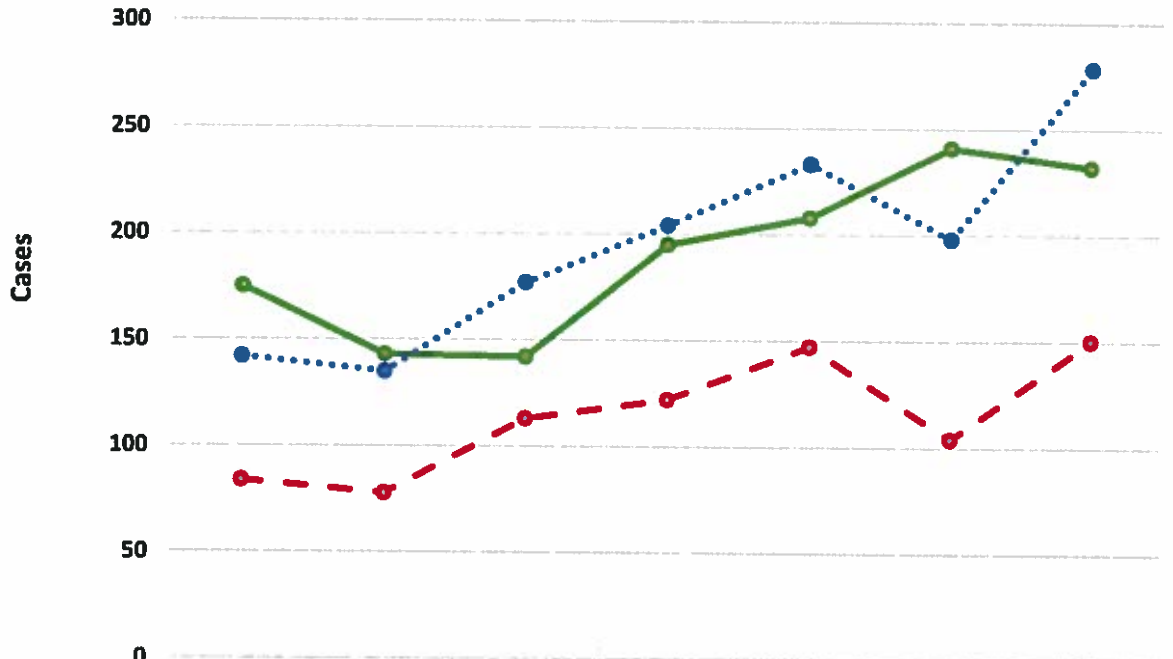
Elections Budget						\$3,071,898, not inclu. fed. funds	\$2,234,383	27.44, inclu. 9.44 temp.
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CHART 3

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	FORMAL CASES PENDING AS OF 4/4/2011 (FY 2011)														
2															
3		FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	
4	APPEAL									2	6	3	9	13	33
5	RFO	1				2	1	2	3			1	4	3	17
6	RFA		1		1				2	1	3		5	7	20
7	CORR							1						1	2
8	INV								1	1		1	10	4	17
9															
10	TOTALS	1	1		1	2	1	3	6	4	9	5	28	28	89
11															
12	Gray	1	1		1										3
13	Kondo					2	1	3	6	4					16
14	Tsukiyama										9	5			14
15	Takase												28	28	56
16	TOTALS				3					16		14		56	89

CHART 4

**Formal Cases: New, Closed, & Outstanding
FY 2011 - FY 2017**



	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
••• New formal cases	142	135	177	204	233	198	278
— Resolved cases (closed)	175	143	142	195	208	241	232
- - Outstanding cases (backlog)	84	78	113	122	147	104	150



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE

March 7, 2018 at 11:00 a.m.
State Capitol, Room 308

In consideration of
H.B. 1900
RELATING TO THE STATE BUDGET.

HHFDC ***supports*** H.B. 1900, the Executive Supplemental Budget request. In particular, HHFDC ***strongly supports*** the Governor's Supplemental Capital Improvement Project (CIP) request for FY2018-2019 as follows:

Rental Housing Revolving Fund Infusion, Statewide (BED 160/HF) \$50,000,000 (C)

The Rental Housing Revolving Fund (RHRF) provides loans to projects that set aside rental units affordable to extreme and very low-income families. Since its inception, Rental Housing Revolving Fund awards have been made to 79 affordable rental projects comprising a total of 6,451 units statewide.

The requested funds are primarily intended for projects that utilize the 4 percent Low-Income Housing Tax Credit program. For every \$10 million dollars infused to the RHRF, it is estimated that approximately 70 new units could be produced. This Supplemental request would therefore help produce up to 350 new units. Of the \$50 million requested for the RHRF, approximately \$25 million is requested to be earmarked for the residential component of the proposed Alder Street mixed-use residential development comprised of about 180 affordable family rental units, incidental uses (such as management office and community room), and residential parking.

Dwelling Unit Revolving Fund Infusion, Statewide (BED 160/HD) \$25,000,000 (C)

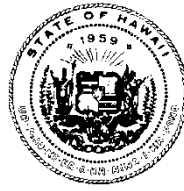
This appropriation for the Dwelling Unit Revolving Fund (DURF) for the design and construction of infrastructure supporting transit-oriented development and transit-ready development projects as follows:

- Mixed-use residential project at the Liliha Civic Center (located ¼ mile from the planned Iwilei rail station);
- Mixed-use residential project at the Kahului Civic Center (which would include a new Maui Bus Hub) in partnership with the Department of Accounting and General Services;
- Affordable rental housing and permanent housing for the homeless in West Hawaii with the County of Hawaii; and
- Affordable rental housing in HHFDC's Villages of Leialii in West Maui.

Waiahole Water System Improvements, Oahu (BED 160/HD) \$5,500,000 (C)

This is a re-appropriation of funds due to a project delay. These funds will be used to construct a new .2 MG reservoir, upgrade the booster pumps and connect the waterline to the Board of Water Supply's 272-foot water system located along Kamehameha Highway. Additionally, a new source well and pump station at the existing potable tank site will be designed and constructed closer to power sources and a paved roadway for more reliable service. This request will be offset by the lapsing of an estimated balance of \$5,230,000 of funds previously appropriated in FY16.

We respectfully request your favorable consideration of these requests. Thank you for the opportunity to testify.



STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

Statement of

Hakim Ouansafi

Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON FINANCE

Wednesday, March 7, 2018

11:00 AM - Room 308, Hawaii State Capitol

In consideration of

HB 1900

RELATING TO THE STATE BUDGET

Honorable Chair Luke and Members of the House Committee on Finance, thank you for the opportunity to provide testimony in **strong support** concerning House Bill (HB) 1900, relating to the state budget. HB 1900 appropriates funds for the operating and capital improvement budget of the Executive Branch for the supplemental year of the fiscal biennium 2017-2019.

The HPHA's mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination through its public housing and rental assistance programs. The HPHA serves the State's most vulnerable populations, including the homeless and those at risk of homelessness, those earning less than thirty percent of the Area Median Income (AMI), the disabled and the elderly. The HPHA respectfully requests the support of the Legislature as we continue to provide shelter to working families, elderly, the homeless and those on the verge of homelessness.

I. HMS220 – Rental Housing Services

- **\$29M – LUMP SUM PUBLIC HOUSING DEVELOPMENT, IMPROVEMENTS, AND RENOVATIONS, STATEWIDE**
- **\$4.5M – MAYOR WRIGHT HOMES ON-SITE INFRASTRUCTURE IMPROVEMENTS, OAHU**

Almost all of the HPHAs construction projects are rehabilitation or modernization projects as opposed to new construction. Modernization and renovation projects are much more complex and filled with a high likelihood of unforeseen conditions than is new construction. Due to the age of our housing inventory, and unexpected issues that often occur, the HPHA respectfully requests your consideration for a lump sum budget request (as you have done in the past), which will provide the agency with the flexibility of managing and expending capital funds in an expeditious manner. The condition of a property can change in an instant by tenants who drive

their vehicles into buildings, to discovering heavy mold after removing drywall, or by the occasional act of nature that sends a boulder down a hill into a newly renovated building (Kalihi Valley Homes). The \$29M request will go toward projects that are mostly shovel-ready or will be at year's end. These projects include site improvements, ADA compliance, structural repairs, re-roofing, infrastructure upgrades, concrete spall repairs and painting. Additionally, the HPHA is requesting \$4.5M to go towards the estimated Post-EIS predevelopment expenses for the Mayor Wright Homes Redevelopment Project. Those expenses include architectural, land entitlements, HUD Demolition & Disposition, relocation, design, engineering, permitting and consulting fees that will be incurred subsequent to Master Planning, environmental review, and land entitlements prior to the first financial closing.

II. HMS 222 – Rental Assistance Services

- **1,551,577 – ADD GENERAL FUNDS TO MAINTAIN CURRENT STATE RENT SUPPLEMENT PROGRAM SUBSIDIES**

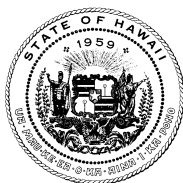
The HPHA was granted the authority to increase the amount of rent assistance provided to participating households under the State Rent Supplement Program, and is requesting an additional \$1,551,577. The increase in the maximum amount of rental assistance provided per family has resulted in an increased demand for these vouchers. In response to the demand for housing assistance for homeless individuals and families and the high rents in Hawaii, the HPHA increased both the number of families served and the total amount of assistance provided. The current base appropriation cannot support the current program participants, and the HPHA may have to release the latest families that were added to the program.

III. HMS 220, HMS 222, HMS 229 – INCREASE FRINGE BENEFITS

For Program IDs HMS220, HMS222, and HMS229, the HPHA is requesting federal fund ceiling increases of \$1,493,691, \$65,338, and \$941,417. The requested ceiling increases are needed due to an increase in the federal fringe benefits rate to 60%. The composite federal fringe benefit rate will cover:

- Pension accumulation
- Pension administration
- Retiree health insurance
- Employees' health fund
- Workers' compensation
- Unemployment compensation
- Social security
- Medicare
- Other post-employment benefits

The HPHA appreciates the opportunity to provide the House Committee on Finance with the HPHA's testimony regarding HB 1900. We thank you very much for your dedicated support.



DAVID Y. IGE
GOVERNOR

STACIE A. ALDRICH
STATE LIBRARIAN

STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

HOUSE COMMITTEE ON FINANCE
Wednesday, March 7, 2018
11:00 a.m.
Conference Room 308
State Capitol

By
Stacey A. Aldrich
State Librarian

H.B. 1900 – Relating to the State Budget

To: Chair Luke, Vice-Chair Cullen and Members of the Committee on Finance

The Hawaii State Public Library System (HSPLS) **strongly supports** H.B. 1900 which makes adjustments and requests appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

In support of its mission, HSPLS requested the following additions to its operating budget:

- 3.5 additional positions for the new Nanakuli Public Library to support a public service schedule for both nearby school children and a commuter community;
- \$500,000 in additional funds for repairs and maintenance for 50 public libraries throughout the State of Hawaii; and
- \$500,000 for the library collection.

Additionally, HSPLS has requested the following capitol improvement project funding:

- \$3.5 million for health and safety projects for 50 public libraries; and
- \$300,000 for planning of a new library to replace the current Keaau and Mountain View libraries.

The planning funds will allow HSPLS to pursue an offer to donate land for the new library by W.H. Shipman Ltd, and address health and safety issues related to the current library locations.

Thank you for the opportunity to comment on this measure.



UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the
 House Committee on Finance
 March 7, 2018 at 11:00 a.m., Room 308
 by
 David Lassner
 President – University of Hawai'i

HB 1900 – RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Cullen, and members of the Committee on Finance:

Thank you for this opportunity to testify. The University of Hawai'i (UH) **supports** HB 1900, Relating to the State Budget. Recognizing that we had a more in-depth presentation of our budget on January 16, 2018, we will keep this testimony brief.

Operating

Provided below is a table showing the Board of Regent (BOR) approved request for the supplemental budget for Fiscal Year 2018-19 (FY19). All Means of Financing (MOF) are general funds:

Campus	Description	Pos (P)	Pos (T)	\$\$\$
Mānoa	Facilities	7.00		4,038,848
Mānoa	Student Success Initiative - Veterans, Filipinos, Mental Health	7.00		575,000
Mānoa	Native Hawaiian Affairs Action Plan	4.00		700,000
Mānoa	Student Research & Innovation	2.00		535,000
Mānoa	Graduate Student Initiative - Phase I	-		2,850,000
Mānoa	FTEs for Athletics	43.00		-
Hilo	DKICP - Janitorial & Groundskeeping	3.00		120,495
Hilo	Native Hawaiian Development	1.00		260,000
Hilo	Student Workforce	-		200,000
SBDC	10 temp FTE for SBDC		10.00	
UHWO	Health & Safety / Utilities / Equipment	7.00		781,000
UHWO	Academic Affairs Restructure & Growth	10.00		680,000
UHWO	Student Affairs	6.00		446,364
CCs	Hawai'i Promise Program			700,000
CCs	Arch/Eng for Facilities	3.00		273,600
CCs	Additional Pos for Security	31.00		1,083,264
CCs	Apprentice Lecturer Costs	-		260,000
CCs	Filipino Student Support	6.00		614,920
CCs	Veterans Support	7.00		473,108
CCs	Native Hawaiian Student Support	16.00		1,729,908
System	Office of Strategic Planning & Development	4.00		500,000
	Total	157.00	10.00	16,821,507

Mānoa

\$3 million is requested for ongoing special repair and maintenance projects at UH Mānoa that would not be appropriate in the capital portion of the budget. Seven positions are also requested to be facilities zone managers to oversee specific portions of the campus to be more responsive to facilities related issues. There is also additional funding requested for an access control computerized card system to ensure the safety of students, faculty, and staff.

To assist underserved students, \$575,000 is requested for additional resources for Student Services Specialists and Psychologists. These positions would provide support services for Filipino students, Pacific Island students, Veterans, and students with disabilities. Additionally, the psychologists would support the Counseling and Student Development Center in providing high demand mental health, developmental/wellness, and prevention services to UH Mānoa's diverse student population.

In summer 2017, the inaugural Native Hawaiian Affairs Program Officer position was created and hired in the Office of the Chancellor at UH Mānoa, establishing the Office of Native Hawaiian Affairs. Additional resources are requested to assist in enacting this Office's Action Plan which would seek to increase retention and graduation of Native Hawaiian students and strengthen the Hawaiian sense of place at UH Mānoa. Positions will be established to promote community and student-faculty engagement, campus environment, co-curricular programming, and graduate and faculty development.

\$535,000 is requested for UH Mānoa for student research and innovation projects and support and personnel services such as workshops and an undergraduate research showcase. This initiative will not only support UH Mānoa's research mission but also provide an opportunity for increased engagement by undergraduate students.

The Legislature has previously shown support for graduate student employees who have not seen structural raises for many years. As a result, UH Mānoa is requesting an additional \$2.85 million to raise the base salary for its graduate assistants.

Forty-three (43) General Funded position counts are requested for UH Mānoa Athletics. This would convert positions that are currently funded by the Athletics Special Fund to the State General Fund, which would provide savings to UH in excess of \$1.1 million in fringe costs.

Hilo

Two additional janitors and an additional groundskeeper are requested for UH Hilo for maintenance and upkeep of the new Daniel K. Inouye College of Pharmacy Building.

Additionally, UH Hilo is requesting resources to assist in implementing its Hawai'i Papa O Ke Ao plan, which complements the UH system HPOKA plan. This request would seek to improve the recruitment, retention, and graduation of Native Hawaiians through student support services and high impact applied learning experiences such as internships, community-based/service learning, undergraduate research, and work-based learning.

UH Hilo is also requesting \$200,000 to employ students as both peer mentors and advisors. Peer mentoring and advising are key components of Hilo's strategy to increase retention rates. This request would expand pilot projects that have already demonstrated positive outcomes.

Although a separate program ID from UH Hilo, there is a request for ten (10) temporary positions for UH-Hilo Small Business Development Center (SBDC), which are currently provided via RCUH. This conversion will allow for the positions and functions to be done by UH employees.

West O'ahu

As the UH West O'ahu (UHWO) campus grows and evolves, various infrastructure and direct instructional needs grow as well and necessitate additional resources. UHWO is requesting \$781,000 for its infrastructure needs, such as security, janitorial duties, funding for utilities cost, and equipment for 21st century classrooms. Although still a relatively new campus, providing a base level of funding for facilities and upkeep will maintain these new facilities in their current condition and avoid the maintenance backlog situation seen on other campuses. \$680,000 is requested to assist with the restructuring of academic programs at UHWO to accommodate growth, and \$446,364 is requested to improve student services as the enrollment grows.

Community Colleges

The 2017 Legislature appropriated \$1,829,000 for the Hawai'i Promise Program, although the original request was for \$2,500,000. A total of \$1,600,000 was issued for the Fall 2017 semester, and it is anticipated that this number will grow as awareness of the program grows and additional scholarships are issued in the future. An additional \$700,000 is requested to provide full funding.

The Community Colleges are requesting three additional architectural/engineering positions to adequately staff their Facilities Office. Currently this office has only four FTE architectural/engineering positions to manage over three million gross square feet of classrooms, labs, shops, and office spaces located on seven major campuses and numerous satellite education centers statewide.

The request for 31 additional positions and \$1.1 million for security would provide 24/7 coverage by a minimum of two security officers for all Community College campuses.

Additional resources are also requested to help address the increasing lecturer cost for the Apprenticeship program, counselors to assist Filipino students, and counselors and support staff for Veterans. Finally, \$1.7 million is requested to provide permanent funding for successful programs originally funded by Title III grants from the U.S. Department of Education that are expiring or may have already expired.

Systemwide Administration

This request would establish a small office at the Systemwide Administration level, which would oversee strategic development and partnerships for UH. The office is necessary to increase specialized expertise and resources of UH to develop public-private partnerships to more effectively deliver UH services and to activate UH's objectives to increase utilization of real estate assets as prudently responsible and consistent with the Integrated Academic and Facilities Plan. This office and approach is also consistent with the objectives identified by the Regents' task group on real estate development and the recently established Regents' task group on public-private partnerships.

Governor's Operating Budget

The Governor's budget request reduced the BOR's \$16.8 million request to \$6.7 million. A breakout is provided:

Campus	Description	Pos (P)	Pos (T)	\$\$\$
Mānoa	Facilities	7.00		1,500,000
Mānoa	Student Success Initiative - Veterans, Filipinos, Mental Health	5.00		400,000
Mānoa	Native Hawaiian Affairs Action Plan	3.00		500,000
Mānoa	Student Research & Innovation	-		175,000
Mānoa	Graduate Student Initiative - Phase I	-		621,397
Mānoa	FTEs for Athletics (convert from special funds to general funds and transfer between personal services and other current expenses)	43.00		2,690,844
Mānoa	FTEs for Athletics			(2,690,844)
Hilo	DKICP - Janitorial & Groundskeeping	3.00		120,495
Hilo	Native Hawaiian Development	1.00		200,000
SBDC	10 temp FTE for SBDC (transfer from other current expenses to fund personal services)		10.00	543,852
SBDC	10 temp FTE for SBDC			(543,852)
UHWO	Health & Safety / Utilities / Equipment	3.00		300,000
UHWO	Academic Affairs Restructure & Growth	8.00		400,000
UHWO	Student Affairs	3.00		200,000
CCs	Hawai'i Promise Program			700,000
CCs	Apprentice Lecturer Costs	-		260,000
CCs	Filipino Student Support	3.00		350,000
CCs	Veterans Support	7.00		473,108
CCs	Native Hawaiian Student Support	5.00		500,000
	Total	91.00	10.00	6,700,000

Capital Improvements Program (CIP)

Provided below is a table showing the BOR approved request for FY19. All MOF are General Obligation (GO) bonds:

Project Title	FY19 \$\$\$
Mānoa - Renew, Improve, Modernize (RIM) projects	139,500,000
Mānoa - Sinclair Library Renovation	41,000,000
Mānoa - Keller Hall Renovations, design phase	1,500,000
Hilo - Renew, Improve, Modernize projects	27,900,000
Hilo - Puako Marine Educational Center, design phase	1,000,000
West O'ahu - Renew, Improve, Modernize projects	3,000,000
West O'ahu - Relocation of Dental Hygiene Program from UH Mānoa to UH West O'ahu	10,000,000
CC - Capital Renewal & Deferred Maintenance	25,000,000
CC - Minor Capital Improvement Projects	10,000,000
Hawai'i CC - Campus Development, design phase	2,000,000
Leeward CC - Repave Fascia & Replace Walkways Campuswide	8,800,000
Total	269,700,000

UH is requesting \$170.4 million to renovate, improve, and modernize (RIM) classrooms, laboratories, and offices into quality learning, teaching, and working spaces. Instead of traditional classrooms lined with rows of single desks, movable and flexible furniture allows for various seating options that encourage small group discussions and hands-on learning configurations. Modern-day needs encourage multi-disciplinary collaboration and the replacement and renovation of buildings provides an opportunity to bring departments together and encourage the sharing of knowledge and ideas.

The renovation of Sinclair Library will repurpose it as a student success center to increase student retention, improve the campus experience, and increase space utilization and effectiveness.

\$1.5 million is requested to begin the design phase of Keller Hall renovations, which will be the first step to establishment of a STEM zone to consolidate STEM programs and provide improved and modernized classrooms and laboratory spaces.

UH Hilo is requesting \$1 million to design the first phase of a Marine Education and Research Center in Puako, consisting of a new boat storage building with restrooms and a new pavilion.

In anticipation of the relocation of the Department of Dental Hygiene currently at UH Mānoa to UHWO, \$10 million is requested for costs associated with this relocation.

For the Community Colleges, \$35 million is requested for CRDM and Minor CIP projects in addition to \$8.8 million for fascia and sidewalk improvements at Leeward Community College and \$2 million for the design of a new campus for Hawai'i Community College in Hilo.

Governor's CIP Budget

The Governor reduced the BOR approved request by \$149.7 million:

Project Title	FY19 \$\$\$
Mānoa - Sinclair Library Renovation	20,000,000
CC - Capital Renewal & Deferred Maintenance	12,000,000
CC - Minor Capital Improvement Projects	10,000,000
Hawai'i CC - Campus Development, design phase	2,000,000
UH - Renew, Improve, Modernize (RIM) Projects	76,000,000
Total	120,000,000

We recognize that Hawai'i has many competing needs for general funds and GO bond appropriation and are appreciative of any support that the Legislature can provide.

Thank you for your time and consideration.



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

DAVID Y. IGE
GOVERNOR OF HAWAII
VIRGINIA PRESSLER, M.D.
DIRECTOR OF HEALTH
ROMALA SUE RADCLIFFE, B.A., M.A.
ADMINISTRATOR

1177 Alakea St. #402, Honolulu HI 96813 Phone: 587-0786 Fax: 587-0783 www.shpda.org

To: The House Committee on Finance

HB 1900, RELATING TO THE STATE BUDGET

Representative Sylvia Luke, Chair and Representative Ty J.K. Cullen, Vice Chair

March 7, 2018, State Capitol, Conference Room 308

From: Sue Radcliffe, Administrator State Health Planning & Development Agency

Agency's Position: Strong Support

Dear Chair Luke, Vice Chair Cullen, and members of the House Committee on Finance,

Our Agency is in **strong support** of HB 1900 Related to The State Budget. In particular, the inclusion of positions and funding for the Hawaii Health Data Center within the Department of Human Services, the Med-QUEST division.

For the past several years the State Health Planning and Development Agency has worked closely with the CCIIO III and IV grants, managed by the Office of Enterprise Technology Services. ACT 139 allowed the State Health Planning and Development Agency to bring together the Department of Human Services, the Hawaii Employee-Union Health Benefits Trust Fund, the Department of Commerce and Consumer Affairs' Insurance Division, the Department of Budget and Finance, the Attorney General Office and the University of Hawaii to begin creating the foundation/ rules/ momentum to build an "all payer claims data warehouse" to improve our understanding of Hawaii's healthcare costs, population health conditions, and healthcare disparities.

Knowing what our current healthcare costs are, is essential to determining ways to reduce future costs. We must have dedicated personnel to ensure that we can create the analytic tools needed to analyze this data. Permanency of this program within the Med-QUEST division is necessary to have state-lead data and analysis completed to inform future health policies and purchases.

The analysis of health data will help those making health policy decisions to improve the State's healthcare delivery system, and the overall long-term health and well-being of the State's workforce and retirees, and of its Medicaid beneficiaries, with the goal to reduce overall state-funded healthcare costs.

Your favorable consideration of this measure is greatly appreciated. Thank you for this opportunity to testify.



DAVID Y. IGE
GOVERNOR

GWEN S. YAMAMOTO LAU
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

No. 1 Capitol District Building, 250 South Hotel Street, Suite 501, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: gems.hawaii.gov

Telephone: (808) 587-3868
Fax: (808) 587-3896

Testimony of
Gwen Yamamoto Lau
Executive Director
Hawaii Green Infrastructure Authority (HGIA)
before the
HOUSE COMMITTEE ON FINANCE
Wednesday, March 7, 2018 at 11:00 A.M.
State Capitol, Conference Room 308

in consideration of
HOUSE BILL NO. 1900
RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Cullen and Members of the Finance Committee:

Thank you for the opportunity to testify **in support** of House Bill 1900, relating to the state budget. In addition to the appropriation out of its special fund for operations, HGIA is requesting that the \$50,000,000 lending ceiling be transferred to BED 138 from the State's Energy Office, BED 120. This transfer will provide better alignment and program accountability and allow HGIA to fund approved GEMS loans during FY19.

The program has continued to progress during the past year and currently has approximately \$47.0 million available to lend. Together with the Hawaiian Electric Companies, HGIA submitted the Program Manual for its Green Energy Money Saver (GEM\$) On-Bill Program for Hawaii Public Utilities Commission (PUC) approval on February 28, 2018. HGIA plans to start originating GEM\$ On-Bill applications within thirty (30) days of PUC approval.

Thank you for this opportunity to testify and offer comments for House Bill 1900.



Water has no substitute.....Conserve it

March 5, 2018

Subject: Testimony of Department of Water, County of Kaua'i
Supporting HB 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00AM, Room 308

The Department of Water, County of Kaua'i (KDOW) strongly supports funding for the Department of Land and Natural Resources (DLNR) for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities. The KDOW is a key member of the Kaua'i Watershed Alliance (KWA), a diverse group of public and private entities, and we recognize the necessity of natural resource stewardship. We understand that the source of our pure water is a healthy ecosystem of forested watersheds, which capture rain and cloud moisture and deliver it to aquifers and surface water sources. These sources provide the water supply for our entire island community.

The DLNR Division of Forestry and Wildlife's budget request seeks base operating and CIP funding for the protection of our native forests, which are the source of nearly all the islands' supply of fresh water. The watershed protection and invasive species programs supported with State funds and leveraged several times over with matching funds from county, federal, and private sources help to ensure healthy, managed natural resources that are critical for isolated island locations such as Kaua'i.

There has been extensive work completed by the KWA in the past 2 years in "Priority One Watersheds" on public and private lands. This work includes the removal of feral pigs, goats, and deer from three protective fences of deer proof fences (7,000 ac.), fence construction for the Halehaha unit on 1400 acres of State land completed 2017, removal of site-specific invasive weeds (ginger, s. guava, Australian T.F., clydemia) in a controlled area over 10,000 acres, management actions to maintain ungulate free units including fence checks, and monitoring for ingress of ungulates and invasive weed populations.

There is still much more work to be done in the near future to protect and maintain our watershed, and this works needs funding. These lands are intact native forested watersheds and contain numerous rare and endangered plants and endangered forest birds. The Drinking Glass and Koaie fences are on 2000 acres of State land and are shovel ready. Ongoing management in fenced units includes fence maintenance, monitoring for ungulate presence, forest regeneration, and targeted invasive weed control.

Should you have questions regarding this testimony, please contact me directly at (808) 245-5449 or via email at bwienand@kauaiwater.org.

Sincerely,

A handwritten signature in blue ink that reads "Bryan Wienand".

Bryan Wienand, P.E.

Deputy Manager-Engineer

ALAN ARAKAWA
Mayor

CAROL K. REIMANN
Director
Housing & Human Concerns

JAN SHISHIDO
Deputy Director
Housing & Human Concerns



DEBORAH STONE-WALLS
Executive on Aging

PHONE (808) 270-7755

FAX (808) 270-7935

E-MAIL: mcoa.adrc@mauicounty.gov

COUNTY OF MAUI
DEPARTMENT OF HOUSING AND HUMAN CONCERNS
MAUI COUNTY OFFICE ON AGING
AN AREA AGENCY ON AGING

J. WALTER CAMERON CENTER
95 MAHALANI STREET, ROOM 20
WAILUKU, HAWAII 96793

House Committee on Finance

Rep. Sylvia Luke, Chair

Rep. Ty J.K. Cullen, Vice Chair

HB 1900 RELATING TO THE STATE BUDGET

Testimony of Deborah Stone-Walls
Executive on Aging, Maui County Office on Aging (MCOA)

Hearing Date: Wednesday, March 7, 2018 at 11:00 a.m.
Room Number: Conf. Room 308

MCOA's Position: Maui County Office on Aging (MCOA) is in **strong support** of the operating budget of the Executive Office on Aging (EOA), an attached agency to the Department of Health, as outlined in the General Appropriations Act of 2018, HB 1900, HTH 904, page 43, item 25. MCOA requests the addition of a Supplemental Request to add funds for the Healthy Aging Partnership in the amount of \$550,000.

Purpose and Justification: Census projections indicate that the senior population in Hawaii will almost double between the period between 2010 and 2020 with the highest percentage increase occurring in those over the age of 85. In order to minimize the potential **financial strain** of the burgeoning aging population on the State, **proactive** efforts are required now. ***Keeping seniors healthy and at home is the most cost-effective manner*** to address the needs of one of our most valuable societal resources, and funding the EOA at the following levels will ensure that seniors across the state receive supports and services that ease the financial strains on individuals, families, and the State as a whole than would institutional care:

- Kupuna Care: \$8,677,063

To promote and protect the well-being of the Older Americans in Maui County.

- Aging and Disability Resource Center: \$3,100,000

- Kupuna Caregivers: \$600,000 (with supplemental amounts included in separate measures for a total of up to \$4,000,000)

Moving the full amounts of funding appropriated for these vital services to HB 1900 allows for a more consistent contracting and service delivery system. When funding has been allocated fully by the State base budget, MCOA has been able to better plan for consistent service delivery throughout the year. Conversely, when funds are released at varying times throughout the year, the process of planning for steady service delivery to frail elders is more difficult. Area Agencies on Aging (AAAs) must wait for the release of funds not appropriated through the base budget; therefore, service delivery cannot be planned in a reliable, steady manner. Knowing on July 1st of each year the exact amount of appropriation for these vital services will allow AAAs to more effectively plan for and meet the needs of eligible seniors.

The difficulties with sporadic services remains evident in the area of the **Healthy Aging Program**. It is difficult for some counties to financially maintain these necessary, vital, and **cost-saving** endeavors in the absence of a consistent funding flow. Inclusion of Healthy Aging in the State base budget will help ensure that evidence based health and fitness programs for seniors and their caregivers are made available across the state.

MCOA supports appropriation for the statewide HAP in the amount of at least \$550,000. MCOA assists seniors and individuals over the age of 55 to improve overall health through two evidence-based programs—Better Choices, Better Health (using Stanford’s Chronic Disease Self-Management—CDSMP— Diabetes Self-Management—DSMP— and Cancer Thriving and Surviving –CTS Programs) and EnhanceFitness™ (EF). Because our population is aging rapidly and funding amounts for home and community-based services cannot keep pace with this increase, MCOA believes that efforts to improve overall health of seniors and their family caregivers is paramount to ensuring independence and dignity. In Maui County, Better Choices, Better Health (BCBH) and

EF assisted over 400 seniors and individuals over the age of 55 to improve overall health in FY17. MCOA remains on track for this achievement in FY18 as well.

Successful implementation of these Healthy Aging programs will eventually lead to MCOA's ability to directly bill Medicare or insurance carriers for each participant, thereby lessening the State and County burden to provide these important interventions. Funding for the HAP appropriated by this bill will support direct services statewide that have been proven to improve health, increase self-management of chronic illness, increase strength and flexibility, and generally assist seniors in living at home in a more healthy manner. While we cannot ignore those who need assistance with the basic functions of daily living, we must also work diligently to assist our aging citizens and their family caregivers to live as healthily as possible for as long as possible in the most cost effective manner as possible.

Maui County EF participants have exhibited **sustained** longevity in program participation with 80% demonstrating consistent **improvement or maintenance of physical well-being** as evidenced by the mandatory routine fitness measurement tests. However, due to the lack of funding for two consecutive years coupled with participant longevity in EF enrollment, MCOA remains unable to clear waitlists and allow even more eager seniors to enjoy the benefit of this evidence-based exercise program. Having a means of consistent funding would allow MCOA to expand Healthy Aging services so that the waiting seniors could join EF and improve fitness.

Maui's EF participants have enthusiastically engaged in the legislative process because they have directly experienced the benefit of evidence-based health and fitness. MCOA is attaching eighty (80) participant testimonies in support of including the Healthy Aging Program in the State base budget through HB1900.

Thank you for the opportunity to provide testimony regarding this matter.

Date: March 2 2018

Dear Legislators:

RE: HB 1900 RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Masako Cabanilla. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2015. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been very helpful because I have heart problems, cancer. Jacob is very compassionate.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Masako Cabanilla

Date: 3/2/18

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Michie Chee. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 8/15/16. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been a more positive attitude towards all
aspects of my life. Life is ~~more~~ great and more interesting*
Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Michie K. Chee

* Because of the interaction with class
members, we make more friends and
share all kinds of information

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Pearl Higa. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2013. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been more active & stronger. Better balance, too.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Pearl Higa

Date: 3/5/18

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Kazuko Takiguchi. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 09/2012. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been blood pressure numbers very good. Strength muscles good balance. Strong bone fan! Lots of heart benefit.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Kazuko Takiguchi

Date: 3/2/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Pamela Ikeda. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been improvement in my overall health, balance
and agility.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Pamela Ikeda

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is VERONICA GOMES. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since Jan. 2014. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been FEELING BETTER.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Veronica Gomes

Date:

Dear Legislators:

RE: HB 1900 : : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Elaine Yamasaki. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since _____. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been loss of weight and overall good
health.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Elaine Yamasaki

Date: 3/5/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Karen Tanaka. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since Jan. 2017. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been in improvement to my overall fitness, strength + balance and — positive outlook.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Karen Tanaka

This program more than pays for itself; saving the state from visits to the emergency room, doctors, and other related expenses. Our population is aging and the legislature must direct more attention and dollars to programs that prevent rather than help only for long-term care, etc. Everyone must be helped to live healthier and better rather than simply longer. Please help!

Date:

Dear Legislators:

RE: H13 1900's RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is HARRY ROGERS. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since _____. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been IMPROVED HEALTH.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Harry Rogers

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Yemiko Amy Nako. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been improvement in balancing.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Yemiko Amy Nako

Date:

Dear Legislators:

RE: HB 1900. RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Kathy Tokumoto. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2014. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been balance improvement & strenght.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Kathy Tokumoto

Date:

Dear Legislators:

RE: HB 1900: .: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Suzanne Aki. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Jan. 2017. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been feeling good about myself, feeling "strong,
stretched and centered"!

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Suzanne Aki

*Makalo nui to our excellent
teacher, Jacob!*

*We all sincerely appreciate our Enhanced Fitness
class - our ages range from the 60's to
100 year olds! AMAZING!!*

*Many cultures come together, as well, so the
social aspect is wonderful!*

*Exercise, healthy foods, water and good friends =
the kind of life we all love to live!*

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Akiko Kibukawa. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been _____.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Akiko Kibukawa

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Louise K Ishii. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2013. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been improvement in my health and enjoyment in getting together with friendly. Please provide funding for the Healthy Aging Partnership Program so that I people, can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Louise K. Ishii

Date:

Dear Legislators:

RE: HB1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Frances Teshima. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been to maintain my active life.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Frances Teshima

P.S. No matter how tired I feel, I make it
a point to come to these classes, not only
for my physical well being but also socially.
I will be 85 yr. this year + lead a very
active life, very independent.
This is a very important program for seniors.

Date:

Dear Legislators:

RE: HB 1900: : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is MIRIAM KATZ. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Jan 2018. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been feeling my stability has improved.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

*My instructor is excellent
I am 93 yrs old*

Miriam Katz

Date:

Dear Legislators:

RE: HB1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Fumio TSUJI, BS, DDS. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since NOTERM. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been physical fitness & posture.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Fumio Tsuji DDS, BS
99.5 yrs old

Date:

Dear Legislators:

RE: HB 100: : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Ida Perryman. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2017. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been endurance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Ida Perryman

Date: 3-2-18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Anita Boteicho. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since _____. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been significant improvement in A1C.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Anita Boteicho

My doctors, and I have several, have
highly approved of the program.

Date:

Dear Legislators:

RE: HB1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Pearl Lai. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2013. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been helping strengthen my arms & legs

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Pearl Lai

Date: March 2, 2018

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Sylna Ishikawa. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2015. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been I feel my movements are more flexible and my balance has improved greatly. I'm not afraid of falling. Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Sylna Ishikawa

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Winona Yoshikawa-Wagstaff I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Strength & flexibility.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Winona Yoshikawa-Wagstaff

Date:

Dear Legislators:

RE: HB 1900: : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Minnie Sumabai. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2010. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been my strength.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Minnie Sumabai

Date:

Dear Legislators:

RE: HB1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Momoyo Shimada. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2013. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been independently.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Momoyo Shimada

I can live independently because of
this enhancefitness class.

Date: March 2, 2018

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is THELMA T. SHIMABUKU. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2015. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been I feel "young". I am 92 years old. Exercise is good!

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Thelma Shimabuku

Date: 3-5-18

Dear Legislators:

RE: HB1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Lyn Stewart. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2013. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Strength, flexibility, JOY!.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

L. Stewart

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Williet "Poni" Medeiros. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since May '17. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been better overall strength, wellness,
fitness, energy.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Williet Medeiros
(age 68)

fyi - My Dad also attends
classes, Frank Kihun,
and he is much
more alert and
has more energy.
He is 89.

Date: 3/5/18

Dear Legislators:

RE: ~~SB 2438 and 2593~~ ^{HB 1900}: RELATING TO THE HEALTHY AGING PARTNERSHIP PROGRAM

My name is Donna Beal. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2/17. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been improving cardiovascular health, muscle strengthening and balance

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Donna Beal

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Fumie Tanoue. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 6/16. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been to straighten my back.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Fumie Tanoue

Date: 03/02/18

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Lora Y. Sasaki. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2012. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been sustained energy.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Lora Y. Sasaki

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Margaret Raymond. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Sept. 2012. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been my balance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Margaret Raymond

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438~~ and 2593: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Linda Kawachi. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 9/17. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been improved balance, increased
strength and flexibility.

* Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Linda Kawachi

Date:

Dear Legislators:

RE: ~~SB 2438 and 2593~~ ^{HD 1900}: RELATING TO THE HEALTHY AGING PARTNERSHIP PROGRAM

My name is Dolly Gushiken. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2010. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been my endurance.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Dolly Gushiken

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Tamayo Takunaga. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been help with my balance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Tamayo Takunaga

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

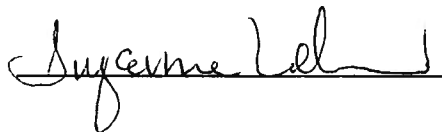
My name is Suzanne Uehara. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2012?. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been my flexibility + endurance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,



Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Judy Moriz. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been my right knee.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Judy Moriz

Date: 3/2/2018

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is LEONA CRAVALHO. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 8/2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been decrease in arthritis pain.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Leona Cravalho

Date:

Dear Legislators:

HB 1900
RE: ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Remy Takiguchi. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2015. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Balance improvement.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

R Takiguchi

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Lynette Shiroma. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since _____. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been a sense of well being.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Lynette Shiroma

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Susan Hokama. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2/17. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been balance, social interaction, no isolation

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Susan Hokama

Date:

Dear Legislators:

RE: ^{HB 1900} ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Anne Yoshioka. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2013. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been improvement in strength, balance,
and cardio.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Anne Yoshioka

Date:

Dear Legislators:

^{HB 1900}
RE: ~~SB 2438 and 2593~~: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Rosita Agatal. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 3/2017. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been good.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Rosita Agatal

Date:

Dear Legislators:

~~#B~~1900
RE: _____ RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Diane Orikasa. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since approx. 2015. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been balance ~ Flexibility.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Diane J Orikasa

Date:

Dear Legislators:

RE: HB1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is June Borges. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 9-19-14. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been keeping healthy & Strong.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

June Borges

Date:

Dear Legislators:

RE: HB1900 RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Desire Sugrivan. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since June 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been great improvements & maintaining my well being

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Desire Sugrivan

Date:

Dear Legislators:

RE: HB1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Nancy M. Kimura. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 1/24/2018. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been Better in balancing & lost a few pounds.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Nancy M. Kimura

Date: MARCH 1, 2018

Dear Legislators:

RE: HB 1900 RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

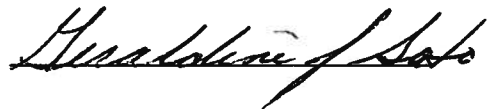
My name is GERALDINE F. SATO. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since JANUARY 2018. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been INCREASED ENERGY, IMPROVED BALANCE.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,



Date:

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is JOHN ANGLISH. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been BALANCE \ REMAIN FIT.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

John Anglish

Date:

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Charlotte Fusato. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since _____. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been muscle strengthening & cardio.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Charlotte Fusato

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Hiedi Elizares. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2016 Oct. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been a stronger core & "core" of new friends.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Hiedi Elizares

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Nani Gayera. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Nov. 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Strength, tons of fun, balance, new friendships,
sense of well-being. I can accomplish anything.
Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Nani Gayera

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Linda Uehara. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been it has really improved my balance
and I am healthier

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Linda Y. Uehara

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Norma Visitation. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Jan. 29, 17. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has ~~had~~ a positive impact on my life. The most significant
outcome has been Positive.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Norma Visitation

Date:

Dear Legislators:

RE: HB 1900' RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Mercy Calatungan. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 8-2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Fun, Healthy & Balance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Mercy Calatungan

Date:

Dear Legislators:

RE: HB 1900 RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Flor delina Anderson. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since April 2015. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Improved my health I have not
been sick since I started on this program

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Flor delina Anderson

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Susan Antaku. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 9-15. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Positive.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Susan Antaku

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Diane Alba-Means. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Jan. 2018. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been improved flexibility.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Diane Alba-Means

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Pearl Kaya. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2/18. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been Walking more sturdily & better balance.
my legs feel stronger.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Pearl Kaya

Date: 3-2-18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Jane Lukoma. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2017. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been keeping my body fit.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Jane Lukoma

Date:

Dear Legislators:

RE: HB 1900 RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Jeanette Nakamura. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been to keep us with more endurance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Jeanette M. Nakamura

Date:

Dear Legislators:

RE: HB 1900 . RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Adeline Daida . I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014 . EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been to give me, more endurance, less
inclined to fall.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Adeline Daida

Date:

Dear Legislators:

RE: HB 1900 RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is CHIEKO NAGATA. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 9/2017. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been _____.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Chieko Nagata

Date:

Dear Legislators:

RE: . HB 1900: . RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

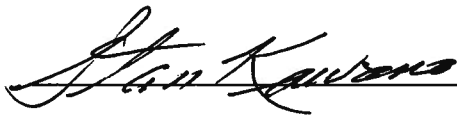
My name is STANLEY KAWANO . I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2015 . EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been STRENGTHENING PARTS OF MY BODY.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,



Date:

Dear Legislators:

RE: HB 1900s RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Lena Kawano. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been energy, strength.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,



Date: 3/5/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Grace K. Shimabukuro. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since June 2014. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been More balanced, alert.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Grace K. Shimabukuro

Date: 3/2/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Mildred Tashiro. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been flexibility.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Mildred Tashiro

Date: 3/2/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING PARTNERSHIP PROGRAM

My name is Ruth Mukai. I live on the island of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2015. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been walking with a cane to throwing away my cane, happier socializing, overall healthier. My doctor is happy with my overall health, especially since I fractured my knee playing tennis until 84 years of age, staying alert to follow directions. Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Ruth Mukai

Date:

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Yaeke Kobayashi. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2013. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been much healthier and happier. I'm 94 yrs. old.
I can still skip & jump. Thank you.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Yaeke Kobayashi

Date: 3/2/2018

Dear Legislators:

RE: SB 1900. RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Lillian Chun. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since it started. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been maintaining my health and to keep active as I age.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Lillian A. Chun

Date:

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Merte Momita. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2010 (?). EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been exercising & meeting.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

M. Momita

Date: 3-2-18

Dear Legislators:

RE: HB 1900; RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Barbara Tadakuma. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been improved my health.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Barbara Tadakuma

Date: 3/5/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Sanae Saito. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since it started. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been quick recovery whenever I'm ill!

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Sanae Saito

P.S.
The out come from this class is
greater than the expense to our
health care without it! Mahalo

Date: 3/5/2018

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Allen Shishido. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 05/2013. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been Better Balance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Allen Shishido

Date:

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Nancy Yamashita. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2015. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been that it has kept me healthy and fit.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Nancy Yamashita

Date: 3/2/2018

Dear Legislators:

RE: HB 1900 : RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Joan Kawahara. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since Aug 2016. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been regaining my balance + keeping me fit to enjoy life.
And we have excellent instructors.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Joan Kawahara

Date:

Dear Legislators:

RE: HB 1900 ; RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Clifford Saito. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since _____. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been stay healthy.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Clifford Saito

Date:

Dear Legislators:

RE: HB 1902: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Beryl Matoi. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 1986. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been able to walk & live on my own I'm 91!

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Beryl Matoi

Date: 3/2/18

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Bernie Saki. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been better balance.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Bernie Saki

Date: March 8, 2018

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Jean Kuwada. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's EnhanceFitness Program since 2012, I am a ^{charter member}. EnhanceFitness is an evidence-based program that improves my cardiovascular fitness, strength, flexibility and balance. Classes are held 3 times per week for an hour each session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant outcome has been being happy about growing old, and learning how
to stay healthy, to maintain this sense of well-being.

Please provide funding for the Healthy Aging Partnership Program so that I can continue to participate in EnhanceFitness. Staying healthy, keeping active, and being independent are very important goals for me and other senior citizens.

Sincerely,

Jean H. Kuwada

Date: 3/5/14

Dear Legislators:

RE: HB 1900: RELATING TO THE HEALTHY AGING
PARTNERSHIP PROGRAM

My name is Ethel Kawamura. I live on the island
of Maui.

I have been involved and exercising at the Maui County Office on Aging's
EnhanceFitness Program since June 2014. EnhanceFitness is an
evidence-based program that improves my cardiovascular fitness, strength,
flexibility and balance. Classes are held 3 times per week for an hour each
session. I exercise and also socialize with others in a fun environment.

EnhanceFitness has had a positive impact on my life. The most significant
outcome has been physically fit in strength, flexibility.
and improvements in my balance to help from falling.

Please provide funding for the Healthy Aging Partnership Program so that I
can continue to participate in EnhanceFitness. Staying healthy, keeping
active, and being independent are very important goals for me and other
senior citizens.

Sincerely,

Ethel Kawamura



Written Statement of
Robbie Melton
Executive Director & CEO
Hawaii Technology Development Corporation
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

The Hawaii Technology Development Corporation (HTDC) **supports with comments** HB1900 related to the State budget.

Due to the expiring land lease described below, to continue operations beyond June 30, 2018, **HTDC requires an increase in annual operating budget appropriation to cover staff salary, federal funding match, business support programs, and common area maintenance expenses for office space at MIC and MRTC.** HTDC also needs **staff positions converted to 100% general funded positions.**

UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center effective June 30, 2018. Termination of the lease threatens the continued existence and operation of HTDC and is a matter of statewide concern. The rent revenue generated through the incubation program at the Manoa Innovation Center funds half of HTDC staff's salary and all of our discretionary program funding. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

In HTDC's 2016 economic impact survey of clients, 150 companies reported \$389 million of revenue and \$620 million of total economic impact. HTDC receives an annual appropriation of just over \$1 million in general funds, of which \$520,000 of which are passed through as grants to companies. HTDC has leveraged our state funding to secure \$500,000 of annual federal funding for our Innovate Hawaii program and approximately \$20 million over 5 years federal funding for our

HCATT program. HTDC takes pride in reporting substantial leverage and return on investment for the state.

The MIC land lease has been a concern for HTDC for many years. Previous attempts to resolve the issue have included overwhelming public testimony for HTDC programs and mission. (https://www.capitol.hawaii.gov/Archives/measure_indiv_Archives.aspx?billtype=HB&billnumber=71&year=2013) HTDC has proven itself as a valuable resource for the tech community, a responsible steward for the upkeep of the facility, and an active member of the Manoa community. . HTDC has requested funding from the legislature every year to construct a replacement facility but the funds have not been available. HTDC has solicited and received federal grant funding and private sector investment for the construction of the Entrepreneurs Sandbox. However, the 13,500 sq. ft. facility is only a complement to the Manoa Innovation Center. HTDC continues to seek state, federal, and private sector funding for a replacement for the Manoa Innovation Center.

The executive budget request on behalf of HTDC for FY18-19 also includes:

- \$500k for matching grants to the SBIR Phase II/III companies

- \$500k for matching grants to manufacturers

- \$750k for grants to accelerator programs.

HTDC comments that the executive budget reduces the amount of funding for each of the programs from FY17-18 amounts due to available budget. HTDC has demonstrated that each of these grant programs provide positive economic development value for the State. Thank you for the opportunity to offer these comments.



HAWAII
STRATEGIC
DEVELOPMENT
CORPORATION

No. 1 Capitol District Building
250 South Hotel Street, Suite 509
P.O. Box 2359
Honolulu, Hawaii 96804
Telephone: (808) 587-3830

Statement of
Karl K. Fooks
President

Hawaii Strategic Development Corporation

Before the
HOUSE COMMITTEE ON FINANCE

Wednesday, March 7, 2018
11:00 AM
State Capitol, Conference Room 308

In support of

HB 1900
RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance:

The Hawaii Strategic Development Corporation (HSDC) **strongly supports** HB 1900 as it relates to BED 145. HSDC is also in support of Sequence #100-001 (BED 146) which appropriates funds to The Natural Energy Laboratory of Hawaii Authority (NELHA) to establish an aquaculture incubator at NELHA to bring together entrepreneurs and investors to develop Hawaii's aquaculture industry.

The global aquaculture industry is poised for a sustained period of growth and expansion. Hawaii is home to both pioneering industry research efforts and commercial activities that have made significant contributions to the global industry. If Hawaii is to capitalize on the commercial opportunity in the global aquaculture industry it will have to undertake a concerted and collaborative effort to raise its global visibility in marine aquaculture. Public and private stakeholders in Hawaii's aquaculture industry have agreed to support a development initiative to build scale in important industry inputs like feed sources and processing capacity and to clarify permitting issues.

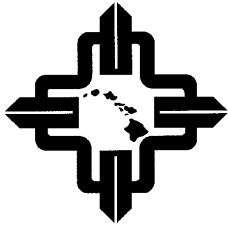
This development initiative also needs to support the attraction and growth of innovative companies that will create the biological, engineering and operational solutions that will be demanded by an industrial scale global industry. The proposed aquaculture incubator at NELHA will address this need by establishing a facility that will leverage the NELHA's world class marine resources, with its strong base of global aquaculture companies, to attract entrepreneurs and investors to startup their companies here in Hawaii.

The success of programs supporting entrepreneurial companies in the global aquaculture industry like Fish 2.0 and Hatch, the world's first aquaculture accelerator,

have demonstrated a strong investor and strategic corporate interest in investing in this growing industry sector.

With the Legislature's support for this initiative, NELHA will be able to have the aquaculture incubator staffed and operational by the time the global aquaculture conference, Aquaculture America 2020, is held in Hawaii in February 2020. This will allow Hawaii to signal a strong commitment to remaining at the forefront of innovation to the global aquaculture community that will attend the conference and position Hawaii as a leader in providing innovative solutions to the global aquaculture industry.

Thank you for the opportunity to provide testimony.



HAWAII HEALTH SYSTEMS

C O R P O R A T I O N

Quality Healthcare For All

**House Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair**

March 7, 2018
Conference Room 308
11:00 a.m.
Hawaii State Capitol

Testimony Supporting House Bill 1900, Relating to the State Budget. To adjust and request appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Linda Rosen, M.D., M.P.H.
Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony **in support** of H.B. 1900, that relates to the State Budget.

Healthcare today is a very complex, highly regulated, and rapidly changing business with constant pressure from payors to deliver higher quality care at a lower cost. Development of health information technology, physician networks, quality improvement and expertise in revenue cycle is essential for successful hospital operations. Private hospitals have invested substantially in these areas while HHSC, with limited resources, is challenged to keep pace.

Challenges

HHSC hospitals face challenges such as:

- Large percentage of Medicaid/QUEST and uninsured patients.
- Inadequate government and third-party reimbursements for healthcare services.
- Labor costs well above industry norms
- Escalating costs related to physician and clinical staff recruitment and retention.
- Small scale operations which are costly to maintain.
- The need for capital investment in new medical technology.

3675 KILAUEA AVENUE • HONOLULU, HAWAII 96816 • PHONE: (808) 733-4020 • FAX: (808) 733-4460

- Aging facilities, with life and safety code issues and deferred maintenance, well beyond the average for similar facilities across the country.
- The impact of federal health care reform and other federal mandates and budget reductions, including unknown changes to the Affordable Care Act.
- Inability to outsource non-clinical functions.

Accomplishments

In spite of its many challenges, HHSC continues to provide high quality healthcare to the island communities it serves and is making progress in key areas. The following are some of the major accomplishments over the past year:

- On July 1, 2017, HHSC successfully transitioned the operations of its Maui Region facilities to Maui Health Systems, a Kaiser Foundation Hospitals, LLC. HHSC is currently in the process of collecting the revenues generated by the Maui Region hospitals through June 30, 2017, and paying off the associated liabilities. Although the HHSC Maui Region has no operations after June 30, 2017, there are still ongoing costs primarily relating to insurance on the property plant and equipment that HHSC still holds title to, costs to collect the receivables outstanding prior to June 30, 2017, and the costs related to storage of records for the HHSC Maui Region until record retention guidelines can be met.
- HHSC managed to increase its operating revenues 6% from fiscal year 2016 to fiscal year 2017 despite the cuts in services. Much of the increase in operating revenues from last year is due to increases in inpatient acute care volumes, particularly in the East Hawaii and West Hawaii Regions. East Hawaii inpatient acute care discharges increased by 5.4% from fiscal year 2016, and West Hawaii inpatient acute care discharges increased by almost 20% from fiscal year 2016, which are record highs for both regions since HHSC was established. In fact, since 1998, HHSC revenues have increased by almost \$428 million, or over **200%**, despite increasing downward pressures on reimbursement from the Medicare program. These increases have come from intense focus on better negotiations with third party payors, better documentation, improved billing, coding and collection procedures, strategic pricing initiatives and other measures.
- Hale Ho'ola Hamakua, Hilo Medical Center, Maluhia, and the Yukio Okutsu Veterans Care Home achieved the highest possible five-star rating from Medicare's Nursing Home Compare website. Kohala Hospital received a four-star rating.
- Hilo Medical Center was awarded a four-star rating by the Center for Medicare and Medicaid Services, which puts it among the top 20% of hospitals in the nation. Hilo Medical Center is one of only seven hospitals in the State of Hawaii which received a ranking of four stars or higher.

- On July 1, 2017, Hilo Medical Center entered into a Memorandum of Understanding creating an affiliation agreement with Puna Community Medical Clinic (PCMC). The new affiliation with Hilo Medical Center will lend healthcare expertise and financial support through a services agreement allowing Puna residents to be treated in the conveniently located walk-in medical clinic that provides urgent care services to the Puna community. This agreement will encourage the flow of patients with minor health issues to PCMC and other nearby local providers and result in a decrease in lower level emergency room visits while increasing efficiency at Hilo Medical Center's Emergency Room.

Federal Funds

HHSC's primary source of federal funds is payment from the Medicare program which accounts for approximately 40% of HHSC's gross revenues. CMS is determined to decrease hospital reimbursements which will be challenging for HHSC to mitigate. This may be exacerbated by the Presidential Administration's efforts to dismantle the Affordable Care Act and replace it with something else. Our only recourse is to continue to seek efficiencies, maximize available reimbursement and grow services to bring in more revenue.

HHSC REQUEST

Fiscal Year 2019 Supplemental Budget Request (HTH 210 & 212)

In Act 49 of the 2017 Legislative Session, the Legislature appropriated the following general fund and capital improvement project appropriations for HTH 210 (Corporate Office) and HTH 212 (HHSC Regions) for fiscal year 2019.

HTH 210, 212: HHSC REGIONS, CORPORATE OFFICE	
Funding Type	FY 2019 (As Appropriated in Act 49)
TOTAL GENERAL FUND APPROPRIATIONS	<u>105,701,003</u>
CIP APPROPRIATIONS - HHSC REGIONS	-

During the 2017 Regular Legislative Session and the 2017 Special Legislative Session, the State negotiated pay raises as part of the collective bargaining agreements with the two public sector unions. HHSC did not approve nor negotiate these collective bargaining pay raises. The Legislature did not provide any general fund appropriations to HHSC to cover the cost of these pay increases. The cumulative impact of the collective bargaining pay raises for fiscal years 2018 and 2019 (including fringe benefits) that is included in HHSC's expense base is approximately \$24,080,000. **As**

HHSC will not have sufficient cash reserves to absorb the cumulative impact of these collective bargaining raises, HHSC is requesting additional general fund appropriations of \$24,080,000 to pay for these raises. This increase will bring the total general fund appropriations to HHSC for fiscal year 2019 to \$129,781,003. However, the Governor is recommending an additional \$11,230,969 in general fund appropriations for HHSC in fiscal year 2019, which would bring the total general fund appropriations for HHSC to \$116,931,972. HHSC cannot afford to pay for these raises without cutting expenses, which can only be done by reducing health care services at each region.

Further, Act 49 of the 2017 Legislative Session did not provide for any capital improvement project appropriations for the HHSC regions for fiscal year 2019. **The HHSC regions are requesting \$29,335,000 in capital improvement project appropriations to address the deferred maintenance backlog at each of HHSC's hospitals.** However, the Governor is recommending \$15,000,000 in lump-sum capital improvement project appropriations for HHSC.

A summary of the amounts appropriated for fiscal year 2019 in Act 49, requested by HHSC in FY 19, and recommended by the Governor for FY 19 are summarized below.

HTH 210, 212: HHSC REGIONS, CORPORATE OFFICE			
Funding Type	FY 2019 (As Appropriated in Act 49)	FY 2019 (HHSC Request)	FY 2019 (Governor Recommendation)
TOTAL GENERAL FUND APPROPRIATIONS	105,701,003	129,781,003	116,931,972
CIP APPROPRIATIONS - HHSC REGIONS	-	29,335,000	15,000,000

Kahuku Medical Center Biennium Budget Request (HTH 211)

In Act 49 of the 2017 Legislative Session, Kahuku Medical Center received \$1,800,000 in general fund appropriations and no capital improvement project appropriations for fiscal year 2019. Kahuku Medical Center is requesting no additional general fund appropriations for fiscal year 2019; however, they are requesting \$1,495,000 in capital improvement project appropriations. The Governor is recommending no additional general fund appropriations, nor capital improvement project appropriations for Kahuku Medical Center in fiscal year 2019.

Maui Health System Biennium Budget Request (HTH 214)

A summary of the amounts appropriated for Maui Health System in fiscal year 2019 in Act 49, requested by Maui Health System in FY 19, and recommended by the Governor for FY 19 are summarized below.

HTH 214: MAUI HEALTH SYSTEM, KFH LLP			
Funding Type	FY 2019 (As Appropriated in Act 49)	FY 2019 (MHS Request)	FY 2019 (Governor Recommendation)
TOTAL GENERAL FUND APPROPRIATIONS	-	28,780,000	28,780,000
CIP APPROPRIATIONS	-	6,000,000	6,000,000

Conclusion

In summary, below are the budget adjustments that HHSC is requesting to what was provided in Act 49 of the 2017 Legislative Session.

Program ID	Method of Funding	Increase from Act 49 Appropriations	Justification
HTH212	A (General Funds)	\$24,080,000	To pay for unfunded collective bargaining raises for FY 18-19
HTH212	C (CIP Funds)	\$29,335,000	To address deferred maintenance needs at hospitals
HTH211	C (CIP Funds)	\$1,495,000	To address deferred maintenance needs at Kahuku Medical Center
HTH214	A (General Funds)	\$28,780,000	To fund operations of Maui Health System (as requested by Maui Health System)
HTH214	C (CIP Funds)	\$6,000,000	To fund CIP requirements for Maui Health System (as requested by Maui Health System)

Despite our progress in financial performance as indicated under “Accomplishments” above, HHSC is unable to keep up with collective bargaining pay increases and mandated increases in the fringe rate for pension and retiree health insurance costs (OPEB). The inability to generate sufficient revenue to cover these costs led to reductions in personnel and services in fiscal year 2016, and may lead to future reductions in personnel and services unless general fund appropriations are provided to cover these rising costs.

HHSC is continuously analyzing how to better meet the challenges of delivering vital health care to the communities it serves. In doing so, HHSC continues to evaluate its current operations to see where there may be opportunities for the system as a whole to operate more efficiently and effectively in providing accessible, high quality services that address the healthcare needs of Hawaii’s unique island communities.

Thank you for the opportunity to testify in support of H.B. 1900. Thank you for all of your support in the past and your continued support of HHSC.



PARTNERS IN CARE

Oahu Continuum of Care

Partners in Care is a coalition of Oahu's homeless service providers, government representatives and community stakeholders working together in partnership to end homelessness.

Testimony in Support of HB 1900 Relating to the State Budget

TO: House Committees on Finance
FROM: Partners in Care (PIC)
HEARING: **Wednesday, March 7, 2018; 11:00 AM; Conference Room 308**

Dear Chair Luke, Vice-Chair Cullen, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in support of multiple items in HB 1900**. Partners in Care (PIC)—a coalition of more than 35 non-profit, homelessness providers—strongly supports HB 1900.

Partners in Care is a coalition of homeless service providers and many others in the community on Oahu dedicated to ending homelessness. We have developed a coordinated entry system to more effectively and strategically help homeless to navigate resources and be linked to housing. HB 1900 continues the next critical steps: enhanced Outreach, including diversion of homeless from the criminal justice system, and proven programs: the Oahu Family Assessment Center, Housing First, and rental subsidies for Rapid Rehousing to move families back into housing and prevent homelessness. Lastly, significant funding for the creation/maintenance of affordable rental units that are safe and decent are critical to ending homelessness.

Hawaii's proven programs are showing results: Overall numbers of homeless are down and homeless families decreased by 19% (Point in Time count 2017). Now is the time to invest more resources to end homelessness.

PIC strongly supports the following increased levels of funding for critical programs to significantly reduce homelessness in our state. We also urge you to put funds for homeless services into the base budget to provide consistent, targeted funding to end homelessness:

- **HMS 224:** Funds for Housing First Program: \$3,750,000
- **HMS 224:** Funds for homeless outreach: \$2,200,000
 - Including \$310,000 for civil legal services
 - Including \$375,000 for outreach to runaway/homeless youth
- **HMS 224:** Funds for Rapid Rehousing: \$3,750,000
- **HMS 224:** Funds for Oahu Family Assessment Center \$ 680,000
- **HTH 440:** Funds for outreach and counseling services for homeless with severe substance use disorders: \$1,000,000
 - Including \$310,000 for a LEAD pilot project
- **HMS 222:** Funds for the State Rent Supplement Program for homeless families placed into program in last fiscal year: \$1,551,577

- **HMS 220:** Hawaii Public Housing Authority for public housing improvements and renovations, statewide: **\$35,000,000 (CIP)**
- **BED 160:** Rental Housing Revolving Fund infusion: **\$75,000,000 (CIP)**
 - Including \$25,000,000 set-aside for Alder Street Project
- **BED 160:** Dwelling Unit Revolving Fund infusion **\$25,000,000 (CIP)**

After more than a decade, chronically homeless people are finally successfully entering permanent housing with Housing First. This program not only addresses the most visible homeless on our streets, it can save millions in public costs. The 2016 UH Center on the Family study found a 43% drop in healthcare costs after just 6 months for homeless in a state Housing First program, resulting in savings of about \$4,590 per person per month, or **over \$55,000/year per person**. For every 100 persons housed, the estimated cost savings would be \$5.5 million per year in public costs.

Partners in Care also wants to highlight the importance of the new Family Assessment Center on Oahu. In its first year of operation, this program achieved extraordinary results. Out of 54 families served, 91% were housed and 100% remain housed. With comprehensive services to the families, the program moved these families onto permanent housing in an average of 81 days.

Addressing homelessness requires a multi-faceted approach using proven interventions that target the characteristics of the specific population being served. From Outreach to homeless youth to civil legal services to help obtain identifications or resolve legal barriers to obtaining housing, to Programs like LEAD which divert substance abusers from the criminal justice system, to Rapid Rehousing subsidies to help working families obtain housing, the strategies contained in this budget provide a system to help people move off the streets.

Homeless services are not enough. Funding for rental subsidies, for renovations to bring public housing units back into occupancy, and for infrastructure and construction of new housing units are essential in Hawaii's battle to end our homeless crisis. Our affordable housing crisis must be addressed as a solution to preventing ongoing future homelessness. Therefore, **we urge you to allocate \$75 million or more to the Rental Housing Revolving Fund to address the huge backlog needed for affordable rental housing.**

We thank you for your ongoing support and dedication to ending homelessness. For the reasons above, we ask your strong support to fund homeless services and affordable housing resources.

Hawai'i Afterschool Alliance
841 Bishop Street, Suite 301 · Honolulu, HI 96813



February 7, 2018

Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair

Re: Support of HB 1900: RELATING TO THE STATE BUDGET.

Dear Chair Luke, Vice Chair Cullen and Members of the Committee,

The Hawai'i Afterschool Alliance supports House Bill 1900, relating to the State Budget.

The Hawai'i Afterschool Alliance is a network of organizations supporting students' success by ensuring that all children in Hawai'i have access to quality afterschool and summer learning programs.

We noticed that the **(EDN300 105-001) Community Engagement Office** is not included in the Department of Education's (DOE) 2018-2019 Supplemental Executive Budget. For this reason we would like to highlight the importance of the Community Engagement Office (CEO). CEO was established as a strategy to organize the resources of the community around student' success. Schools know what resources they need and community organizations know what resources they can offer. The COE coordinates the offer and the demand so partnerships can be formed. The Department's investment in a Community Engagement Office is necessary, not only to support the growing demand for training and guidance from the district's 255 schools, but also to promote the value HIDOE places on nurturing and strengthening engagement between schools and their communities.

In conclusion, the Hawai'i Afterschool Alliance supports the HIDOE Community Engagement Office. This office helps students, families and communities. Thank you for the opportunity to testify.

Sincerely,

Paula Adams
Executive Director
Hawai'i Afterschool Alliance
808-380-1602
hawaiiafterschool@gmail.com
www.hawaiiafterschoolalliance.org



CATHOLIC CHARITIES HAWAII

TESTIMONY ON HB 1900: RELATING TO THE STATE BUDGET

Support for funding for:

- **HMS 224:** Funds for Housing First Program: \$3,750,000
- **HMS 224:** Funds for homeless outreach: \$2,200,000
 - Including \$310,000 for civil legal services
 - Including \$375,000 for outreach to homeless youth (designated to the Office of Youth Services, DHS)
- **HMS 224:** Funds for Rapid Rehousing: \$3,750,000
- **HMS 224:** Funds for Oahu Family Assessment Center \$ 680,000
- **HTH 440:** Funds for outreach and counseling services for homeless with severe substance use disorders: \$1,000,000
 - Including \$310,000 for a LEAD pilot project
- **HMS 222:** Funds for the State Rent Supplement Program for families placed into program in last fiscal year: \$1,551,577
- **HMS 220:** Hawaii Public Housing Authority for public housing improvements and renovations, statewide: \$35,000,000 (CIP)
- **BED 160:** Rental Housing Revolving Fund infusion: \$75,000,000 (CIP)
 - Including \$25,000,000 set-aside for Alder Street Project
- **BED 160:** Dwelling Unit Revolving Fund infusion (infrastructure) \$25,000,000 (CIP)

TO: Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice Chair, and Members, Committee on Finance

FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer

Hearing: Wednesday, 3/7/18; 11:00 A.M.; CR 308

Thank you for the opportunity to provide testimony **in strong support of the funding levels listed above, for HB 1900**, which will make a significant impact on ending homelessness in Hawaii. I am Terry Walsh, with Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Ending homelessness is a top priority for 2017.

Continuing and expanding these proven programs will provide a comprehensive, targeted system to prevent and end homeless. We request that the homeless services be put into the Base Budget. We also request your support for the increased levels of funding, listed above.

This would provide consistent, targeted funding to move homeless into permanent housing. With your help, we could make the pieces finally come together

Hawaii is #1 in the nation for the number of homeless per capita. More people are falling through the cracks in Hawaii. Our families are in crisis—more than 25% of homeless



households have fallen into homelessness simply because they were short of money to pay their rent. 54% of all renter households are cost burdened, paying more than 30% of their income for rent. Unaccompanied youth are in crisis and at high risk when they become homeless. The Star Advertiser (2/9/18) reported on the recent Street Youth Survey, which found that “homeless youth on Oahu became homeless at the age of 14, on average, and generally live a dangerous and disturbing existence where most tried to kill themselves while others were forced to perform “survival sex”. **We ask that funding for Outreach to runaway and homeless youth be designated to the Office of Youth Services (at the Department of Human Services) to clarify which agency will manage this greatly needed funding.**

30% of homeless individuals are mentally ill and about 20% of the homeless have substance abuse disorders. They are at high risk and experience crises living on the streets. High healthcare and emergency room costs often result from being homeless.

These needs may seem overwhelming. Addressing them requires the range of programs in this bill that target the characteristics of the specific populations to effectively move them out of homelessness. From Outreach to Street Youth to programs like LEAD, which divert substance abusers from the criminal justice system, to Rapid Rehousing subsidies to help working families find housing, the multiple strategies in this bill are proving effective.

Catholic Charities Hawai`i operates the **Oahu Family Assessment Center** which shows how new collaborations and targeted services can help families with children to move out of homelessness. This Center was highly successful in its first year of operation, housing 91% of the 54 families it served in after just 81 days, on average. 41% of the participants were children under 12, and 48% of the households had 4 or more members. 100% of those placed remain stably housed.

Hawaii’s housing crisis must also be addressed if we are to end homelessness. In Honolulu, 71% of the demand for rentals is for those prices for families at 60AMI and below. We urge you to provide a very significant infusion of funds to the Rental Housing Revolving Fund (**minimum of \$75 Million**) to create new rentals, to the Dwelling Unit Revolving Fund to assist to upgrade the infrastructure across the islands needed to support more affordable rental housing, and to the Hawai`i Public Housing Authority to repair and renovated their valuable units.

Our crisis is also an opportunity to take steps to create a Hawaii where all our people can live in safe and decent housing. We urge you to take the steps needed to create a Hawaii we can be proud of in the future for all our people.

Please contact our Legislative Liaison, Betty Lou Larson, at 373-0356 or bettylou.larson@catholiccharitieshawaii.org, if you have any questions.

Testimony of The Nature Conservancy of Hawai'i
Supporting DLNR and HDOA Funding in H.B. 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00M, Room

The Nature Conservancy of Hawai'i is a private non-profit conservation organization dedicated to the preservation of the lands and waters upon which life depends. The Conservancy has helped to protect nearly 200,000 acres of natural lands in Hawai'i. We manage 43,000 acres in 14 preserves and work in 19 coastal communities to help protect the near-shore reefs and waters of the main Hawaiian Islands. We forge partnerships with government, private parties and communities to protect Hawai'i's important watershed forests and coral reefs.

The Nature Conservancy supports H.B. 1900 and, in particular, Department of Land and Natural Resources and Department of Agriculture budget requests for:



WATERSHED MANAGEMENT (LNR172, 402, 407): Base general funding for forest management programs, plus \$6.5m CIP funds from existing balances in the Natural Area Reserve Fund for fencing to provide long-term protection for watershed forests across the islands.

INVASIVE SPECIES (LNR402, AGR122): In LNR 402, \$5.25m for the Hawai'i Invasive Species Council to address pest threats to Hawai'i's economy, environment and quality of life, and additional funds to address the extreme threat of Rapid 'Ōhi'a Death. In AGR122, \$180,000 CIP for planning to replace an outdated

Biological Control Containment Facility that is essential for developing new and improved control methods for some of the most intractable agricultural and environmental pests.

LEGACY LAND PROTECTION (LNR101): Requested spending ceiling increase of \$1.85m to help protect priority coastal, agricultural, historic, cultural, forest, and recreational resources.

AQUATIC RESOURCES (LNR401): Base general funding and staff support to address the health and productivity of Hawai'i's marine resources, including requested restoration of 2 branch chief positions, 3 marine monitoring positions, and Special Land Development Funds for a GIS specialist for mapping of aquatic resources statewide.

CONSERVATION ENFORCEMENT (LNR405): Funding for the Division of Conservation and Resources Enforcement to convert 12 temporary positions to permanent to operate community fisheries enforcement units on four islands, and funds to develop a DOCARE training academy.

These budget items contribute to the resilience, sustainability and continued health of our islands' environment, economy, and quality of life. Thank you for appreciating the critical importance of protecting our limited and exhaustible natural resources so that they will continue to support us with fresh water, productive fisheries and farmlands, cultural treasures, and a healthy lifestyle.

TO: Chair Sylvia Luke and Members of
The House Finance Committee

FROM: Rev. Bob Nakata, Co-Chair, FACE Housing Task Force
and Housing Now Coalition

RE: Testimony in Strong Support for Affordable Housing in HB1900

HEARING: Wednesday, March 7, 2018, 11:00 a.m., Room 308

The budget prepared by Governor David Ige supports solving the deep affordable housing and homelessness crises that has been developing over the decades since Statehood. It is now so bad that our best and brightest have become our best exports. Our problems are recognized as the worst in the nation.

The Governor's budget for FY2018 may ease the homeless crisis somewhat, especially for services, which is very important. But it does not do nearly enough to create affordable housing over the decades going forward to create the numbers needed.

Two years ago, the Legislature set a goal of 22,500 affordable units in ten years, and created a Special Action Team to accomplish it. A few developers said it would take \$2 billion to achieve. Senator Will Espero introduced a bill to do that last year with bond funding. We supported it, knowing that it had little chance of success, but to bring home the realistic cost of housing. This year, we are saying that the Legislature should break it down to \$200 million a year for 20 years, basically \$100 million each between the Rental Housing Revolving Fund and the Dwelling Unit Revolving Fund which help with infrastructure that is also desperately needed to create affordable housing.

We urge you to do this as well as boost the funding for homeless services. Slowly the political will and courage is growing among you to do this. More and more stakeholders are becoming actively involved in stepping up to resolve these great crises. Ten years ago, when the homeless were evicted for Ala Moana Park, there was only IHS (Institute for Human Services) helping the homeless. Today, many more groups are involved and we believe that significant progress can be made.

Please fulfill our hopes and step up to provide the needed funding. Thank you.



Progressive Democrats of Hawai'i

<http://pd-hawaii.com>

PO Box 231 Honolulu HI 96809

email: info@pd-hawaii.com

March 6, 2018

To: House Finance Committee
Sylvia Luke, Chair
Ty J.K. Cullen, Vice Chair

Re: HB 1900 State Budget

Position: OPPOSE unless Amended re Hawaii Health Authority

Hawaii faces a Healthcare crisis. We understand that, currently, FORTY PERCENT or more of the State Government's budget is consumed in providing healthcare services. Moreover, the general public pays, as consumers and as employers, enormous sums in the private sector for healthcare services.

Just two months ago, on January 21, 2018, an alarming article was published in the Honolulu Star-Advertiser, "Healthcare Costs Heading for Eventual Catastrophe," quoting the State's Insurance Commissioner as stating that, in eight years, a family of four in Hawaii will be paying \$42,000 per year just for health insurance premiums.

What is the State Government doing about these catastrophic threats to our economy and, more importantly, to our society? Very little, if anything, as far as we can discern.

What CAN the State Government do? As far as we can discern, a lot, with a very small amount of money. This State Legislature made a formal commitment eight years ago to UNIVERSAL HEALTHCARE. It is now codified in Hawaii Revised Statutes Chapter 322H. It is supposed to be administered by the Hawaii Health Authority, but the HHA has been starved of needed funding and staffing to move forward in the planning necessary to do its job.

The excuses will immediately be made: "But Trump; But the Feds; They're blocking everything" Maybe. It's the job of HHA to find ways past those roadblocks, instead of just continuing to wring our hands. Please appropriate a half million dollars to HHA, NOT TO SOME OTHER ENTITY, and give HHA a year to work on this horrendous problem, rather than kicking the can down the road for another year. Which is what is happening now.

Until this critical change is made, this budget is irresponsible. Thank you for considering our concerns.

Alan B. Burdick, co-chair
Progressive Democrats of Hawaii
Burdick808@gmail.com / 486-1018



Kaua`i Watershed Alliance

Ben A. Dyre Limited Family Partnership, Department of Hawaiian Homelands, Department of Water County of Kaua`i, DLNR – Division of Forestry and Wildlife & Land Management Division, Grove Farm Company, Inc., Jurassic Kahili Ranch, Kamehameha Schools, Kaua`i Ranch LLC, Lihu`e Land Company, McBryde Sugar Company, Ltd., National Tropical Botanical Garden, Princeville Development, LLC

“The Mission of the Kaua`i Watershed Alliance is to PROTECT, PRESERVE and MANAGE our valuable watershed resources for the benefit of our residents, communities and all future generations through the concerted efforts of its members.”

Testimony of The Kauai Watershed Alliance Supporting HB 1900 Relating to the State Budget House Committee on Finance Wednesday, March 7, 2018, 11:00AM, Room 308

The Kauai Watershed Alliance strongly supports funding for the Department of Land and Natural Resources for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities.

The Kauai Watershed Alliance recognizes the necessity of natural resource stewardship. The members understand that the source of our pure water is a system of healthy native forested watersheds which capture rain and cloud moisture and deliver it efficiently to aquifers and surface sources to create a sustainable source for subsequent consumption in our daily lives and for the benefit of our island economy.

Field work completed in the past 2 years in Priority One Watersheds on public and private lands: Removed feral pigs, goats, deer from 3 protective fences of deer proof fences (7,000 ac.); fence construction for the Halehaha unit on State land completed 2017 (1,400 ac.). Targeted site specific invasive weeds (ginger, S. Guava, Australian T. F., clydemia) controlled over 10,000 ac. Management actions to maintain ungulate free units include fence checks, monitoring for ingress of ungulates and invasive weed populations.

Work to be accomplished in the near future needing funding: Drinking Glass and Koaie (State land) fences (2,000 ac.) shovel ready. Management in fenced units to include – fence maintenance; monitoring for ungulate presence, forest re-generation/invasive weeds; and targeted invasive weed control. These lands are intact native forested watersheds and contain numerous rare and endangered plants and endangered forest birds.

The DLNR Division of Forestry and Wildlife’s budget request seeks base operating and CIP funding for the protection of our native forests, which are the source of nearly all the islands’ supply of fresh water. The watershed protection and invasive species programs supported with State funds and leveraged several times over with matching funds from county, federal and private sources help to ensure healthy, managed natural resources that are critical for isolated island chains such as Hawai`i.

Thank you for your support.

The Kauai Watershed Alliance



ALEXANDER & BALDWIN

PARTNERS FOR HAWAII

Testimony of Tom H. Shigemoto
Supporting HB 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00AM, Room 308

On behalf of the Kaua'i Watershed Alliance, I strongly support funding for the Department of Land and Natural Resources for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities.

The Kauai Watershed Alliance consists of a diverse group of public and private entities and we recognize the necessity of natural resource stewardship. We understand that the source of our pure water is a system of healthy forested watersheds which capture rain and cloud moisture and deliver it efficiently to aquifers and surface sources for subsequent consumption in our daily lives and for the benefit of our island economy.

Alexander and Baldwin owns approximately 20,000 acres of land on Kaua'i, approximately 12,000 of which are in the State Land Use Conservation district. We also own approximately 7,000 acres of land classified as Agricultural by the State Land Use Commission. The balance is in the Urban District. Because of our diversity we do understand and appreciate the value of protecting our precious water resources, which is also why we chose to belong to the Kaua'i Watershed Alliance.

Work completed in the past 2 years in Priority One Watersheds on public and private lands: Removed feral pigs, goats, deer from 3 protective fences of deer proof fences (7,000 ac.); fence construction for the Halehaha unit on State land completed 2017 (1,400 ac.). Targeted site specific invasive weeds (ginger, S. Guava, Australian T. F., clydemia) controlled over 10,000 ac. Management actions to maintain ungulate free units to include fence checks, monitoring for ingress of ungulates and invasive weed populations.

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The DLNR Division of Forestry and Wildlife's budget request seeks base operating and CIP funding for the protection of our native forests, which are the source of nearly all the islands' supply of fresh water. The watershed protection and invasive species programs supported with State funds and leveraged several times over with matching funds from county, federal and

private sources help to ensure healthy, managed natural resources that are critical for isolated island chains such as Hawai'i.

Thank you for your support.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom H. Shigemoto". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tom H. Shigemoto
Vice President



March 5, 2018

Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair
House Finance Committee
Hawaii State Legislature

Dear Representative Luke, Representative Cullen and Members of the House Finance Committee,

Testimony in Support of Line Items in HB1900 – State Budget

The Kohala Coast Resort Association (KCRA) is in full support of the following line items in HB1900 – State Budget:

- 1) Emergency Generator Upgrade at Ellison Onizuka Kona International Airport at Keahole;
- 2) Design and Construction for Renovation of Restrooms at Ellison Onizuka Kona International Airport at Keahole;
- 3) Design and Construction for a Permanent Federal Inspection Station at Ellison Onizuka Kona International Airport at Keahole;
- 4) Fiber Optic Installation for Connectivity to the Internet at Airports Statewide; and
- 5) Widening of the Queen Kaahumanu Highway to a 4-lane highway from Kealakehe Parkway to the Ellison Onizuka Kona International Airport at Keahole

KCRA is a collection of master-planned resorts and hotels situated north of the airport which represents more than 3,500 hotel accommodations and an equal number of resort residential units. This is approximately 35 percent of the accommodations available on the Island of Hawai'i. KCRA member properties annually pay more than \$20 million in TAT and \$20 million in GET.

We encourage your funding these initiatives in full.

Sincerely,

A handwritten signature in black ink that reads "Stephanie P. Donoho". The signature is written in a cursive, flowing style.

Stephanie Donoho
Administrative Director

Testimony for
House Committee on Finance
Wednesday, March 7, 2018, 11:00 a.m. Room 308

Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

HB 1900 Relating to the State Budget

Dear Chair Luke and Members of the Committee:

This testimony is in **SUPPORT of HB 1900 for Program Appropriations for Item 4 Historic Preservation Operating Fund Increase to \$2,580,122** (page 52), which will add new positions in the Archaeology Branch to provide for more rapid review of projects within our State.

I am Lynn McCrory, Senior Vice President of Government Affairs for Pulama Lanai. Pulama Lanai is the entity that was set up by Larry Ellison to work with the community and government as we move the island of Lanai toward sustainability.

Pulama Lānaʻi has a continuous review of projects done by State Historic Preservation Division (SHPD). We submit these as soon as we go forward with a project, as we want SHPD to have reviewed the projects for the subsequent component review by the County of Maui. As of today, there is only one person in the SHPD office to review projects/permits and it is not possible for one person to timely handle all the work needed within Maui County.

We should not want projects/permits to be considered approved in thirty (30) days if they have not been reviewed by SHPD. That is certainly not the point of the preserving our past. We can only do this with additional archaeologists within the Division. Delay in the SHPD response only delays new projects which add to our economy.

We humbly ask that you **SUPPORT HB 1900 for Program Appropriations for Item 4 Historic Preservation Operating Fund Increase**. Mahalo!

Me ke aloha pumehana
With warm aloha,

Lynn P. McCrory
Senior Vice President of Government Affairs

TO: Sylvia Luke, Chair,
House Committee on Finance
repluke@Capitol.hawaii.gov

Ty J.K. Cullen, Vice Chair,
House Committee on Finance
repcullen@Capitol.hawaii.gov

FROM: Angus Raff-Tierney, M.A., Legislative Committee Chair,
Society for Hawaiian Archaeology
angusrafftierney@yahoo.com

SUBJECT: Testimony in SUPPORT of **HB1900** Department of Land and Natural Resources FY19 Supplemental Budget, Relating to the State Historic Preservation Division (LNR 802)

I am Angus Raff-Tierney, Legislative Committee Chair of the Society for Hawaiian Archaeology (SHA). We have over 150 members that include professional archaeologists and advocates of historic preservation in general. I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review submittals and permits to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

Our members have concerns regarding serious delays in the timely review of submittals and permits to the SHPD of the DLNR as part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD has had a backlog for over 10 years and currently has a backlog of over 300 documents. Timely completion of these reviews are an essential element in project permitting and can cause projects to fail to meet their obligations due to missed deadlines. As well, delays in the review of these documents puts financial strains on cultural resource management firms that represent development clients, who are often not paid in full until a document is reviewed by the SHPD. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted. While individuals remodeling their historic home are put in financial and mental strain while waiting for their permit to be accepted.

We support this budget, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will, as hoped, improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

Mahalo for considering our testimony. Should you have any questions, please feel free to contact me at the above email address.



**PO Box 1095
Kurtistown, Hawaii
+1-808-938-2840
jim.wyban@gmail.com**

March 2, 2018

House Committee
Honolulu HI

**RE: State Budget Bill HB 1900 to fund
Aquaculture Incubator at NELHA, BED146**

Dear Committee,

I am writing in support of HB 1900, which seeks to appropriate \$500,000 to DBEDT to establish an aquaculture incubator at NELHA to bring together entrepreneurs and investors to develop Hawaii's aquaculture industry.

Aquaculture is the world's fastest growing food production platform. Hawaii has a long and colorful history in this industry and needs to continue investing to maintain its preeminent place. HOST Park in Kona is a world-class facility. Funding development of an aquaculture specific incubator at HOST Park would continue Hawaii's lead in this sector.

I wholeheartedly support this effort and ask that you approve this bill and support Hawaii's developing aquaculture industry.

Sincerely,

Jim

Jim Wyban PhD
President
Marine Genetics

Ben Dyre Family Limited Partnership
Po Box 40
Kilauea, HI 96754

Testimony of Ben Dyre Family Limited Partnership
Supporting HB 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00AM, Room 308

Our family supports funding for the Department of Land and Natural Resources for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities.

As a member of the Kauai Watershed Alliance, a diverse group of public and private entities, we care deeply about the necessity of natural resource stewardship. We understand that the source of our pure water is a system of healthy forested watersheds which capture rain and cloud moisture and deliver it efficiently to aquifers and surface sources for subsequent consumption in our daily lives and for the benefit of our island economy.

Work completed in the past 2 years in Priority One Watersheds on public and private lands: Removed feral pigs, goats, deer from 3 protective fences of deer proof fences (7,000 ac.); fence construction for the Halehaha unit on State land completed 2017 (1,400 ac.). Targeted site specific invasive weeds (ginger, S. Guava, Australian T. F., clydemia) controlled over 10,000 ac. Management actions to maintain ungulate free units to include fence checks, monitoring for ingress of ungulates and invasive weed populations.

Work to be accomplished in the near future needing funding: Drinking Glass and Koaie (State land) fences(2,000 ac.) shovel ready. Management in fenced units – fence maint.; monitoring for ungulate presence, forest re-generation/invasive weeds; and targeted invasive weed control. These lands are intact native forested watersheds and contain numerous rare and endangered plants and endangered forest birds.

The DLNR Division of Forestry and Wildlife's budget request seeks base operating and CIP funding for the protection of our native forests, which are the source of nearly all the islands' supply of fresh water. The watershed protection and invasive species programs supported with State funds and leveraged several times over with matching funds from county, federal and private sources help to ensure healthy, managed natural resources that are critical for isolated island chains such as Hawaii.

Thank you for the opportunity to offer our support for this bill and and helping us to continue our work!

Sincerely,



Holly Dyre
General Partner



Statement of
LETIZIA DE LANNOY
Manager
Hawaii Evolutionary Development, LLC
(HIEvoDEvo)
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB 1900
RELATING TO THE STATE BUDGET

2800 Woodlawn Dr, #286
Honolulu, HI 96822
T (808) 636-3146
F (808) 988-2990
hed@evodevohi.com
FEIN 36-4683352

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

HIEvoDevo **supports with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

HIEvoDevo is a startup company developing HEDS, an engineering design software using a novel methodology to find optimal solutions. This methodology has a wide range of applications in industries such as engineering (aircraft and airspace, automotive, drones, and building design, etc.), health care, finance, to name a few.

We have a few concerns with UH taking over the facility:

- 1) What will happen with the mentorship/advising support provided by HTDC;
- 2) The conferences, talks, and contacts opportunities offered by HTDC;
- 3) Quality of the work environment and building maintenance; and
- 4) Affordability of the rent;

HTDC personnel and programs have been instrumental in mentoring, making the connections to other companies, funding opportunities to develop our technology, and offering an incredible work environment. Termination of the HTDC lease threatens the continued existence and operation of HTDC and is a matter of statewide concern.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State.

Thank you for the opportunity to offer these comments.



Statement of
Adelheid Kuehnle
CEO
Kuehnle AgroSystems Inc.
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Kuehnle AgroSystems Inc. supports with comments HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

Kuehnle AgroSystems Inc. is a bio-based product research and development company located in the Manoa Innovation Center. As a tenant of MIC, and we have worked closely with HTDC to build our company. They have been excellent partners for us, aiding in many areas of our business development and including a recently installed small pilot test manufacturing facility.

As a biotech company, we require a top-notch well-run facility that is properly maintained and managed. HTDC has carried out this task excellently, while UH has not demonstrated that they are prepared properly to take on this responsibility for the long term. We are deeply concerned about UH's ability to properly manage and maintain the facility.

The point of the MIC is to serve small innovation companies to expand Hawaii's economy. Whoever runs MIC needs to have this mission in mind. UH has said that one of their main reasons for taking over the building is to monetize their asset - nothing about serving the people and small tech businesses of Hawaii.

- HTDC has been successfully carrying out its mission to assist the small business technology community in Hawaii.
- HTDC delivers the services required for a tech innovation park or innovation center, i.e., all business support (which is extensive), manufacturing support, IP support, guidance on GLP and GMP, federally funded programs, community outreach, etc.



2800 Woodlawn Drive
Suite 281
Honolulu, Hawaii 96822
808.469.4181
<http://www.kuehnleagro.com>



- HTDC has a proven track record of efficiently managing MIC facilities to the level required for high tech businesses.
- HTDC being co-located at MIC with small businesses facilitates seamless communication, fast response times, an on-going relationship for our unique business needs, and is essential to the facility's professional aura, cleanliness and upkeep. When investors and strategic partners visit us at MIC, they are favorably impressed.
- HTDC demonstrates upkeep of MIC, and valued flexibility for changes concerning the physical plant. The high quality and flexibility of the MIC facilities is very important. If monetizing assets is prioritized over mission, it is easy to see how upkeep of MIC would suffer under other organizations.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.



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Honolulu, Hawaii 96822
808.469.4181
<http://www.kuehnleagro.com>



Committee on Finance

Rep. Sylvia Luke, Chair

Rep. Ty J.K. Cullen, Vice Chair

March 5, 2018

Support for H.B. 1900 Relating to Budget - Project ID: BED146 and Funding for Aquaculture Accelerator/Incubator Initiative at NELHA

Blue Ocean Mariculture is the world's leading producer of cultivated Kahala (*Seriola rivoliana*). Our fish are served under the Hawaiian Kanpachi brand in sushi and fine dining restaurants in Hawaii and across the mainland United States. We employ 27 people full-time in the Kona area in our hatchery and offshore aquaculture operations. Blue Ocean's hatchery is located within the Natural Energy Laboratory of Hawaii Authority (NELHA).

We strongly support Project BED146 within H.B. 1900 related to establishing an aquaculture accelerator/incubator at NELHA to bring together entrepreneurs and investors to develop Hawaii's aquaculture industry.

An aquaculture incubator at NELHA will be a valuable resource in building a strong aquaculture industry locally and across the state. Aquaculture provides an opportunity to strengthen our state's economy by diversifying our economic base, reducing the amount of seafood imported to Hawaii, and creating high-wage job opportunities.

We also believe Hawaii can be a leader in the global aquaculture industry and provide leadership on environmentally responsible aquaculture practices. We believe the best way to pursue Hawaii's potential in aquaculture is through the type of program contemplated by BED146. Thank you for the opportunity to testify.

Blue Ocean Mariculture



HAWAII EARLY INTERVENTION COORDINATING COUNCIL

1010 Richards Street. * Suite 811 * Honolulu Hawai`i 96813

Phone: (808) 594-0000 Fax: (808) 586-0015

Date: March 6, 2018

To: COMMITTEE ON FINANCE
Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair

From: Jason Maga, Chair, Hawaii Early Intervention Coordinating Council

Re: SUPPORT – H.B. 1900 RELATING TO THE STATE BUDGET
Hearing date – March 7, 2018, 11:00 a.m.

On behalf of the Hawaii Early Intervention Section Coordinating Council (HEICC), I submit this testimony in **support** of H.B. 1900 Relating to the State Budget. More specifically, HEICC supports the Department of Health (HTH 560/CG) request to add general funds for federally mandated Early Intervention (EI) services. HEICC is the federally mandated advisory council in Hawaii for the EI services and programs defined in the Part C of the Individuals with Disabilities Education Act (IDEA).

The general funds will provide the Department of Health with resources needed to provide mandated EI services as specified under Public Law 108-466, IDEA of 2004. More importantly, it will ensure that infants and toddlers with developmental delay(s), ages birth to three years old and their families receive early intervention services.

It is for all the children and families receiving early intervention services that the HEICC supports this measure. Thank you for your time and consideration.



CATHOLIC CHARITIES HAWAI'I

TO: Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair
Committee on Finance

FROM: Terrence L. Walsh, Jr.
President and Chief Executive Officer

Date: Wednesday, March 7, 2018 (11:00 a.m., Room 308)

RE: **HB 1900: RELATING TO THE STATE BUDGET**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing supportive home and community based services to elders since 1973 and currently serves over 4,000 older persons each year.

- **Support for Kupuna Care funding** – We request that **\$4.2M** be added to the current base budget for a total of **\$9M**. This will return funding to previous levels, which is critical since the demand for services continues to increase as the aging population increases.

As a current provider of Kupuna Care Transportation Services for frail elders, we see that Kupuna Care funded services provide to elders and their caregivers. Through Kupuna Care, CCH Transportation Services provides relief for caregivers, especially working caregivers who would otherwise have to take time off from work to take their elderly loved ones to medical and benefit appointments, do grocery shopping, pick up medications, and more.

Kupuna Care services provide a safety net for all kupuna and their caregivers who cannot afford to pay for in-home and community based services and are unable to receive these services through other means.

- **Support for Aging & Disability Resource Center (ADRC) funding** – We request that **\$1.71M** be added to the current base budget amount for the ADRC's.

The ADRC's are critical for elders and caregivers since they serve as the sole entry point in each county to become eligible to receive services that are funded through Kupuna Care, Federal Title III, and Kupuna Caregiver.

As a current provider of Kupuna Care and Title III Transportation Services for elders, CCH may only provide Transportation Services for elders after they have been assessed and authorized through the Honolulu ADRC. It is important for the ADRC's to be funded so that they can continue to work toward effectively meeting the needs of kupuna and their caregivers in a timely manner.



Catholic Charities Hawaii
Testimony on HB1900, Relating to the State Budget
Committee on Finance
Wednesday, March 7, 2018 (11:00 a.m., Room 308)
Page 2 of 2

Please feel free to email Diane Terada, Division Administrator, at diane.terada@catholiccharitieshawaii.org or call her via phone at 527-4702 if there are any questions.

Thank you for this opportunity to provide testimony.

HB-1900

Submitted on: 3/4/2018 11:05:09 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ronald Weidenbach	Hawaii Aquaculture & Aquaponics Association	Support	No

Comments:

Re: NELHA, BED146, \$500,000 for Aquaculture Accelerator/Incubator Initiative

The HAAA supports this measure and line item budget amount of \$500,000 to establish an Aquaculture Accelerator/incuator at NELHA where much of the current Hawaii aquaculture industry is located. NELHA has long provided laboratory space to support start-up R&D and the proposed incubator would be the next logical step to supporting innovative new aquaculture companies and their emerging technologies to help foster and grow this important food production sector.



Testimony of Casey Watabu, Project Specialist, Grove Farm Company

Supporting HB 1900 Relating to the State Budget

House Committee on Finance

Wednesday, March 7, 2018, 11:00AM, Room 308

Chair Luke, Vice Chair Cullen, and Members of the Committee, thank you for the opportunity to provide testimony on HB 1900.

Grove Farm Company strongly supports funding for the Department of Land and Natural Resources for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities.



Our company is a member of the Kauai Watershed Alliance, a diverse group of public and private entities, and we recognize the necessity of natural resource stewardship. We understand that the source of our pure water is a system of healthy forested watersheds which capture rain and cloud moisture and deliver it efficiently to aquifers and surface sources for subsequent consumption in our daily lives and for the benefit of our island economy.

Work completed in the past 2 years in Priority One Watersheds on public and private lands: Removed feral pigs, goats, deer from 3 protective fences of deer proof fences (7,000 ac.); fence construction for the Halehaha unit on State land completed 2017 (1,400 ac.). Targeted site specific invasive weeds (ginger, S. Guava, Australian T. F., clydemia) controlled over 10,000 ac. Management actions to maintain ungulate free units to include fence checks, monitoring for ingress of ungulates and invasive weed populations.

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The DLNR Division of Forestry and Wildlife's budget request seeks base operating and CIP funding for the protection of our native forests, which are the source of nearly all the islands' supply of fresh water. The watershed protection and invasive species programs supported with State funds and leveraged several times over with matching funds from

3-1850 Kaunualii Highway Lihue, HI 96766-8609

 808.245.3678  808.246.9470

www.grovefarm.com



county, federal and private sources help to ensure healthy, managed natural resources that are critical for isolated island chains such as Hawai'i.

Thank you for your support.

Casey Watabu

3-1850 Kaumualii Highway Lihue, HI 96766-8609

P 808.245.3678 **F** 808.246.9470

www.grovesfarm.com

Finance Committee

March 7, 2018 @ 11am

Testimony submitted by:

Amy Agbayani

FILIPINA ADVOCACY NETWORK (FAN)

Testimony in strong support of:

HB 1900 Budget items Relating to the University of Hawai'i:

UOH 800 Community College support for Filipino students \$350,000
(3.00)

UOH 100 Manoa student services support for Filipino, Pacific
Islanders, Kokua students with disabilities, veterans, mental health:
\$400,000 (5.00) UOH100

Chair Luke, Vice Chair Cullen and members of the committee:

I am a retired Manoa faculty member and was the assistant vice chancellor for student diversity and director of the office of student equity, excellence and diversity. Today I am representing the Filipina Advocacy Network (FAN). We support policies and programs that improve the status of the Filipino community and support diversity, inclusion, access and non-discrimination for our multicultural state.

FAN strongly supports two items in HB1900 which provides \$350,000 and 3 positions for the Community Colleges (UOH800) to support Filipino students and \$400,000 and 5 positions for Manoa Student Affairs (UOH100) to support Filipinos, Pacific Islanders, Kokua students with disabilities, veterans, mental health. These student groups face many barriers to retention and graduation. They require additional services consistent with the UH strategic goals to increase graduation rates and workforce development goals for under-served populations and communities.

HB-1900

Submitted on: 3/6/2018 11:00:45 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Agnes Malate	Filipinos for Affirmative Action	Support	No

Comments:

Chair Luke, Vice Chair Cullen, and Members of the House Committee on Finance:

I am a faculty at the University of Hawai'i at Mānoa and also a graduate student pursuing my PhD in Educational Foundations. I write this testimony on behalf of Filipinos for Affirmative Action (FFAA).

FFAA strongly supports two items in HB1900 which provides \$350,000 and three positions for the Community Colleges (UOH800) to support Filipino students and \$400,000 and five positions for Manoa Student Affairs (UOH100) to support Filipinos, Pacific Islanders, KOKUA students with disabilities, veterans, and mental health.

Although the students I have worked with from these groups were highly motivated and talented, they faced significant barriers to achieving their education and career goals. Funding this bill is important to provide the additional services necessary for the retention and graduation of these student groups, which is consistent with the UH strategic goals to increase graduation rates and workforce development.

Thank you for this opportunity to provide testimony for HB 1900 (UOH 800 and UOH 100) for the well-being, growth, and future of our community.

Although I am an employee of the University of Hawai'i at Mānoa, this testimony reflects my personal position and is not the official position of the University of Hawai'i.

Statement of
J.R. Robinson, Co-founder
Nest Egg Guru, Inc.
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Nest Egg Guru supports with comments HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

Nest Egg Guru is a Honolulu-based fintech start-up that was created with the assistance of HTDC's incubator program. We are deeply indebted to HTDC for their support and guidance over the past few years and are writing in support of continued HTDC funding.

HTDC was instrumental in helping us move from a basic business plan to an operating, revenue generating company and we have benefited immensely from the programs and workshops HTDC has hosted for us. HTDC was also instrumental in helping us apply and gain acceptance into Blue Startups Cohort #6.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

HB-1900

Submitted on: 3/5/2018 10:28:46 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Forest Frizzell	Shifted Energy	Support	No

Comments:

We, Shifted Energy value our relationship with HTDC and the services they provide. Incubating our company at MIC has been beneficial to growth, and will continue to be beneficial as we scale.

Mahalo,

- Forest Frizzell

CEO, Shifted Energy



Pacific Basin — O‘ahu
 30 Aulike Street, Suite 301
 Kailua, HI 96734

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 www.pacificlegacy.com

6 March 2018

State of Hawai‘i
 House of Representatives
 Financial Committee

Re: Support of HB1900

Aloha Kākou:

I am writing my unqualified **SUPPORT** of **HB1900** -- the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review submittals and permits to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

I have serious concerns regarding undue delays in the review of submittals and permits to the SHPD of the DLNR as part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD currently has a tremendous backlog of submitted reports - our firm has reports that were submitted over a year ago that have not been reviewed and even one that extends back to seven years ago!. Timely completion of these reviews is an essential element in project permitting and can cause projects to fail to meet their obligations due to missed deadlines. These delays in the review of these documents put financial strains on our cultural resource management firm. We represent development clients, and are often not paid in full until a document is reviewed and accepted by the SHPD.

We support this budget bill, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will improve SHPD’s ability to provide timely and competent regulatory reviews of submittals and permits.

Sincerely,

Paul L. Cleghorn, Ph.D.
 Principal and Senior Archaeologist

Pacific Basin - Hawai‘i Island
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 808.263.4300 Fax

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 510.524.4419 Fax

Sierra/Central Valley
 4919 Windplay Dr., Ste. 4
 El Dorado Hills, CA 95762
 916.358.5156 Ph.
 916.358.5161 Fax

Statement of
Tom Leonard
Owner
Televoice 2000
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

TeleVoice 2000 strongly **supports with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

Our company has supplied telecommunications and information technology consulting services to Hawaii companies since 1997. For the past 2 years, we have actively participated in HTDC's programs to promote economic growth in the State through support for development of an active and robust technology sector.

The programs administered by HTDC are some of the major resources available to entrepreneurs in Hawaii to support them to safely navigate the early stages of bringing their businesses to full commercial reality. Mentorship, at the Manoa Innovation Center, Maui Research & Tech Center and through the Neighbor Island Innovation Initiative, are a mainstay of the program. Fundamental of HTDC's approach to mentoring is the use of seasoned business professionals to deliver the service. These are people with the real-world experience of what it takes to make a business successful. I have real concerns about UH's ability and/or willingness to continue this truly excellent program. For the clients of the program, it's not an academic exercise.

In our experience, many entrepreneurs have a keen understanding of the products and services they wish to supply, but lack the practical business experience needed to bring their ideas to fruition. HTDC, through its programs of workshops, grants, community building efforts, legislation and sponsorships successfully addresses this need. Most importantly, through HTDC's mentorship program, clients throughout the State have access to a group of seasoned business professionals with real-world business management experience to support them through their early stages of development and beyond.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

March 6, 2018

²
HB1900

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

HB-1900

Submitted on: 3/5/2018 10:27:38 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Tawara	Bright Light Digital	Support	No

Comments:

Statement of
Lynn Fujioka
President
HI FusionED
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

HI FusionED **supports with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

HI FusionED is a 501(c)(3) not-for-profit corporation that develops place-based engaging science and technology programs and activities for Hawaii students developed in partnership with local professionals and educators. HI FusionED provides immersive learning experiences while introducing students to local role models and field experts to foster interest in higher education and career options in related fields.

We have concerns over the UH taking over the Manoa Innovation Center. The Hawaii Technology Development Corporation has provided an accessible, professional environment to connect with scientists and engineers in developing rigorous learning activities for students. We have benefitted greatly from our tenancy at the Manoa facility primarily because of its location, amenities and supportive staff. Removing this service would create uncertainty for the continuation of our services and would make it challenging to plan future activities.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

Statement of
Collin Kobayashi
President
3D Innovations
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

3D Innovations **supports with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

3D Innovations is a product development, prototyping, and manufacturing solutions provider that supports startup/technology, SBIR, and manufacturing companies.

With the recent news from UH wanting to take over and manage the Manoa Innovation Center facility, it creates some major concerns for us as tenants. Some of the concerns include changes to the operation of the facility, forcing companies to find other space to rent, general efficiencies of managing day to day operations, and responding to urgent matters in a timely manner.

In addition to these concerns, we feel that the programs that HTDC provides could be reduced or eliminated and will negatively affect the operations of the tenants at MIC. These programs that are provided by HTDC have a major impact on building a sustainable company. Without HTDC being the voice of the technology/startup community, we feel that any relationships built with the State Legislature would be lost and take many years to re-establish again.

HTDC has been an advocate for the startup and entrepreneurial community and will be lost if they are no longer managing the Manoa Innovation Center.

I urge you to consider finding alternatives to the plan outlined by UH so that HTDC can continue to manage MIC.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

HB-1900

Submitted on: 3/6/2018 9:41:15 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David W. Shideler	Cultural Surveys Hawai'i Inc.	Support	No

Comments:

I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review submittals and permits to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

We have concerns regarding serious delays in the timely review of submittals and permits to the SHPD of the DLNR as part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD has had a backlog for over 10 years and currently has a backlog of over 300 documents. Timely completion of these reviews are an essential element in project permitting and can cause projects to fail to meet their obligations due to missed deadlines. As well, delays in the review of these documents puts financial strains on cultural resource management firms that represent development clients, who are often not paid in full until a document is reviewed by the SHPD. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted. While individuals remodeling their historic home are put in financial and mental strain while waiting for their permit to be accepted.

We support this budget, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will, as hoped, improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

Thank you for your consideration of this testimony.

David W. Shideler

Cultural Surveys Hawaii



HOUSE COMMITTEE ON FINANCE
Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance

Wednesday, March 7, 2018 at 11:00AM, Conference Room 308

In consideration of
HB1900 RELATING TO THE STATE BUDGET

DevLeague **supports with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

DevLeague (<http://www.devleague.com/>) is the premier technical boot camp in the Pacific designed to provide mentorship and training to motivated individuals seeking a career change. We design our own curriculum based on relevant industry standards, teach in-demand technical skills such as JavaScript Web Engineer, Cyber Security Professional, Big Data Analyst and Enterprise Software Developer to help our graduates onboard into career starts in the technology industry.

For the last four years, we have enjoyed the benefits of a renewal at Manoa Innovation Center under the guidance of HTDC. The facilities have been improved, the upkeep and maintenance of the grounds are well attended to and the attention to the tenants has vastly improved since we arrived in 2014. As the only innovation space in Honolulu that HTDC oversees, it can afford to put all of its attention into MIC and its tenants. With the \$503MM repair backlog in repair and maintenance across the UH's 10 campuses, it has to get legislature funding and prioritize how it spends on repairs and maintenance. MIC will soon be one of hundreds of facilities in UH's backlog of facilities and maintenance plans and likely lead to the decline and neglect of MIC as it gets lost in the UH repair shuffle.

<http://www.upwhawaii.org/OurUnionOurFamily/chip-away-at-uh-repair-backlog>

HTDC has fostered workshops and community building efforts that have benefited DevLeague and the startup/entrepreneur ecosystem we lead and serve. We have held Friday to Sunday hackathons where 100s of students and adults attend and collaborate in the annual NASA Space Apps Challenge, AT&T Hackathon, Global Game Jam and hosted our well-attended DevLeague cohort graduations where our students demonstrate their final projects to peers, potential employers, family and friends. The intimate setting is easy to plan and secure well into the late night and early morning time, doesn't require permitting, has ample parking for guests in and around the grounds, and brings the



community into MIC. It's simply easy to and painless to do business in MIC—one less thing to worry about in a stressful startup world.

Four years earlier, it was DevLeague that needed the help from HTDC to get started. Today, it is HTDC that needs our support to continue to provide incubator support and services to the technology startup/entrepreneur ecosystem. Termination of the HTDC lease threatens the continued existence and operation of HTDC and is a matter of statewide concern. We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State.

Mahalo!

A handwritten signature in black ink, appearing to read "Russel C. Cheng".

Russel Cheng
Co-founder, Director
808-391-8424, russel@devleague.com



Nalu Scientific
Data Acquisition Systems

Nalu Scientific, LLC
2800 Woodlawn Dr. Ste #240
Honolulu, HI 96822 USA
Phone: +1 (888) 717-6484
info@naluscientific.com

March 6, 2018

Statement of
Isar Mostafanezhad, Ph.D.
Founder and CEO
Nalu Scientific, LLC
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308
In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Nalu Scientific, LLC **supports with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

Nalu Scientific was founded in 2015 to commercialize high speed integrated circuits for US Department of Energy and its national labs. Since then we have been receiving steady support from the DOE SBIR program which has allowed us to grow to 7 full time employees. We have plans to even grow further and provide support to DOE and the national labs in their mission.

Being in Manoa and having access to a subsidized facility has been extremely helpful in our growth. Additionally we have immensely benefited from various HTDC programs. Suffice it to say that the idea to fund Nalu Scientific through the SBIR program was solidified at a workshop organized in June 2015 at MIC by the HTDC where avenues to seek Federal funding were discussed.

HTDC has been extremely impactful in our existence, survival and growth. Given our early stage, we will be seriously and adversely affected if HTDC's programs and facilities are reduced.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

Please do not hesitate to contact me if you need more information.

Isar Mostafanezhad,
Founder and CEO,
Nalu Scientific, LLC

Statement of
Summer Shiigi
Owner
TEN TOMORROW
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

TEN TOMORROW supports with comments HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

TEN TOMORROW is a local womenswear brand that launched in 2014. We recently opened a unique workspace/boutique in the heart of Kaimuki with business partner Allison Izu. Both brands are 100% made in Hawaii and cater to the local clientele. Besides our own store front we are sold into Nordstrom Hawaii and in 8 other stores state-wide. We even have a presence on Big Island, Kauai, and Maui.

We got our start in MIC through the Innovate Hawaii program. We were incubated there with the opportunity to test our product, start small, and focus on development. We are concerned with UH taking over the facility because of the opportunities that might be lost for other small businesses looking for support as they start, evolve, and grow. MIC is an amazing space and we are so grateful to have been there and would love other companies to be able to replicate the success we have found by being there and having access to their programs.

We first utilized their provider services: meeting with accountants, lawyers, and other business mentors to help set up our infrastructure properly. We also found the workshops they offered beneficial in business planning. One of the biggest contributions we gained from HTDC was receiving reimbursement for manufacturing equipment and training we purchased. Thanks to their MAP Grant program we were able to afford a CAD-like digitizing system and training for our contractors. We continue to see their community building efforts and hope that it can continue in the next coming years. We are a company that depends on the local manufacturing ecosystem and need the support of HTDC and the legislation to help continue the work to support it.

We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.



2800 Woodlawn Dr.
STE #150
Honolulu HI 96028
www.spectrum-photonics.com

Statement of
Edward Knobbe
President
Spectrum Photonics
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

Spectrum Photonics **supports with comments** HB1900 related to providing alternate methods of funding for the Hawaii Technology Development Corporation's with appropriation of operational funds in the State budget. Without an alternate method of funding, HTDC will not be able to continue operation. Spectrum Photonics relies on HTDC and their technology-focused development programs as a key aspect of our long-term commercialization process.

Spectrum Photonics' core business is largely based on intellectual property licensed from University of Hawaii. During the past 8 years we have received approximately \$13,000,000 in federal SBIR funds. It is these government-funded SBIR projects, in combination with the HSBIR matching grant funding, that has enabled Spectrum to win highly-competitive follow-on broad agency announcement (BAA) awards. Recent follow-on BAA contracts totaling more than \$28,000,000 in additional funding has been awarded since 2015, include \$3,000,000 from the Office of Scientific Development's Rapid Innovation Fund (RIF) program, \$4,500,000 of funding under the Next-Generation Chemical Detection (NGCD) program, \$3,600,000 under the Surface Contamination Detection (SCD) Stryker NBCRV sensor upgrade program, and \$16,900,000 under IARPA's Standoff ILluminator for Measuring Absorbance and Reflectance Infrared Light Signatures (SILMARILS) program.

Spectrum Photonics is a direct beneficiary of HTDC's many outreach programs, including small business seminars, legislative liaison opportunities, the HSBIR matching grant program, and large business/commercialization partner ventures. We respectfully request that the legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

Thank you for the opportunity to offer these comments.

HB-1900

Submitted on: 3/6/2018 11:45:24 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rona Ikehara-Quebral	International Archaeological Research Institute	Support	No

Comments:

Aloha,

I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review report submittals and permit requests, to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

I am concerned about the prolonged delays in the timely review of report submittals and permit applications to the SHPD of the DLNR, which are part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD has had a backlog for over 10 years and currently has a backlog of over 300 documents. Timely completion of these reviews is an essential element in project permitting and can cause projects to fail to meet their obligations due to missed deadlines. Furthermore, delays in the review of these documents puts financial burdens on cultural resource management firms that represent development clients, firms who are often not paid in full until a document is reviewed by the SHPD. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted. Individual homeowners of historic homes are also burdened financially while waiting for their permits to be approved.

I support this budget, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will, as hoped, improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

Thank you for considering this request.

Sincerely,

Rona Ikehara-Quebral, Ph.D.

International Archaeological Research Institute, Inc.

Honolulu, Hawaii



March 6, 2018

Testimony from the Hawai'i Association of Watershed Partnerships
Supporting HB 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00 AM, Room 308

East Maui Watershed
Partnership

East Moloka'i Watershed
Partnership

Kaua'i Watershed Alliance

Kohala Watershed
Partnership

Ko'olau Mountain
Watershed Partnership

Leeward Haleakala Watershed
Restoration Partnership

Mauna Kea Watershed Alliance

Three Mountain Alliance

Wai'anae Mountains
Watershed Partnership

West Maui Mountains
Watershed Partnership

url www.hawp.org

The Hawai'i Association of Watershed Partnerships (HAWP) supports House Bill No. 1900, and specifically the Department of Land and Natural Resources' (DLNR's) requests related to watershed management, CIP fencing work, and invasive species prevention and control activities. These funds support critical watershed protection projects that help preserve and enhance a multitude of benefits, both environmental and social. Just some of these important benefits include: recharge of public water supplies, climate change mitigation, flooding and erosion control, the protection of native habitats and biodiversity, education, recreation, and the creation of meaningful jobs for local communities. The projects also work directly toward meeting the State's commitment to effectively protecting 30% of Hawai'i's priority watersheds by 2030.

HAWP comprises ten Watershed Partnerships across five islands, and works collaboratively with public and private landowners to manage more than 2 million acres of forested watershed areas across Hawai'i. The partnerships play an important role, as they coordinate across landowner boundaries, bringing together many types of landowners and land managers with just as many perspectives and priorities to work toward the common goal of landscape-level, watershed protection. For the past 25 years, the coordinators of these partnerships and their dedicated staff have been working with their diverse partners, including the Department's Division of Forestry and Wildlife (DOFAW), constructing fences, controlling weeds, and removing destructive feral, hooved animals from thousands of acres of priority forested watershed areas throughout the state. This extremely hard work has paid off, with 132,000 acres (16%) of the State's priority watersheds currently fenced, actively managed, and effectively protected. But, continued funding and support is needed.

Protecting and sustaining the forest, the water and the people of Hawai'i.

The project areas prioritized within the State's FY19 Watershed CIP request will enhance protection by over 23,000 acres and make additional progress toward meeting a number of the watershed partnerships' priorities along with the State's 30x30 watershed protection goal. The FY19 Watershed CIP lump sum request includes 15 individual projects across all State counties as listed below. These projects have been strategically selected based on their key roles in protecting priority watershed areas across the state, and the feasibility of ensuring completion with the requested funds.

1. Hono O Na Pali, Kaua'i
2. Drinking Glass, Kaua'i
3. Koa'ie, Kaua'i
4. East Alaka'i, Kaua'i
5. Ka'ala, O'ahu
6. Central 'Opae'ula, O'ahu
7. North Shore, Moloka'i
8. Paku'i, Moloka'i
9. Lahaina, Maui
10. West Maui (various locations)
11. Pu'u Wa'awa'a, Hawaii
12. Laupahoehoe, Hawaii
13. Pu'u Maka'ala, Hawaii
14. Ka'u, Hawaii
15. Ka'u-Kaiholena, Hawaii

Thank you for the opportunity to comment on this bill.

Sincerely,



Cheyenne Hiapo Perry
Chair, Hawai'i Association of Watershed Partnerships
Coordinator, Mauna Kea Watershed Alliance
chperry@hawaii.edu
(808) 854-2610

HB-1900

Submitted on: 3/6/2018 11:37:12 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dave Kozuki	Tow Choice	Support	No

Comments:

HB-1900

Submitted on: 3/6/2018 11:02:04 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Oppose	No

Comments:

**PRESENTATION OF THE
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES**

DEMOCRATIC PARTY OF HAWAII'

TO THE COMMITTEE ON FINANCE

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Wednesday, March 7, 2018

11:00 A.M.

Hawaii State Capitol, Conference Room 308

RE: Testimony in Support of HB 1900, RELATING TO THE STATE BUDGET

To the Honorable Sylvia Luke, Chair; the Honorable Ty J.K. Cullen, Vice-Chair, and Members of the Committee on Finance:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 1900, relating to the State budget.

The OCC Legislative Priorities Committee is in opposition of House Bill No. 1900 and do not support its passage unless amended to include appropriations for the Hawaii Health Authority.

House Bill No. 1900, is not in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it adjusts and requests appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Specifically, the Platform of the Democratic Party of Hawai'i provides that " [w]e support national healthcare reform via single payer universal healthcare. We also encourage the inclusion of a public option in the current national health care plan.(DPH Platform, P. 7, Lines 370-371(2016)).

Hawaii faces a Healthcare crisis. We understand that, currently, FORTY PERCENT or more of the State Government's budget is consumed in providing healthcare services. Moreover, the general public pays, as consumers and as employers, enormous sums in the private sector for healthcare services.

Just two months ago, on January 21, 2018, an alarming article was published in the Honolulu Star-Advertiser, "Healthcare Costs Heading for Eventual Catastrophe," quoting the State's Insurance Commissioner as stating that, in eight years, a family of four in Hawaii will be paying \$42,000 per year just for health insurance premiums.

This State Legislature made a formal commitment eight years ago to UNIVERSAL HEALTHCARE. It is now codified in Hawaii Revised Statutes Chapter 322H. It is supposed to be administered by the Hawaii Health Authority, but the HHA has been starved of needed funding and staffing to move forward in the planning necessary to do its job.

Please appropriate a half million dollars to HHA, NOT TO SOME OTHER ENTITY, and give HHA a year to work on this horrendous problem. Until and unless this critical change is made, this budget is not in the best interests of the State of Hawaii.

Given that House Bill No. 1900 adjusts and requests appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs but it fails to address funding for HHA, it is the position of the OCC Legislative Committee to oppose this measure unless so amended.

Thank you very much for your kind consideration.
Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889

HB-1900

Submitted on: 3/6/2018 10:48:39 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephen B Kemble	Hawaii Health Authority	Oppose	No

Comments:

Chairwoman Luke and members of the Committee on Finance,

I am urging this committee to vote "no" on HB 1900, the budget bill, unless a line item is inserted to fund the Hawaii Health Authority (HHA). The HHA is existing Hawaii law creating an Authority charged with overall health policy and designing a universal health care system covering all residents of Hawaii. The HHA was initially appointed by Gov. Abercrombie and met regularly for 2 1/2 years, with three reports to the Legislature and Administration outlining a road map to get to a universal and much more cost effective system than what we have now. The HHA recommendations so far have been ignored and there has been no support from the Ige administration to enable it to fulfill its mission.

The health transformation initiatives now being pushed by HMSA and Medicaid are founded on the idea of pushing insurance risk onto doctors and hospitals in the hope that they would then have an incentive to deliver less (presumably unnecessary) care and reduce health spending. However, Hawaii has never had a problem with a lot of unnecessary care, and we had the lowest per capita health spending in the country before the Affordable Care Act. Current policies are having the effect of increased administrative cost for both providers and payers, incentives to avoid caring for sicker and poorer patients who might bring down quality and cost metrics, demoralization of doctors, and declining access to care for the people of Hawaii, and especially those covered by Medicare and Medicaid. Meanwhile, our commercial health premiums have doubled in the past 10 years, and HMSA's rate increases for 2018 range from 9.3% (large groups) to 16.9% (individual plans), so we are failing to achieve all of the goals of reform.

The vision of the HHA is urgently needed. Let's at least resume the planning process for something more cost effective.

Stephen Kemble, MD, member of original Hawaii Health Authority

HB-1900

Submitted on: 3/5/2018 9:29:44 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Doris Segal Matsunaga	Save Medicaid Hawaii	Comments	No

Comments:

We respectfully urge you to amend the budget to include minimal funding (\$100,000 to \$250,000) for the Hawai'i Health Authority (HHA), an existing state body entity that can continue the work that legislative leaders began with the Affordable Insurance Working Group. The health care system nationally is in such flux, we need a body of experts working throughout the next year and beyond to find the best solutions for Hawaii to move towards decreasing costs and expanding health coverage for all Hawaii's residents .

Doris Segal Matsunaga

Save Medicaid Hawaii

savemedicaidhawaii@gmail.com<https://www.facebook.com/SaveMedicaidHawaii/>

Before the House Committee on Finance
Wednesday, March 7, 2018, 11:00 a.m., Room 308
HB 1900: Relating to the State Budget

Aloha Chair Luke, Vice Chair Cullen, and members of the Committee,

My name is Leslie Cole-Brooks and I am writing to express my strong support for funding to enable DLNR to continue its work to combat Rapid Ohia Death (“ROD”). I am writing in as a private citizen who cares about the environment and sees the Ohia as fundamental to the health of Hawaii.

Hawaii’s beloved Ohia is a keystone species found nowhere else in the world, and the Ohia is a critical component of Hawaii’s culture, ecology, and environment. Ohia forests provide a key role in watershed protection and aquifer recharge through its unique ability to capture and channel water into the soil. Ohia is also closely tied to a number of endemic and often endangered species that have evolved to thrive in Ohia forests, and the Ohia is used by Native Hawaiians in a range of medicinal, spiritual, and practical purposes.

However, Rapid Ohia Death continues to spread on the Big Island, and infected areas have been devastated by killing nearly 100% of the Ohia trees in affected areas. Once the Ohia trees are gone, the forest is vulnerable to take over by invasive species, and the ecosystem benefits of the Ohia trees are lost forever. Ohia trees comprise approximately 80% of Hawaii’s native forest—the devastation of Rapid Ohia Death cannot be overstated as the fungus decimates our forests.

Therefore, I respectfully ask the Committee on Finance to provide significant and consistent funding to address early detection, rapid response and control, research, invasive species prevention, and public outreach to limit and ultimately stop the spread of this devastating disease. Hawaii’s forests could be changed forever without our help.

Thank you for the opportunity to testify

Leslie Cole-Brooks

leslie@cole-brooks.com

808-457-7957

March 7, 2018

Committee on Finance
Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair

Aloha Chair Luke, Vice Chair Cullen and Members of the Committee,

We support HB1900, relating to the state budget, adjusting and requesting appropriations for operations and capital improvement projects of Executive Branch agencies and programs.

We are a group of advocates from Native Hawaiian, parent, disability, higher education, multilingual, social justice, and education reform communities who have come together to look at opportunities and risks for advancing equity and improving achievement under the Every Student Succeeds Act (ESSA). We are committed to equity in education through either of the state's official languages, English and Hawaiian. We are concerned for specified groups that need particular attention - students with disabilities, students who do not speak the language of instruction, students with socio-economic challenges, and racial and ethnic groups that have historically not succeeded in our schools relative to others.

In analyzing the Department of Education's (DOE) 2018-2019 Supplemental Executive Budget, we noticed that there are a few items that were not included, which we feel are critical to helping our high-needs students.

EDN100 Program ID 116732 Office of Hawaiian Education (OHE) Hawaiian Language Immersion Program

Tremendous progress has been made for the OHE Kaiapuni Program and the Hawaiian Language state assessment Kaiapuni Assessment of Educational Outcomes (KAEO). As Hawaiian language is a state official language, we would like to see the momentum continue for this program.

EDN 200 Program ID 25024 Instructional Services World Language and Health

We believe that the World Language Position, in particular, is needed at the state level to provide leadership for world language education and to successfully implement the two recently passed policies, the Seal of Biliteracy (2015, Policy 105.15) and Multilingualism for Equitable Education (2016, Policy 105.14).

DOE's 2018-2019 Supplemental Executive Budget also included items that support our high need students and we ask the legislature to maintain their support for these items.

EDN100 100-101 OHE Hawaiian Studies Program

The allocation supports the foundational Hawaiian Studies Program as well as the implementation of Nā Hopena A'o, Board of Education Policy E-3, the statewide framework of outcomes that reflects the uniqueness of Hawai'i.

EDN300 105-001 Community Engagement Office (COE)

HIDOE's COE helps bridge parent, family and community partnerships, out of school time partnerships, global partnerships, and commercial and corporate partnerships. COE is an essential hub for bringing together our schools and communities.

We continue to advocate for students who often have no voice. We believe that the items highlighted target our high-need students with needed supports and contribute to the closing of the achievement gap. We ask the legislature to support our advocacy for equity in education. Thank you for the opportunity to testify.

Mahalo,

Cheri Nakamura (HE'E Coalition)

Martha Guinan (Special Education Advisory Council)

Sylvia Hussey (Native Hawaiian Education Council)

Patricia Halagao

Brook Chapman DeSousa

Gavin Thornton

William Pila Wilson (Ka Haka 'Ula O Ke'elikōlani College of Hawaiian Language, UH Hilo, 'Aha Pūnana Leo, Inc.)

David Miyashiro (HawaiiKidsCAN)

Paula Adams (Hawai'i Afterschool Alliance)

Shawn Ford (Hawai'i TESOL)

Alohilani Okamura

Personal testimony by Dennis B Miller

To the Committee on Finance

HOUSE OF REPRESENTATIVES THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2018

Wednesday March 7, 11:00 a.m.

Conference Room 308

RE: TESTIMONY IN OPPOSITION TO HOUSE BILL NO 1900.,

RELATING TO THE STATE BUDGET

To the Honorable Sylvia Luke, Chair; the Ty J.K. Cullen, Vice Chair; and Members of the Finance Committee:

I oppose HB1900 as it is now because it does not address the catastrophic increase in health insurance premiums Hawai'i is facing.

Insurance Commissioner Ito said that health insurance premiums will increase 6.5% per year every year, resulting in a family of four costing \$42,000 by 2026. The Hawaii DoH agrees, and HMSA concurs.

Is that figure acceptable to the members of the finance committee?

Since the chair of the Hawaii DoH states that the only option for lowering health insurance premiums in Hawai'i is to decrease utilization, and since the proponents of the Hawai'i Health Authority propose that simplifying health insurance administration in a manner 'consistent with how health insurance administration has been and is currently conducted in 25 other nations who all pay roughly half per capita what the USA pays' will in fact significantly lower the cost of healthcare, then, given the extreme discrepancy between the two positions, is this committee willing to take a closer look at what the real costs of health insurance's non-medical overhead in Hawai'i are?

Healthcare is 40% of the budget of the Hawai'i state government, and a large portion of that figure is the administrative cost of Managed Care, however, not one of the many healthcare bills currently in the legislature

offer a correct understanding of what Hawai'i's healthcare costs are, and therefore, none of them are able to offer a cost saving remedy.

Can the state or business community or individuals afford an annual increase of 6.5% for health insurance premiums? No, we cannot. Therefore we need to be open to options, such as following the successful examples which exist world wide for delivering healthcare with a low administrative overhead to everyone.

Please provide a \$250,000 line-item for funding the The Hawai'i Health Authority (HRS322) so that we can have the cost saving option of Healthcare without unnecessary health-insurance administrative overhead.

Please do not decide based on common anti single payer talking points. They are false.

For example, the size of Hawai'i's population is not a factor. Single Payer will eliminate unnecessary administrative overhead. We do not have increasingly complex admin overhead due to our low population size, so, our low population size is not an obstacle to spending less on insurance administration.

If you would like a real-world example of 'increases in administrative overhead,' please ask your own physician how much time she or he spent on patient charting ten years ago, and how much time they spend on patient charting today. That time has doubled.

A common reason for not supporting 'single payer,' is, "it sounds good, but how do you pay for it?" Sir, we pay for it by spending less on healthcare than we currently spend. The government of Hawai'i must learn how to spend less on the successful business model commonly called 'Universal Single Payer Healthcare.'

Do you doubt that Managed Care is a cost driver?

Consider that the amount of time physicians in Hawai'i spend on patient charting has roughly doubled over the past ten years, and the cause of this increase is due to complying with rules created by Managed Care over the past ten years.

It is not only physicians who spend extra time on these rules imposed by Managed Care. Physicians had to hire extra medical billing staff. Hospitals

had to hire extra medical billing staff. Insurance companies have hired extra medical billing staff. Hiring more staff is a cost driver. We would not need all those extra medical billers if we did not have complex 'admin' rules.

Do we need to allow insurance companies to hire non-medical professionals to review requests for medical services? Non-medical insurance company staff flag certain medical requests for potential delay or denial, and then that flagged request "passes over the desk of an MD" before it is officially denied. That process does not assist an MD with providing care to a patient. It adds cost, not value.

Queens employees about 85 medical billers.

A similar size hospital in Canada employees five medical billers.

Please take a thorough look at how the proponents of the Hawai'i Health Authority offer to address our catastrophic increases in health insurance premiums. Supporters are available to meet with you for substantive discussion on what healthcare costs are, and how we could much more efficiently provide care to everyone.

Providing care to everyone in a universal system without unaffordable 'out of pocket' expenses, without coverage that is inadequate, **will decrease utilization**, because preventative care prevents emergencies.

Preventative care keeps people in their jobs, so they don't become homeless.

Preventative care via a Universal Single Payer system **will lower the cost of business** and improve the health and well being of everyone in Hawai'i.

Preventative care plus housing the chronically homeless will take an eye-popping chunk out of **the \$1.2 billion Med Quest spends annually for a small percentage** of chronically homeless individuals.

Finally, Med Quest Hawai'i has the option of rejoining a multi-state discount program for Medicaid's prescription drugs. That will result in a discount on all prescription drugs purchased for Medicaid. If Hawai'i also funds the HHA, then, via the 1115 waiver plus a unified 'single payer' style system, **all prescription drugs purchased in Hawai'i could be purchased at a discount.**

Please take a closer look at the fiscally compelling arguments for funding the Hawai'i Health Authority.

Sincerely,

Dennis B Miller

226 Lewers Street Ste L209

Honolulu, HI 96815

Email: singlepayerhawaii@gmail.com

For Hearing Date: Wednesday, March 7, 2018, 11:00 am
Conference Room 308

Testimony Submitted By: Daria A. Fand
Honolulu, Hawaii

To: House Committee on Finance (FIN)
Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair
Members of the House Committee on Finance

Subject: HB1900, RELATING TO THE STATE BUDGET

Position: OPPOSITION, UNLESS AMENDED

Honorable Committee Members:

I am in OPPOSITION to this measure UNLESS a **line-item is inserted to appropriate the extremely modest sum of \$250,000 for funding of the Hawaii Health Authority (HHA), which would actuate the legal mandate for a universal healthcare system in Hawaii.**

The HHA is not a controversial subject to voters. In 2009, Hawaii spoke in one voice through this Legislative body, over the veto of the Governor (Lingle, at that time) by voting for universal healthcare as established in HRS 322-H, through the agency of the HHA.

Why did Hawaii vote for a system of streamlined healthcare delivery that would replace the current system?

Because Hawaii determined that health care was a basic right that should not be denied anyone, irrespective of employment status, income bracket, or any other variable. And, that the status quo was not meeting that standard.

Because Hawaii realized that the Prepaid Health Act was not enough, as too many people were (and are) still falling through the cracks, based on employment status.

And, because Prepaid health and the healthcare business model do not solve these problems, which have in the last decade only skyrocketed:

astronomically high costs that are still rising for doctors, employers, and patients alike, **which eventually impact the State, as it continues to pick up the tab for unmet medical needs within our communities.**

Thanks to “managed care”, immense cost burdens have fallen upon doctors who can’t keep up with the administrative overhead and time-consuming labor required of their practices, forcing them to cut caseloads; forcing them to comply with non-medically-trained insurance company micromanagers disincentivizing optimal care; leading them to opt out of Medicaid or Medicare (and so, leaving our most vulnerable residents behind); causing physician demoralization and burnout; and prompting them to leave their practices or even the state.

On the patient and family front, HMSA premiums for Prepaid plans have more than doubled in the past 9 years, and after capitating all primary care physicians in 2017, HMSA premiums went up 9.3 to 19.2 percent for 2018, depending on group size.

On the employer front, more businesses have had to keep themselves smaller than what they otherwise might be, folded, or in the case of entrepreneurial self-employment, not even gotten off the ground due to the cost of health care.

Clearly, the prevailing “healthcare as a purchased commodity” system has exacted a toll on every party within healthcare, including the State. The only solution to the catastrophic and unsustainable rates we face, as well as the degradation of the quality of care our doctors can give and patients receive, is a bureaucratically simplified system of reimbursement that cuts out all the deplorable waste of time and human labor inherent to the current model. The HHA, if funded, would present the alternative.

All the healthcare bills that are alive this session propose variations on a theme that keep our wasteful system intact.

I ask that you carefully consider the wisdom of asking not, “What will it cost to institute universal healthcare?” but rather, “How much will we SAVE by instituting universal healthcare?”

Please take the bold stand today to make Hawaii the first state to demonstrate that universal healthcare saves lives, employers, doctors’

professions, and the State money that could go to many better uses than obstructive paper-pushing.

Mahalo for your consideration – please give HRS 322-H its due respect and fund the HHA. It is long overdue.

Statement of
Jay Fidell
before the
House Committee on Finance
Wednesday, March 7, 2018
11:00 a.m.
State Capitol, Conference Room 308

In consideration of
HB1900
RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

I **support with comments** HB1900 related to the Hawaii Technology Development Corporation's operational funds in the State budget. UH has provided notice to HTDC that it intends to terminate the lease at the Manoa Innovation Center (MIC) effective June 30, 2018. HTDC relies heavily on the revenues received from renting space at the MIC. Without the lease or an alternate method of funding, HTDC will not be able to continue operation.

I have served as a director and chair of HTDC and have followed its activities and programs since 2001, and I am familiar with HTDC's efforts to develop and advance the High Technology industry in our state.

In my role as founder and CEO of ThinkTech Hawaii, I have covered and I am familiar with HTDC's programs and the huge benefits they have provided to the tech industry and the people and economic prospects of Hawaii.

I am concerned that the interruption of HTDC's MIC rental revenue in June 2018 will make it difficult or impossible for it to continue to operate and provide those benefits. It is clear that for HTDC to continue it will require budgeted funding from the 2018 Legislature.

If the Legislature fails to provide funding for HTDC to continue its programs, those benefits and prospects will be terminated and the possibility of a tech industry in Hawaii will be profoundly if not irredeemably affected.

What is more is that a failure to provide such funding for HTDC will send a message to our young people and to all those who would participate or invest in the development of our tech industry that Hawaii does not care to support that industry as a sector of our economy.

Given our ongoing brain drain and the fragile nature of our existing mono-economy, this would be a tragic blow to our young people and the future development of our state.

I respectfully request that the Legislature **provide budget for HTDC to continue serving the tech and manufacturing small business community** in the State. Thank you for the opportunity to offer these comments.

Respectfully submitted,

Jay Fidell
780-9254

HB-1900

Submitted on: 3/2/2018 4:10:27 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Julien Stevens	Individual	Support	No

Comments:

HB-1900

Submitted on: 3/4/2018 3:50:33 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Gaye Chan	Individual	Support	No

Comments:

I am testifying in strong support of SB 1269, and ask that you also support it to revitalize Hawai'i Health Authority (HHA). A small appropriation is needed to develop a comprehensive plan to improve healthcare for Hawaii's people.

HB-1900

Submitted on: 3/6/2018 8:36:57 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Huebert	Individual	Support	No

Comments:

I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review submittals and permits to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

I am a member of the Society for Hawaiian Archaeology, and we have concerns regarding serious delays in the timely review of submittals and permits to the SHPD of the DLNR as part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD has had a backlog for over 10 years and currently has a backlog of over 300 documents. Timely completion of these reviews are an essential element in project permitting and can cause projects to fail to meet their obligations due to missed deadlines. As well, delays in the review of these documents puts financial strains on cultural resource management firms that represent development clients, who are often not paid in full until a document is reviewed by the SHPD. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted. While individuals remodeling their historic home are put in financial and mental strain while waiting for their permit to be accepted.

Our organization supports this budget, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will, as hoped, improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

29th Hawaii State Legislature
415 South Beretania St.
Honolulu, HI 96813

February 26, 2018

Dear Chairman Wakai & Senate Committee on Economic Development, Tourism, and
Technology

RE: Support for HB1960 – Relating to Aquaculture & HB2041 – Relating to Aquaculture

Cyanotech Corporation, based on the island of Hawaii, supports appropriations of \$300,000 from Hawaii's general revenue fund to support the planning and participation of the Aquaculture America 2020 Conference in Hawaii, as outlined in HB1960. We further support appropriations of \$500,000 from Hawaii's general revenue fund for the Department of Business, Economic Development, and Tourism (DBEDT) to establish an aquaculture incubator at the Natural Energy Laboratory of Hawaii Authority (NELHA), as outlined in HB2041. We believe that these incentives will help attract entrepreneurs and investors to develop Hawaii's aquaculture industry.

The Hawaii State Department of Agriculture's Aquaculture Development Program reported \$29.9M of aquaculture revenue in 2010, 93% of which was generated by businesses at NELHA. The aquaculture industry has boomed in recent years, increasing by 40% in one year from 2011 to 2012, with record high sales reported in 2014. This industry accounts for a peak number of 500 hired workers on payroll in 2016 and \$75.7M in sales. Aquaculture produces high quality value added commodities from Hawaii including nutritional supplements and foods.

In closing, we greatly appreciate your support of HB1960 and HB2041 which will help perpetuate new business, the growth of the aquaculture industry and the expansion of a diversified portfolio of high wage-earning jobs in Hawaii.

Sincerely,



Mawae Morton, CEO
Cyanotech Corporation
73-4460 Queen Kaahumanu Hwy, #102
Kailua-Kona, HI 96740

HB-1900

Submitted on: 3/6/2018 10:34:49 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward Kevin Faller	Individual	Support	No

Comments:

Testimony in strong support of:

HB 1900 Budget items Relating to the University of Hawai'i:

UOH 800 Community College support for Filipino students \$350,000 (3.00)

UOH 100 Manoa student services support for Filipino, Pacific Islanders, Kokua students with disabilities, veterans, mental health: \$400,000 (5.00)

Chair Luke, Vice Chair Cullen and members of the committee:

I represent the very few Filipino males who have graduated with their four-year degrees from UH. I also represent the majority of Filipino men who were forced to drop out and not complete theirs. Filipino men, rare on campus, have faced many barriers to the rights for education.

It was through Filipino-based initiatives like the Pamantasan Conference where I felt accepted and allowed to dream. Here I had mentors that looked like me and supported me. I now run a youth based program in Kalihi where I have taken high school students to the Pamantasan Conference for them to experience the endless possibilities with support.

I support 2 items on HB1900

(UOH800) to support Filipino students and \$400,000 and 5 positions for Manoa Student Affairs (UOH100) to support Filipinos, Pacific Islanders, Kokua students with disabilities, veterans, mental health.

March 5, 2017

Testimony of James B. Friday
Supporting HB 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00 AM, Conference Room 308

Dear Rep. Luke, Rep. Cullen, and members of the finance committee,

I am writing to support HB 1900, in particular support for DLNR's forestry, watershed protection, and invasive species programs. In particular I am requesting support for DLNR in their role of supporting programs on research and management of Rapid 'Ōhi'a Death (ROD). I am a professional forester on the faculty of the University of Hawai'i and I have been working with my colleagues on Rapid 'Ōhi'a Death since 2012. We have made great progress in a very short time discovering two new pathogenic fungi, how the fungi cause disease, and how the disease infects trees and forests. There is still much work to be done, including work on ways to treat wood so that it can be moved inter-island, investigations on whether there are disease resistant lines of 'ōhi'a, research on whether live trees can be treated with fungicides to help them resist the disease, and research on how the disease moves about the island. Funding is also needed to support management efforts on the ground aimed at containing isolated outbreaks and on community outreach to teach local people what they can do to help contain the spread of ROD. Our initial efforts have been successful in that ROD has not spread beyond Hawai'i Island. Last year we summarized the needs of the Rapid 'Ōhi'a Death program in a strategic response plan that can be found here: <https://www.ctahr.hawaii.edu/dl/rod/strategicresponseplanfinal.pdf>. Continued funding is critical for us to maintain the pace of work that has been started and to match the Federal and private foundation money being committed to work on ROD.

This testimony is my personal testimony and does not reflect the University's official positions. Thank you for your support.

Sincerely,

A handwritten signature in black ink that reads "JB Friday". The signature is written in a cursive, flowing style.

James B. Friday, PhD
1416 Kilikina St.
Hilo, HI 96720

HB-1900

Submitted on: 3/5/2018 4:15:42 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

Testimony of Benton Kealii Pang, Ph.D.

Supporting HB 1900 Relating to the State Budget

House Committee on Finance

Wednesday, March 7, 2018, 11:00AM, Room 308

The Watershed Partnerships are one of the best programs run by the Department of Land and Natural Resources. They have proven that public and private partnerships can work together across land boundaries, state and private funds can be used efficiently to achieve mutual goals, local people can be hired for jobs, and the water resources can be protected which is of great benefit to the entire island community. Please pass HB1900. Mahalo.

Dear Chair Luke, Vice Chair Cullen, and Members of the Committee:

I strongly support HB 1900, item BED 146: funding for NELHA and the aquaculture incubator at NELHA.

With my former business partner, Richard Spencer, I was among the first people to perform aquaculture research at what was then NELH. In the early 1980's, with a small amount of funding from Sea Grant, we tested the feasibility of land-based seaweed “tumble culture” in tanks. NELH provided a unique facility for our experiments, with laboratory facilities and a constant supply of cold deep ocean water and warm surface water. At that time there was no provision for companies to operate permanently at NELH, so when our funding ran out we moved to Kahuku on Oahu, started a commercial *ogo* farm using the experience we had gained at NELH, and operated successfully for 27 years until our lease expired. Effectively, NELH acted as an incubator for what became a profitable business.

I am happy to see that since my long-ago experience at what was then a small but forward-thinking research facility, NELHA has grown into a major center for aquaculture development and production. Aquaculture itself has grown in recent years to become one of the largest sectors of Hawaii’s diversified agriculture, and still has much potential for future expansion. I hope, therefore, that your committee will support full funding for NELHA and for the proposed aquaculture incubator.

Sincerely,

Frederick M. Mencher

HB-1900

Submitted on: 3/6/2018 10:22:20 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lynda Barry	Individual	Support	No

Comments:

The provisions contained in this bill to continue, and hopefully increase funding for housing support programs such as Housing First are essential to the continued support such programs provide low income families and transitioning homeless citizens. All who live in these islands are 'Ohana, one big family, and part of the cultural tradition of Hawai'i Nei is to help others in time of need. I strongly support the passing of this bill to ensure that this tradition continues.

HB-1900

Submitted on: 3/6/2018 10:24:58 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeffrey Acido	Individual	Support	No

Comments:

Aloha Finance Committe,

I am in strong support of HB 1900. Specifically on two UH itmes, A) Community College support for Filipino students \$350,000 (3fte) UOH 800B) Manoa student services support for Filipino, Pacific Islanders, Kokua students with disabilities, veterans, mental health:\$400,000 (5fte) UOH100. These budget items will greatly impact the way we serve our student population specifically the underserved communties that are struggling to make their way and remain in higher education.

I am a product of the community college system and at that time I did not have any filipino programmatic support. I know that it would've have made a great difference both academically and pyschologically. There are many people in my community who would have remained in the community college (versus dropping out) had there been staff who understood their unique context of being Filipino, working class, immigrant. The guidance that these FTE positions can give to many Filipino students will be tremenondous and life saving.

Blessings,

Jeffrey Tangonan Acido, PhD

HB-1900

Submitted on: 3/6/2018 10:56:55 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rachel Hodara	Individual	Support	No

Comments:

I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review submittals and permits to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

As a professional archeologist and member of the Society for Hawaiian Archeology, I believe this increase in funding is essential in order to protect the archeological resources of Hawaii and to ensure that projects proposed by developers, homeowners and government agencies are properly reviewed and permitted by the SHPD. Significant delays in these reviews lead to economic hardship as well as lack of respect for the process. Ultimately it is the cultural resources that suffer.

Our State Historic Preservation Division has been underfunded and underprioritized for far too long. The state's lack of investment in the SHPD has resulted in an underperforming agency that is hampered by adequate lack of personnel and technology. Our cultural heritage in Hawaii deserves a robust State regulatory agency that can help to protect and preserve the resources on behalf of the people of Hawaii, especially the Native Hawaiians. With rampant and widescale development throughout the islands, if we don't act now to start seriously investing in the SHPD, we hurt the body of professionals that are tasked with overseeing the cultural resources at risk during these projects, and we may lose precious archeological resources that cannot be replaced when they are lost.

Me ke aloha pumehana,

Rachel Hodara

Makawao, HI

HB-1900

Submitted on: 3/6/2018 12:07:49 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Christopher Hawkins	Individual	Support	No

Comments:

I am writing you on behalf of the Ala Kahakai Trail Association (ATA), a 501c(3) organization that supports the Ala Kahakai National Historic Trail (ALKA) on Hawai'i Island, to inform you of our strong support for **HB1900** as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. These funds are very important to the efficient and professional function of the SHPD, especially as regards the expeditious review of submittals and permits to meet the statutory mandates and deadlines.

There is currently a one-year backlog in the review of these submittals and permit applications. This is an unacceptable outcome of lack of resources provided to this important division. ATA is not alone in our concern regarding serious delays in the timely review of submittals and permits to the SHPD of the DLNR as part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD has experienced backlogs for more than a decade and currently has a backlog of hundreds of documents. Timely completion of these reviews are an essential element in project permitting. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted.

ATA supports this budget as it relates to the SHPD and believes it will greatly improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

Mahalo.

Christopher Hawkins
ATA Coordinator on Behalf of the Board

To: Representative Sylvia Luke, Chair Finance Committee, Vice Chair Ty J K Cullen and Members of the Committee

Re: **HB 1900** Relating to the State Budget

Hearing: FIN 3/7/18, 11 am, State Capitol, Room Conference Room 308

Position: OPPOSED, Please vote **“NO”**

I respectfully urge you to vote “NO” unless the budget is amended to include some minimal funding for the Hawai'i Health Authority (HHA), \$100,000-\$250,000. The HHA already exists. <https://www.capitol.hawaii.gov/search/isysquery/c1074f8f-16ed-4092-82ce-58ec1f3c27db/4/doc/#hit1>.

The vast majority of Hawai'i residents believe in universal health care and universal health care insurance coverage, but data show that our current system will never get us there.

The ACA has brought coverage to more Hawai'i residents but we can't afford it. Data show that an improved Medicare for all type system, a well-designed single payer system, would be universal, cover everybody and save money.

The volunteer members appointed should be experts in health policy, not representatives of entities which profit from our current system, eg private health insurance companies, prescription benefit managers, or government people who have already gone on record opposing such reforms. This has happened in the past and will be a waste of time and money and will not help costs or access to care.

Our Pre-Paid Health Care Act of 1974 gives us more protection and transparency than the ACA. Our costs were lower and we got better benefits before. Access to medical care, including mental health care, is now worse and continues to worsen.

Thank you in advance for your attention.

Leslie Hartley Gise MD
Clinical Professor, Department of Psychiatry, JABSOM, UH
Staff Physician, Staff Member, Maui Hospital System
Psychiatrist on Maui x 23 years

HB-1900

Submitted on: 3/5/2018 7:52:31 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marion McHenry	Individual	Oppose	No

Comments:

I would testifying in person, but I reside on Kauai. I appreciate the opportunity to testify online through the state website.

I oppose HB1900 as it is now because it does not address the catastrophic increase in health insurance premiums Hawai'i is facing. Insurance Commissioner Ito said that health insurance premiums will increase 6.5% per year every year, resulting in a family of four costing \$42,000 by 2026. The Hawaii DoH agrees, and HMSA concurs. Is that figure acceptable to the members of the finance committee?

Our budget must include basic funding for the Hawaii Health Authority. We must begin work now to provide for all residents of our state.

Please provide a \$250,000 line-item for funding the The Hawai'i Health Authority (HRS322) so that we can have the cost saving option of Healthcare without unnecessary health-insurance administrative overhead.

Marion McHenry

Princeville, Kauai

HB-1900

Submitted on: 3/5/2018 11:13:56 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Malachy Grange	Individual	Oppose	No

Comments:

Dear Lawmakers

The people of Hawaii need relief from the soaring costs of Health Care. I respectfully urge you to vote "NO" unless the budget is amended to include some minimal funding for the Hawai'i Health Authority (HHA), \$100,000-\$250,000. The HHA already exists.

Malachy Grange

HB-1900

Submitted on: 3/5/2018 6:42:08 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Arcelita Imasa	Individual	Oppose	No

Comments:

I respectfully urge you to vote "NO" UNLESS the budget is amended to include \$250,000 funding for the Hawai'i Health Authority (HHA), a legislated body that can design a system for universal health coverage for all in Hawaii.

HB-1900

Submitted on: 3/5/2018 5:18:52 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Megan Bent	Individual	Oppose	No

Comments:

I oppose the HB1900 as is because it doesn't address our escalating health insurance premiums. Please add a \$250,000 budget line item to fund the Hawaii Health Authority, an organization of experts charged with diagnosing current healthcare costs. The people of Hawai'i need an efficient Healthcare-for-All.

HB-1900

Submitted on: 3/6/2018 8:49:34 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Emily Jones	Individual	Oppose	No

Comments:

As a third year medical student at University of Hawai'i John A Burns School of Medicine, I respectfully urge you to vote "NO" UNLESS the budget is amended to include \$250,000 funding for the Hawai'i Health Authority (HHA), a legislated body that can design a system for universal health coverage for all in Hawaii. Our patients deserve the chance at a better system.

HB-1900

Submitted on: 3/6/2018 8:43:44 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nathan Yuen	Individual	Oppose	No

Comments:

Dear Chair Sylvia Luke Vice Chair and Vice-Chair Ty J.K. Cullen, and members of the Finance Committee:

I oppose the HB1900 as is because it does not address escalating health insurance premiums. Please add a \$250,000 budget line item to fund the Hawaii Health Authority, an organization of experts charged with diagnosing current healthcare costs. What we need is affordable healthcare for all residents of Hawaii.

Thank you for this opportunity to testify on this important matter. We all need affordable healthcare -- please fund the Hawaii Health Authority.

Sincerely,

Nathan Yuen

HB-1900

Submitted on: 3/6/2018 6:49:50 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
chelsea pang	Individual	Oppose	No

Comments:

I oppose the HB1900 as is because it doesn't address our escalating health insurance premiums. Please add a \$250,000 budget line item to fund the Hawaii Health Authority, an organization of experts charged with diagnosing current healthcare costs. The people of Hawai'i needs an efficient Healthcare-for-All.

HB-1900

Submitted on: 3/5/2018 9:29:42 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Mentzel	Individual	Oppose	No

Comments:

I oppose the HB1900 as is because it doesn't address our escalating health insurance premiums. Please add a \$250,000 budget line item to fund the Hawaii Health Authority. These experts have figured out how to reduce our Healthcare costs by 30-40% and need the funding to continue their work.

HB-1900

Submitted on: 3/5/2018 9:22:27 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Celina Hayashi	Individual	Oppose	No

Comments:

I respectfully urge you to vote "NO" UNLESS the budget is amended to include \$250,000 to provide funding for the Hawai'i Health Authority (HHA), a legislative body that can design a system for universal health coverage for all people in Hawai'i. Hawai'i needs improved access to healthcare. Unless dramatic and innovative changes are made our community will continue to suffer and healthcare will decline. Please prioritize the health of Hawai'i by voting no unless the budget is amended to include funding for this very important agency.

HB-1900

Submitted on: 3/5/2018 10:42:50 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nandita Sharma	Individual	Oppose	No

Comments:

I am writing to oppose HB1900 as it currently is written, because it doesn't address our escalating health insurance premiums.

However, if you added a \$250,000 budget line item to fund the Hawaii Health Authority, an organization of experts charged with diagnosing current healthcare costs, then I would support this bill. People in Hawai'i need an efficient Healthcare-for-All!

HB-1900

Submitted on: 3/6/2018 8:33:11 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Pamela Palencia	Individual	Oppose	No

Comments:

I oppose HB1900 as it is because it does not address our escalating health insurance premiums.

Please add \$250,000. to the budget to fund Hawaii Health Authority

HB-1900

Submitted on: 3/5/2018 8:05:11 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shawn Verma	Individual	Oppose	No

Comments:

I respectfully urge you to vote "NO" UNLESS the budget is amended to include \$250,000 funding for the Hawai'i Health Authority (HHA), a legislated body that can design a system for universal health coverage for all in Hawaii.

HB-1900

Submitted on: 3/6/2018 12:26:58 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Martha E. Martin	Individual	Oppose	No

Comments:

I oppose HB1900 unless \$250,00 is added to fund Hawaii Health Authority, so it can diagnose current health care costs, which are escalating health insurance premiums.

DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
LIEUTENANT GOVERNOR



LINDA CHU TAKAYAMA
DIRECTOR

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
830 PUNCHBOWL STREET, ROOM 221
HONOLULU, HAWAII 96813
<http://tax.hawaii.gov/>
Phone: (808) 587-1540 / Fax: (808) 587-1560
Email: Tax.Directors.Office@hawaii.gov

LATE

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

Date: Wednesday, March 7, 2018
Time: 11:00 A.M.
Place: Conference Room 308, State Capitol

From: Linda Chu Takayama, Director
Department of Taxation

Re: H.B. 1900, Relating to the State Budget.

The Department of Taxation (Department) strongly supports H.B. 1900, the Governor's budget, which funds the operations of the Department to administer the tax laws of the State of Hawaii in a consistent, uniform, and fair manner, and provides the following comments related to the Department's supplemental budget requests.

The Tax System Modernization (TSM) project is our primary budget request. We are requesting \$16,546,000 in Capital Improvement Project (CIP) funds to enable us to complete this project which is approximately 60% completed.

To further ensure the successful implementation of TSM, we are also requesting the transfer of six Project Manager positions from the Office of Enterprise Technology Services to the Department, including the payroll funding of \$900,000 associated with those positions. This request would reverse the transfer of these positions made from TAX to AGS pursuant to Act 49, SLH 2017, in FY 19.

The TSM project has demonstrated that it can help taxpayers and the Department by speeding up processing times, ensuring greater accuracy, and securing taxpayer information and our data indicates that taxpayers are adopting Hawaii Tax Online, the online portal taxpayers.

Returns filed online and payments made online are processed faster and more accurately. Under normal conditions, online filings and payments are processed within 24 hours compared to paper processing which can take 2-4 weeks, or even longer during peak filing periods. When there is a problem in the accurate processing of a transaction, the transaction is suspended, which requires manual intervention. Online filing increases accuracy so that currently, less than 1% of transactions are suspended, compared to the 9% paper returns that are suspended due to problems.

Presently, more than 131,000 taxpayers have created logons to use Hawaii Tax Online. This figure includes, over half of all active general excise (52%) and transient accommodations (54%) accounts. In comparison, the old taxpayer online portal at dotax.ehawaii.gov, sometimes referred to as ELF or HIC, only had about 27% of its accounts online. For the rental motor vehicle, tour vehicle, and car-sharing vehicle surcharge, the online adoption rate is even higher with over 75% of taxpayers online.

For the past six months, the Department has been processing an average of 150,000 transactions per month through Hawaii Tax Online, where the majority of the transactions are filing of returns (48%) and making payments (39%). TSM is currently processing \$500 million in net cash collections each month.

In August 2017, Hawaii Tax Online began supporting corporate income, withholding, franchise and public service company taxes. Since that time, we have been working with withholding payroll companies sign up for Hawaii Tax Online and file electronically. We currently have about 12,400, or a 33% of all withholding accounts online, which is a marked improvement from the old system which had less than 1% of withholding accounts filing online.

We are presently working to add individual income, partnership, fiduciary and estate/transfer taxes functionality to Hawaii Tax Online, which will be delivered in November 2018. In addition, we are continuing to refine the functionality and configurations already deployed to maximize the utility of the technologies.

Technology enables our staff to serve Hawaii taxpayers consistently, efficiently and fairly. In Hawaii's competitive job market, DOTAX has struggled to recruit and retain staff. Accordingly, we have a modest personnel related request that will improve our ability to recruit and retain staff and provide better taxpayer services.

The Department requests the conversion of 13 limited term positions to permanent positions in the Taxpayer Services and Processing Division (TSP) which will enable us to better recruit and retain staff to support taxpayers, and 6-month funding in the amount of \$26,478 for the addition of a Management Analyst IV for the TSP which will enhance our electronic processing team to address the increasing online needs of taxpayers.

We are also asking to establish an additional special funded Special Enforcement Section Investigator to help us better meet requirements under Act 204, SLH 2015 related to Transit Accommodations Tax and General Excise Tax compliance. The Tax Administration Special Fund has sufficient funds available to fund this request.

To increase taxpayer compliance with tax laws, are also requesting \$84,348 for an additional 6-month funding of 4 auditor positions on Oahu, Maui and Kauai, which will increase audit timeliness and accuracy of reviews.

The Department is on-track to deliver quality customer service to our taxpayers and this budget request reflects our priority to improve taxpayer service. Thank you for the opportunity to testify on the Department's amended supplemental request.

LATE

Rep. Sylvia Luke, Chair
Rep. Ty J. K. Cullen, Vice Chair
Members of the House Committee on Finance

Re: Testimony in Support of HB 1900---Relating to the State Budget, March 7, 2018,
11:00 am, Room 308

Dear Chair Luke, Vice Chair Cullen and Members of the Committee:

My name is Robert G. Peters and I currently serve as the Chair of the Early Learning Board (ELB) which is charged with directing the Executive Office on Early Learning (EOEL). Over the past 10 years, I have served as a member of the Early Learning Task Force, the Early Learning Council and the Early Learning Advisory Board, which is now the Early Learning Board (ELB). The Early Learning Board (ELB) strongly supports the funding requests included in the Executive Supplemental Budget for early learning. I thank you for this opportunity to offer testimony on behalf of the Early Learning Board.

HB 1900 provides funding to support the responsibilities of the Executive Office of Early Learning and the Early Learning Board, which transitioned to a governing board with the passage of Act 202 this past session. It addresses additional costs for equipment, personnel and supplies, specifically,

- Office Assistant Position: to support the governing responsibilities of the Early Learning Board, created by Act 202, and the EOEL as it expands the Pre-Kindergarten Program;
- Data Processing Technician to support EOEL Staff in the operation, management and trouble- shooting of computer systems;
- Travel expenses for Neighbor Island Early Learning Board members for monthly board meetings and sub-committee meetings;
- Phone Lines and Computer Equipment to support new staff positions and ELB;
- Supplies/Printing for the ELB to meet its statutory obligations.
- An on-line platform for staff professional development.

All of these expenses are designed to facilitate the EOEL and the ELB in fulfilling their responsibilities provided in statute, as they seek to increase access to quality early learning as part of a statewide system for early childhood. This funding will support our efforts to prepare our keiki for success in an ever-changing world.

I urge you to support the funding request for early learning in the Executive Budget.

Mahalo,

Robert G. Peters, EdD

Early Learning Board, Chair



The House of Representatives
Committee on Finance
March 7, 2018
11:00 a.m., Conference Room 308
State Capitol

**Testimony in Support of HB 1900 related to
Funding for Watershed Protection, Invasive Species Prevention & Control, and Work on
Rapid ‘Ōhi‘a Death**

Aloha Chair Luke, Vice Chair Cullen, and Members of the Committee,

The Coordinating Group on Alien Pest Species (CGAPS) is in support of **HB 1900, Relating to the State budget**. The aim of this measure is to provide funding for State operations and capital improvement projects. A few of the priority projects we would like to highlight are:

- **Natural Area Reserves and Watershed Management (DLNR):** This funding will provide long-term protection of forested watersheds across the State.
- **Invasive species treatment units, Statewide (HDOA):** This funding will establish mobile hot-water treatment facilities to be used at agricultural areas and ports for invasive species control and prevention.
- **Planning for Biocontrol Facility (HDOA):** This funding would support planning for a new biological control research facility, a priority of the Hawai‘i Interagency Biosecurity Plan.

In addition to overall support for the DLNR’s forest and invasive species programs, we also call your attention to the department’s critical role and funding needs for the multi-agency response to Rapid ‘Ōhi‘a Death disease which continues to spread on Hawaii Island. Funding provided by the Legislature for ROD is critical for leveraging federal and other non-state funds for research and field work necessary to monitor and manage the spread of the disease as well as seek means for controlling it. We are requesting the additional funding to continue work on **Rapid ‘Ōhi‘a Death**.

- **Funding to continue the response to Rapid ‘Ōhi‘a Death: (DLNR):** Great progress has been made with the multiagency rapid response, but there is still a lot to do. DLNR has year two of the General funds for ROD reflected in this budget, but we are asking the legislature for an additional \$1.2 million to support this work at current levels.



Left:
landscape
view of 'ōhi'a
forest affected
by Rapid
'Ōhi'a Death
(ROD). Right:
Close up of
'ōhi'a forest
damaged by
ROD.



Aloha,
Chelsea Arnott
Christy Martin
Coordinating Group on Alien Pest Species

LATE

To: House Committee on Finance
Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair

From: Wai‘anae Coast Early Childhood Services
Douglas Mersberg, Executive Director

Re: In favor of HB 1900 - Department of Health (HTH 560/CG) request to add general funds for Early Intervention services

Hearing Information:

Date: March 7, 2018
Time: 11:00 A.M.
Place: Conference Room 308

Chairwoman Luke, Vice Chair Cullen and members of the committee:

Thank you for this opportunity to testify on behalf of Wai‘anae Coast Early Childhood Services in favor of HB 1900 with regard to the Department of Health’s request to add general funds for Early Intervention (HTH 560/CG) services. The Individuals with Disabilities Education Act (IDEA) Part B federally mandates early intervention services. Our Parent Child Development Center programs provide therapeutic services to approximately four hundred fifty infants and toddlers with developmental delays in Waipahu and Ewa, Wahiawā and the North Shore, and on the Wai‘anae coast. In addition, we provide case management and support services to our families.

This increase in funds is intended to increase services to our children. The gap in salaries between the state mean and Early Intervention therapists has been significant over the last thirty years. In the last ten years, that gap has widened and our difficulties with hiring and retaining staff have grown. Due to our staff vacancies, it is difficult for us to deliver services as prescribed by IDEA Part B. This increase in funds would enable us to offer more competitive salaries and give us the potential to fill our vacancies, which would enable us to deliver the services our children and families deserve.

It should be noted that in a study conducted by the Western Interstate Commission for Higher Education of eleven states (Arizona, Colorado, Connecticut, Georgia, Hawai‘i, Idaho, Indiana, Mississippi, Pennsylvania, South Dakota, and Virginia) salaries for Hawai‘i’s Early Intervention Occupational Therapists, Physical Therapists, Speech Language Pathologists, and Special Education Teachers ranked lowest when taking Cost of Living Adjustments into consideration. The study’s recommendations, which would have put our therapists on par with the next highest state in the ranking, have been reduced by twenty-six percent. Due to this reduction, we hope the legislature would be open to further increases in the next legislative session.

Thank you for your consideration of our testimony.



LATE

Princeville Utilities Company, Inc.

Testimony of Brad Suizu
Supporting HB 1900 Relating to the State Budget
House Committee on Finance
Wednesday, March 7, 2018, 11:00AM, Room 308

I strongly support funding for the Department of Land and Natural Resources for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities.

Our company is a member of the Kauai Watershed Alliance, a diverse group of public and private entities, and we recognize the necessity of natural resource stewardship. We understand that the source of our pure water is a system of healthy forested watersheds which capture rain and cloud moisture and deliver it efficiently to aquifers and surface sources for subsequent consumption in our daily lives and for the benefit of our island economy.

Work completed in the past 2 years in Priority One Watersheds on public and private lands: Removed feral pigs, goats, deer from 3 protective fences of deer proof fences (7,000 ac.); fence construction for the Halehaha unit on State land completed 2017 (1,400 ac.). Targeted site specific invasive weeds (ginger, S. Guava, Australian T. F., clydemia) controlled over 10,000 ac. Management actions to maintain ungulate free units to include fence checks, monitoring for ingress of ungulates and invasive weed populations.

Work to be accomplished in the near future needing funding: Drinking Glass and Koaie (State land) fences(2,000 ac.) shovel ready. Management in fenced units – fence maint.; monitoring for ungulate presence, forest re-generation/invasive weeds; and targeted invasive weed control. These lands are intact native forested watersheds and contain numerous rare and endangered plants and endangered forest birds.

The DLNR Division of Forestry and Wildlife's budget request seeks base operating and CIP funding for the protection of our native forests, which are the source of nearly all the islands' supply of fresh water. The watershed protection and invasive species programs supported with State funds and leveraged several times over with matching funds from county, federal and private sources help to ensure healthy, managed natural resources that are critical for isolated island chains such as Hawai'i.

Thank you for your support.

Sincerely,

Brad Suizu
Manager, Princeville Utilities



THE FILIPINO COMMUNITY CENTER, INC.

94-428 Mokuola St., Suite 302 Waipahu, Hawai'i 96797 Phone: 680-0451 Fax: 680-7510 www.filcom.org

Our mission is to develop, own and operate a community center that provides social, economic and education services and to promote and perpetuate Filipino culture and customs in the State of Hawai'i.

Finance Committee

Hawai'i State Capitol, Conference Room 308

March 7, 2018, 11:00 a.m.

LATE

To: Hon. Chair Luke, Hon. Vice Chair Cullen, and Honorable Committee Members

From: The Filipino Community Center, Inc.
Franz D. Juan, Executive Director

Subject: Support for HB1900, Budget Items Relating to the University of Hawaii

OH 800 Community College support for Filipino students \$350,000 (3.00)

UOH 100 Manoa student services support for Filipino, Pacific Islanders, Kokua students with disabilities, veterans, mental health: \$400,000 (5.00)

The Filipino Community Center, Inc.'s mission, in part, is to provide social, economic and education services and to promote and perpetuate Filipino culture and customs in the State of Hawaii. The importance of delivering educational assistance to our community and to the State of Hawaii is an integral part of a community moving forward through education.

We support HB1900 which provides financial support to the eight (8) positions in total at the Community Colleges and UH Manoa Student Affairs which will support Filipinos, Pacific Islanders, Kokua students with disabilities, veterans, and mental health.

These particular students face adversity and barriers and the provisions in HB1900 will assist in overcoming the barriers faced with retention and matriculation.

Therefore, we support HB1900. Thank you for the opportunity to testify.



THE FILIPINO CHAMBER OF COMMERCE OF HAWAII
Promoting Hawaii's Business Since 1954

March 6, 2018

To: Hon. Chair Luke, Hon. Vice Chair Cullen, and Honorable Committee Members

From: The Filipino Chamber of Commerce of Hawaii
Brandon Dela Cruz, President

Year 2017-2018

Brandon T. Dela Cruz
President

Vanessa Kop
President-elect

Rocky Anguay
Vice President

Radiant Cordero
Secretary

Isabel Phu
Assistant Secretary

Fe Edita Velasco
Treasurer

Nancy Lacambra
Assistant Treasurer

Luz O. Peirson, CPA
Auditor

Bernadette Dario Fajardo
Immediate Past President

Directors

Nancy Atmospera-Walch
Susie Berardy
Paul Billington
Nedy Directo
Rose Galanto
Editha Gudoy
Jennifer Aquino
Marilyn Jacobe
Bennette Misalucha
Eddie Agas
Jay Raymundo
Alex Vegara

Kenneth M. Nakasone
Legal Counsel

Subject: Support for HB1900, Budget Items Relating to the University of Hawaii
OH 800 Community College support for Filipino students \$350,000 (3.00)
UOH 100 Manoa student services support for Filipino, Pacific Islanders, Kokua
students with disabilities, veterans, mental health: \$400,000 (5.00)

**The Filipino Chamber of Commerce of Hawai'i is the voice of Hawaii's Filipino
Business community, since 1954.**

We support HB1900 which provides financial support to the eight (8) positions in total at the
Community Colleges and UH Manoa Student Affairs which will support Filipinos, Pacific
Islanders, Kokua students with disabilities, veterans, and mental health.

These particular students face adversity and barriers and the provisions in HB1900 will
assist in overcoming the barriers faced with retention and matriculation. Therefore, we
support HB1900. Thank you for the opportunity to testify.

Mabuhay,

Brandon T. Dela Cruz
President
Filipino Chamber of Commerce of Hawai'i

LATE

Mailing Address
P O Box 1572
Honolulu, HI 96813
filipinochamber@gmail.com
www.filipinochamber.org

March 7, 2018

LATE

To: Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair
House Committee on Finance

From: Mandy Finlay, Director of Public Policy
Hawaii Children's Action Network

Re: **HB 1900 – Relating to the State Budget**
Hawaii State Capitol, Room 308, March 7, 2018, 11:00 AM

On behalf of Hawaii Children's Action Network (HCAN), we are writing to strongly support the funding requests for early learning and early intervention services in the Executive Supplemental Budget.

Early Learning: \$153,816

The Hawaii Children's Action Network supports the supplemental budget request for Program ID EDN700 including \$133,816 to support the responsibilities of the Executive Office on Early Learning and the Early Learning Board, and \$20,000 for an online platform to facilitate professional learning for EOEL Pre-Kindergarten Program educators. This funding would enable more equitable access to the professional development opportunities and collaboration between peers that is often not available to our pre-k teachers, especially those on neighbor islands and in rural communities.

Early Intervention: \$2.7 million

HCAN also supports the supplemental budget request for the Department of Health for early intervention services, but requests the Committee to increase the amount to \$2,700,000. This funding will support early intervention services for infants and toddlers who have a developmental delay or are at biological risk for developmental delays. Early Intervention purchase of service providers generate better outcomes for Hawaii's children and families, such as improvements in verbal abilities and overall cognitive performance as well as community benefits such as fewer arrests and lower school dropout rates, yet these providers have been chronically underfunded. For these reasons, HCAN respectfully requests your Committee to support an increase in this funding.

HCAN is committed to building a unified voice advocating for Hawaii's children by improving their safety, health, and education.

LATE

HB-1900

Submitted on: 3/6/2018 6:13:27 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	No

Comments:



Community hospitals affiliated with KAISER PERMANENTE.



March 6, 2018

Representative Sylvia Luke, Chair
Representative Ty Cullen, Vice Chair
Members of the House Committee on Finance
Twenty-Ninth Legislature
Regular Session of 2018

RE: HB 1900 - Relating to the State Budget
Hearing date: March 7, 2018 at 11:00 am

Aloha Chair Luke, Vice Chair Cullen and Members of the Committee on Finance,

Thank you for the opportunity to testify in support of the operating and capital requests made by Maui Health System, a Kaiser Foundation Hospitals LLC (“MHS”). As originally anticipated in Act 103 of Session Laws of Hawaii 2015, the facilities formerly comprising the Maui region of the Hawaii Health Systems Corporation (“HHSC”) were transferred to MHS on July 1, 2017.

The Department and Budget and Finance required submittal of all subsidy requests in October of 2017. MHS just concluded three months of operations at that time, and therefore, did not yet have reliable performance data upon which to base its request. Given this, MHS relied on a Fiscal Year 2019 forecast performed in early 2017 to determine the necessary operating subsidy, which was projected to be \$28,780,000. The assumptions used in this forecast were based on financial data provided by HHSC, together with adjustments made for revenue and expense projections, a shift in the operational structure and processes of the facilities and other anticipated changes. More specifically, the assumptions used in the FY 2019 forecast correspond to the following:

1. Operating Revenue

- Net patient revenues were projected to increase between 1 to 4%, depending on the payer, due to contract negotiations with the various payers.
- Patient revenues also needed be adjusted for an estimated 13% reduction to Medicaid critical access hospitals and Medicaid disproportionate share reimbursements.¹

¹ Under the Patient Protection and Affordable Care Act (ACA, P.L. 111-148, as amended) Congress has reduced federal funding for disproportionate share hospital (DSH) allotments to account for anticipated decreases in uncompensated care due to health insurance coverage expansion under the ACA.

2. Operating Expenses

- Total payroll expenses included salaries and wages for all employees, physician on-call coverage, primary and specialty care, and outside services/contract labor costs for positions that are difficult to fill.
 - Based on the foregoing, the Fiscal Year 2019 forecast assumes an overall 1.3% decrease in payroll expenses from the prior year.
 - However, in order to more accurately project physician needs for the system, MHS was required to perform a physician needs assessment, the results of which were not available until December of 2018.
- The total non-payroll operating expenses included an across the board 1% increase, except for depreciation, facility and equipment rent/lease costs, and IT platform startup amortization expenses. Depreciation was estimated based on anticipated capital purchases in 2017 and 2018, and the facility and equipment rent/lease costs were forecasted in accordance with MHS's lease schedule. Moreover, the IT platform startup amortization is based on the IT investment made by MHS.

As noted above, a physician needs assessment was required to comply with the IRS, HHS, and Stark related physician recruiting regulations. A needs assessment plan confirms the need for physicians in given specialties and justifies the use of a wide range of physician recruiting incentives. The assessment results were the need for 124 physicians. Although the recommendations were daunting and the numbers were much higher than anticipated, MHS decided that it would prudent to recruit 13 specialty physicians to the island of Maui in the next year. The first-year recruitment of 13 physicians is part of a 3-year plan to recruit a total of 34 physicians. Again, these results were not available in October of 2017 when the request was due to Budget and Finance. The additional \$4,025,000 requested by way of Governor's Message 8 establishes the funding required for the initial income and practice establishment required for these 13 physicians. On island physician care is essential to reducing the outmigration of care, which is tremendously expensive, and will result in greater subsidy savings moving forward. With this additional need, the total revised and requested operating support for MHS is \$32,805,000.

Finally, in accordance with Act 103, MHS is requesting \$6,000,000 in capital support. Moreover, MHS is on target to reduce any and all subsidies within the ten-year time frame projected by Act 103.

Thank you again for the opportunity to testimony on HB 1900.

Sincerely,



Michael A. Rembis
Chief Executive Officer

LATE

HB-1900

Submitted on: 3/6/2018 4:14:11 PM
Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tim Rieth	IARII	Support	No

Comments:

Aloha,

I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review report submittals and permit requests, to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

The current SHPD staff cannot keep up with timely reviews of report submittals and permit applications. This is not for the lack of hard work and diligence on their parts, but simply because the volume of submittals exceeds the current staffing capabilities. The SHPD has had a backlog for over 10 years and currently has a backlog of over 300 documents. Timely completion of these reviews is an essential element in project permitting and can cause projects to fail to meet their obligations due to missed deadlines and incur unnecessary financial burdens. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted. Individual homeowners of historic homes are also burdened financially while waiting for their permits to be approved.

I support this budget, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will, as hoped, improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

Thank you for considering this request.

Sincerely,

Tim Rieth, M.A.

Project Manager & Principal Investigator

International Archaeological Research Institute, Inc.

LATE

HB-1900

Submitted on: 3/6/2018 8:24:29 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
J. Stephen Athens	International Archaeological Research Institute, I	Support	No

Comments:

Aloha,

I am writing this testimony in **SUPPORT** of **HB1900** the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). My testimony is the result of working in Hawaii as a professional archaeologist for 38 years, and managing an organization that specializes in historic preservation compliance services.

The SHPD proposes to add general funds for ten new positions, including three Archaeologists, two Burial Specialists, two Office Assistants, one National Register and Tax Credit Coordinator, one Ethnographer, and one GIS Technical Assistant, along with additional computers, desks, and other equipment necessary for the new positions in the SHPD of the DLNR. The purpose in creating these ten positions is to enhance the capabilities of the SHPD to expeditiously review report submittals and permit requests, to meet the statutory mandates and deadlines, and to reduce the one year backlog in their reviewing of submittals and permits.

Such a bill to improve the operation of the SHPD is very long overdue, addressing the multiple problems caused by underfunding and staff shortages. The SHPD plays a crucial role in the permitting process for new construction throughout the state. Long delays, as are currently experienced by virtually all development project due to inadequate staffing at the SHPD to enable timely review of compliance applications and especially compliance reports submitted to it by professional archaeologists working on behalf of an owner or sponsor of a project. It goes without saying that these delays create a tremendous headwind for developers and owners to begin their projects in a timely manner.

Specifically, I am concerned about the prolonged delays in the timely review of report submittals and permit applications to the SHPD of the DLNR, which are part of the historic preservation review process mandated under Chapter 6E, Hawaii Revised Statutes, and under Section 106 of the National Historic Preservation Act. The SHPD has had a backlog for over 10 years and currently has a backlog of over 300 documents. Timely completion of these reviews is an essential element in project

permitting and can cause projects to fail to meet their obligations due to missed deadlines. Furthermore, delays in the review of these documents puts financial burdens on cultural resource management firms that represent development clients, firms who are often not paid in full until a document is reviewed by the SHPD. From a historic preservation standpoint these delays can cause significant Historic Properties to become further degraded while waiting for a preservation plan to be accepted. Individual homeowners of historic homes are also burdened financially while waiting for their permits to be approved.

I support this budget, as it relates to the SHPD, and believe that additional regulatory positions in archaeology, other historic preservation specialists, as well as technical and administrative positions will, as hoped, improve SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

Thank you for considering this request.

Sincerely,

J. Stephen Athens, Ph.D.

General Manager

International Archaeological Research Institute, Inc.

Honolulu, Hawaii



LATE

TO THE COMMITTEE ON FINANCE
THE HOUSE OF REPRESENTATIVES

Wednesday, March 7, 2018

[11:00 A.M.](#)

Hawaii State Capitol, Conference Room 308

RE: Testimony in Support of HB 1900, RELATING TO THE STATE BUDGET

To the Honorable Sylvia Luke, Chair; the Honorable Ty J.K. Cullen, Vice-Chair,
and Members of the Committee on Finance:

Hawaii faces a Healthcare crisis. We understand that, currently, FORTY PERCENT or more of the State **Government's budget is consumed** in providing healthcare services. Moreover, the general public pays, as consumers and as employers, enormous sums in the private sector for healthcare services.

Just two months ago, on January 21, 2018, an alarming article was published in the Honolulu Star-Advertiser, "**Healthcare Costs Heading for Eventual Catastrophe,**" quoting the State's Insurance Commissioner as stating that, in eight years, a family of four in Hawaii will be paying \$42,000 per year just for health insurance premiums.

This State Legislature made a formal commitment eight years ago to UNIVERSAL HEALTHCARE. It is now codified in Hawaii Revised Statutes Chapter 322H. It is supposed to be administered by the Hawaii Health Authority, but the HHA has been starved of needed funding and staffing to move forward in the planning necessary to do its job.

Please appropriate a half million dollars to HHA, NOT TO SOME OTHER ENTITY, and give HHA a year to work on this horrendous problem. Until and unless this critical change is made, this budget is not in the best interests of the State of Hawaii.

Given that House Bill No. 1900 adjusts and requests appropriations for Fiscal Biennium 2017-19 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs but it fails to address funding for HHA, it is the position of the Health Committee of the Democratic Party to oppose this measure unless so amended.

Mahalo for consideration,

Erynn Fernandez
Chair, Health Committee
Democratic Party of Hawai'i
erynn.fernandez@gmail.com

LATE

HB-1900

Submitted on: 3/6/2018 3:55:04 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Noelani Sugata	Individual	Support	No

Comments:

Aloha,

Please support HB 1900. The North Shore Maui is at critical mass and needs the Paia Bypass built.

Mahalo,

Noelani

LATE

HB-1900

Submitted on: 3/6/2018 3:32:18 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Douglas	Individual	Comments	No

Comments:

Please, I am asking for a write-in item for the Hawaii Health Authority in the State budget.

LATE

HB-1900

Submitted on: 3/6/2018 2:04:50 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Moana Ching	Individual	Support	No

Comments:

LATE

HB-1900

Submitted on: 3/6/2018 2:22:28 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Oppose	No

Comments:

Please Oppose Hb1900 - unless it is ammended to include \$250,000 for funding of the Hawaii Health Authority.

LATE

HB-1900

Submitted on: 3/5/2018 9:47:03 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rob Weltman	Individual	Comments	No

Comments:

It is essential to fund the work of the Hawaii Health Authority (HHA) in order to curb the costs of health care and ensure it is available to all residents. Please vote no on this budget unless it is augmented with the required \$250,000 in funding for the HHA.

Aloha,
Rob

LATE

HB-1900

Submitted on: 3/6/2018 4:41:19 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Gelert	Individual	Oppose	No

Comments:

I saw that this bill was 310 pages, which is more than I can read. I oppose HB1900 as is because it doesn't address our escalating health insurance premiums. Hawaii used to be a leader nationally in keeping healthcare costs low. In this critical time when healthcare is rising, Hawaii can once again lead the nation, but only if we fund the solution. Hawaii Health Authority would do that. Please add a \$250,000 budget line item to fund the Hawaii Health Authority, an organization of experts charged with diagnosing current healthcare costs. And then vote upon it! Mahalo!

LATE

HB-1900

Submitted on: 3/6/2018 6:19:00 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Noa Lincoln	Individual	Support	No

Comments:

LATE

HB-1900

Submitted on: 3/6/2018 8:45:23 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Lebo	Individual	Support	No

Comments:

I support **HB1900**, the Department of Land and Natural Resources (DLNR) FY19 Supplemental Budget, as it relates to the State Historic Preservation Division (SHPD). The SHPD critically needs the ten new positions and equipment to effectively address incoming submittals in a timely manner and to reduce their backlog of archaeological reports, plans, and permit applications, some of which were submitted to SHPD in excess of 3-5 years ago. SHPD has had a backlog for over 10 years and which totals more than 300 documents. Development is increasing at an ever faster pace and without these positions SHPD's backlog of late reviews will continue to increase. These 10 positions and requested equipment will improve SHPD's ability to meet its regulatory responsibilities, particularly SHPD's ability to provide timely and competent regulatory reviews of submittals and permits.

LATE

HB-1900

Submitted on: 3/6/2018 8:54:00 PM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ambyr Mokiao-Lee	Individual	Support	No

Comments:

Dear Finance Committee,

As a concerned citizen for the environment, I am in full support of HB 1900. Funding going to DLNR will allow work to continue in the research, management and outreach efforts for Rapid Ohia Death.

The Rapid Ohia Death (ROD) disease has killed thousands of trees in our native forests. These forests are home to many plants and animals and is also responsible for our water supply. Research efforts must continue in order to successfully manage the disease so that it does not destroy more of our forests.

Funding from HB 1900 will provide some of the monies needed to continue the research for this disease. Please consider passing HB 1900.

Mahalo,

Ambyr Mokiao-Lee

Support for HB1900



To: The Committee on Finance (FIN)
From: Steve Lohse
Date: Wednesday, March 7, 2018, 11:00 A.M.
Place: Conference Room 308, State Capitol, 415 Beretania

Re: Support for HB 1900, Relating to the State Budget

Aloha e Chair Luke, Vice Chair Cullen, and Member of the Committee on Finance,

My name is Steve Lohse, my background includes political science, environmental scientist, and business in Hawaii for the past 20 years. Thank you for this opportunity to write testimony in **Support of HB1900**, the DLNR supplemental budget as it relates to ten new positions for SHPD. I urge you to support this bill for the following three reasons:

- (1) SHPD has had a backlog for over ten years and currently has a backlog of over 300 documents;
- (2) SHPD resources are not keeping pace with the increasing pace of public and private development in Hawaii; and
- (3) Hawaii is blessed with a unique cultural heritage that is threatened every day that SHPD lacks the resources to comply with state and federal laws that protect that heritage.

If you value both Hawaii's economy and unique cultural heritage, then please support HB1900. Thank you.

Steve Lohse
Environmental Scientist
Honolulu, HI

LATE

HB-1900

Submitted on: 3/7/2018 8:29:58 AM

Testimony for FIN on 3/7/2018 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Charles Peebles	Individual	Oppose	No

Comments:

"I respectfully urge you to vote "NO" UNLESS the budget is amended to include \$250,000 funding for the Hawai'i Health Authority (HHA), a legislated body that can design a system for universal health coverage for all in Hawaii."



SIERRA CLUB OF HAWAI'I
MĀLAMA I KA HONUA. *Cherish the Earth.*

HOUSE FINANCE COMMITTEE

Wednesday, March 7, 2018 11AM Room 306

In **SUPPORT** of **HB1900** Relating to State Budget

LATE

Aloha Chairwoman Luke, Vice-Chair Cullen, and members of the Finance Committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i, a member of the Common Good Coalition, **supports HB1900**, to provide supplemental funding for state agencies. We are particularly concerned with ensuring full funding for the Departments of Health, and Land and Natural Resources. These agencies are responsible for protecting and ensuring our safe, drinkable water supply for generations to come. They are also directly helping to reduce the effects of climate change with programs that ensure clean air and healthy forests.

Funding for DLNR's forestry programs is crucial to ensuring future water resources. Actively protecting our watersheds means more rainwater in our aquifers. Our aquifers are receding. Since 1910, the groundwater head levels in O'ahu's primary aquifer have declined by half. Investing in native resources is the single best way to ensure future drinking water supplies. Non-native forests collect only half as much water as native forests. This is critical because Hawai'i's rainfall is decreasing. For at least a century, rainfall in the Hawaiian Islands has been on the decline, but scientists are reporting an accelerated decline of 12% over the last 20 years due to climate change. Thankfully, investing in native forests also helps combat climate change. Native forests sequester carbon better, which translates into cleaner air and reduced climate change pressures.

Hawai'i's environmental protection agency is the DOH's Environmental Services Division. At least 100 positions in this division are funded solely by the federal government. The Trump Administration has already indicated plans to significantly reduce funding of this kind. This division suffered debilitating funding cuts in the late 1990's. Protecting the public's health warrants immediate state re-investment in DOH.

Now more than ever, the State of Hawai'i needs to demonstrate its actual commitment to protecting our environment by fully funding the Department of Land and Natural Resources and the Department of Health.

Mahalo for the opportunity to testify on this important issue.

Marti Townsend
Director



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HOUSE FINANCE COMMITTEE

Wednesday, March 7, 2018 11AM Room 306

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Wednesday, March 7, 2018 11AM Room 306

In **SUPPORT** of **HB1900** Relating to State Budget

Aloha Chairwoman Luke, Vice-Chair Cullen, and members of the Finance Committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i, a member of the Common Good Coalition, **supports HB1900**, to provide supplemental funding for state agencies. We are particularly concerned with ensuring full funding for the Departments of Health, and Land and Natural Resources. These agencies are responsible for protecting and ensuring our safe, drinkable water supply for generations to come. They are also directly helping to reduce the effects of climate change with programs that ensure clean air and healthy forests.

Funding for DLNR's forestry programs is crucial to ensuring future water resources. Actively protecting our watersheds means more rainwater in our aquifers. Our aquifers are receding. Since 1910, the groundwater head levels in O'ahu's primary aquifer have declined by half. Investing in native resources is the single best way to ensure future drinking water supplies. Non-native forests collect only half as much water as native forests. This is critical because Hawai'i's rainfall is decreasing. For at least a century, rainfall in the Hawaiian Islands has been on the decline, but scientists are reporting an accelerated decline of 12% over the last 20 years due to climate change. Thankfully, investing in native forests also helps combat climate change. Native forests sequester carbon better, which translates into cleaner air and reduced climate change pressures.

Hawai'i's environmental protection agency is the DOH's Environmental Services Division. At least 100 positions in this division are funded solely by the federal government. The Trump Administration has already indicated plans to significantly reduce funding of this kind. This division suffered debilitating funding cuts in the late 1990's. Protecting the public's health warrants immediate state re-investment in DOH.

Now more than ever, the State of Hawai'i needs to demonstrate its actual commitment to protecting our environment by fully funding the Department of Land and Natural Resources and the Department of Health.

Mahalo for the opportunity to testify on this important issue.

Marti Townsend
Director



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