THE SENATE THE THIRTIETH LEGISLATURE REGULAR SESSION OF 2019

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair Senator Gilbert S.C. Keith-Agaran, Vice Chair

NOTICE OF DECISION MAKING

DATE: Tuesday, February 19, 2019

TIME: 9:30 AM

PLACE: Conference Room 211

State Capitol

415 South Beretania Street

<u>AGENDA</u>

The following measure(s) were previously heard in their respective subject matter committees:

SB 234, SD1 (SSCR53) Status & Testimony	RELATING TO THE DEPARTMENT OF HEALTH. Appropriates funds to the department of health for capital improvement projects related to statewide pollution control. (SD1)	AEN, WAM
SB 235 (SSCR45) Status & Testimony	RELATING TO THE DEPARTMENT OF HEALTH. Appropriates funds for operating expenses for the department of health.	AEN, WAM
SB 491, SD1 (SSCR13) Status & Testimony	RELATING TO THE DEPARTMENT OF AGRICULTURE. Appropriates funds for operating expenses of the department of agriculture. (SD1)	AEN, WAM
SB 1353, SD1 (SSCR661) Status & Testimony	RELATING TO INDUSTRIAL HEMP. Authorizes the department of agriculture to establish the industrial hemp program. Repeals the industrial hemp special fund under section 141-41, HRS, when the industrial hemp pilot program is repealed on 6/30/2021. Authorizes the chairperson of the board of agriculture to submit a proposed state plan to monitor and regulate hemp production to the United States Secretary of Agriculture. Appropriates funds. (SD1)	AEN/JDC, WAM
SB 1370, SD1 (SSCR584) Status & Testimony	RELATING TO CESSPOOLS. Establishes a grant program and special fund to assist lessees on Hawaiian home lands with cesspool upgrade, conversion, or connection costs. Establishes that a recipient of a cesspool upgrade grant shall not be eligible for the cesspool upgrade, conversion, or connection income tax credit and vice versa.	AEN/HWN, WAM

Appropriates moneys for the grant program. (SD1)

SB 393 RELATING TO COASTAL ZONE MANAGEMENT. AEN/WTL, WAM Amends coastal zone management laws to further protect (SSCR617) against impacts of sea level rise and coastal erosion. Requires new developments to plan for the impacts of projected sea level Status & rise. Prohibits development in areas significantly affected by **Testimony** projected sea level rise. **SB 307** RELATING TO SPEECH PATHOLOGY. CPH, WAM Establishes a provisional license for speech pathologists. Takes (SSCR373) effect on 10/01/19. Status & **Testimony** SB 493, SD1 RELATING TO HEALTH CARE INSURANCE. CPH. WAM Prohibits a health care insurer, mutual benefit society, or health (SSCR541) maintenance organization from requiring an insured, subscriber, Status & member, or enrollee diagnosed with stage two through stage four cancer to undergo step therapy prior to covering the insured **Testimony** for the drug prescribed by the insured's health care provider, under certain conditions. (SD1) RELATING TO TAXATION. CPH, WAM **SB 712, SD1** Clarifies that the definition of "resident person" under the Hawaii (SSCR184) Real Property Tax Act does not include foreign partnerships. Status & foreign limited liability partnerships, foreign limited partnerships. **Testimony** or foreign limited liability companies. Applies to taxable years beginning after December 31, 2019. Effective 7/1/2050. (SD1) **SB 911** RELATING TO HEALTH. CPH, WAM Appropriates funds to improve health care services related to (SSCR149) cardiac care at Hilo Medical Center. Status & **Testimony** SB 1006, SD1 RELATING TO INTOXICATING LIQUOR. CPH, WAM Includes certain spirits-based beverages in the definition of (SSCR382) cooler beverage. Repeals definition of draft beer. Applies the same tax rate to all beer. Effective 1/1/2020. (SD1) Status & **Testimony SB 1325** RELATING TO CONDOMINIUMS. CPH, WAM Clarifies that condominium associations may invest in (SSCR478) government money market funds. Status & **Testimony** SB 1460, SD1 RELATING TO INTOXICATING LIQUOR. CPH, WAM Requires carriers to report shipments of liquor made statewide (SSCR540) to county liquor commissions and liquor control adjudication boards. (SD1) Status &

Testimony

SB 417, SD1

RELATING TO HEALTH.

CPH/HMS, WAM

(SSCR542)

Status & **Testimony**

Requires medicaid and insurance coverage of ambulance services. Authorizes medicaid programs, and requires private insurers, to pay for community paramedicine services provided by emergency medical technicians or paramedics. Appropriates moneys for medicaid to cover community paramedicine services provided by emergency medical technicians or paramedics. Appropriates funds for ambulance services covered by medicaid. (SD1)

SB 529, SD1

RELATING TO HUMAN SERVICES.

CPH/HMS, WAM

(SSCR402)

Status & Testimony

Authorizes the Department of Human Services and the Department of Health to contract the services of dedicated capture managers responsible for securing grant and other funding opportunities for each department; authorizes the Department of Human Services and the Department of Health to establish a three-year full time temporary exempt position to support the grant development program. Appropriates funds. Repeals 6/30/2022. (SD1)

SB 1494, SD1

RELATING TO HEALTH.

CPH/HMS, WAM

(SSCR511)

Status & **Testimony**

Establishes a working group to evaluate current behavioral health care and related systems to promote effective integration of services and improve response and coordination of care for persons experiencing substance abuse, mental health conditions, and homelessness. Makes an appropriation. (SD1)

SB 662, SD1

RELATING TO MOTOR VEHICLES.

CPH/TRS, WAM

(SSCR585)

Status & Testimony

Prohibits vehicle lessors from renting, leasing, or offering for rent or lease, vehicles subject to a manufacturer's recall, until appropriate repairs are made. Defines peer-to-peer vehicle sharing related terms. Requires persons in the peer-to-peer vehicle sharing organization business to register with the director of taxation. Effective January 1, 2020. (SD1)

SB 78, SD1

RELATING TO EDUCATION.

EDU, WAM

(SSCR65)

Status & **Testimony**

Requires the department of education to contract with a firm that specializes in school finance to study the adequacy of education in Hawaii. Appropriates moneys for the study. (SD1)

SB 84, SD1

MAKING AN APPROPRIATION TO THE DEPARTMENT OF EDUCATION. Appropriates funds for a board of education analyst II. (SD1) EDU, WAM

(SSCR68)

Status & **Testimony**

SB 970

RELATING TO COMPUTER SCIENCE PROFESSIONAL DEVELOPMENT.

EDU, WAM

(SSCR174)

Status & **Testimony**

Appropriates funds to the department of education to establish a program with eligible entities to develop and implement teacher professional development for computer science courses and content.

SB 971

(SSCR175)

Status & **Testimony**

RELATING TO THE DEPARTMENT OF EDUCATION.

Appropriates funds for a scholarship program to be directed and administered by the department of education to make awards to students pursuing a degree in teaching at a state accredited institution of higher education for successful completion of one course in computer science.

EDU, WAM

SB 983, SD1

(SSCR137)

Status & **Testimony**

RELATING TO EDUCATION.

Renames the teacher national board certification incentive program the national certification incentive program. Expands program eligibility to include school psychologists. Clarifies requirements and incentives of the program. Clarifies that teacher incentives, bonuses, and compensation beyond regular wages are excluded from the per-pupil request and included as separate line item in the budget for public charter schools. Appropriates funds. (SD1)

EDU, WAM

EDU, WAM

SB 1515

(SSCR176)

Status & **Testimony**

RELATING TO EDUCATION.

Establishes the Hawaii three to six out-of-school program for grades kindergarten through twelve. Authorizes the department of education to contract with private providers to furnish out-ofschool programs for grades kindergarten through twelve, conducted during after-school hours, on weekends, and during inter-sessions on the premises of the private providers. Specifies the Hawaii three to six out-of-school program special fund is to be administered by the department of education.

Makes appropriations.

SB 1522

(SSCR446)

Status & **Testimony**

SB 1307, SD1

(SSCR425)

Status & **Testimony**

RELATING TO SCHOOL-BASED HEALTH SERVICES. Appropriates funds for the Hawaii keiki: healthy and ready to learn program.

EDU, WAM

MAKING AN APPROPRIATION FOR THE DEPARTMENT OF EDUCATION TO STUDY THE FEASIBILITY OF COMBINING THE RESOURCES AND ORGANIZATION OF THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES WITH THE DEPARTMENT OF EDUCATION ON THE ISLANDS OF KAUAI, MAUI, MOLOKAI, LANAI, AND HAWAII ISLAND. Appropriates funds for the department of education to determine the feasibility of combining the resources and organization of the department of accounting and general services with the department of education on the islands of Kauai, Maui, Molokai, Lanai, and Hawaii island. Takes effect on 7/1/2050. (SD1)

EDU/GVO, WAM

SB 976, SD1

(SSCR592)

Status & **Testimony**

SB 380, SD1

(SSCR651)

Status & **Testimony**

RELATING TO PUBLIC LIBRARIES.

Establishes a pilot program to generate revenue through the lease of public library lands to meet the mission of the public libraries. Establishes the library facilities fund. Requires the Board of Education to report to the Legislature. (SD1)

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

Imposes the transient accommodations tax on mandatory resort fees and requires that those fees be included in gross rental or gross rental proceeds. (SD1)

EET, WAM

EDU/WTL, WAM

SB 382, SD1

Status & **Testimony**

(SSCR420)

SB 714, SD1

(SSCR552)

Status & Testimony

RELATING TO TAXATION.

Amends the formula for the amount of transient accommodations tax to be collected from time shares by increasing the base on which time share occupancy is taxed from one-half of the gross daily maintenance fees paid by the owner and attributable to the time share unit to an unspecified per cent of the gross daily maintenance fees paid by the owner of the time share and attributable to the time share unit. Effective 1/1/2020. (SD1)

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

Imposes the transient accommodations tax on resort fees that are calculated separately from the advertised transient accommodation's rate. Clarifies the calculation of the transient accommodations tax. Amends the formula for the amount of transient accommodations tax to be collected from time shares by increasing the base on which time share occupancy is taxed from one-half of the gross daily maintenance fees paid by the owner and are attributable to the time share unit to one hundred per cent of the gross daily maintenance fees. Requires transient accommodations intermediaries to register with the director of taxation before arranging to furnish transient accommodations at noncommissioned negotiated contract rates. Specifies that the transient accommodations tax is to be collected from transient accommodations intermediaries who arrange transient accommodations at noncommissioned negotiated contract rates in the same manner as transient accommodations operators. Applies to taxable years beginning after 12/31/2019. (SD1)

SB 1002

(SSCR159)

Status & **Testimony**

SB 1163, SD1

(SSCR663)

Status & **Testimony**

SB 1291

(SSCR194)

Status & **Testimony**

SB 1459, SD1

(SSCR422)

Status & **Testimony**

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR

CONDITIONING PROJECTS ON OAHU.

Extends the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning, LLC, until June 30, 2024.

RELATING TO RENEWABLE ENERGY.

Replaces the current renewable energy technology systems tax credit with tax credits for solar energy, wind energy, or commercial seawater air conditioning systems. Applies to taxable years beginning after 12/31/2019, except that a credit for certain solar energy systems for commercial properties shall take effect upon approval of this Act. (SD1)

RELATING TO THE ALTERNATIVE ENERGY RESEARCH AND DEVELOPMENT FUND.

Appropriates funds into and out of the alternative energy research and development revolving fund for the Hawaii technology development corporation to provide grants.

RELATING TO THE STATE SURFING COMMISSION. Establishes the state commission on surfing. (SD1)

EET, WAM

HEARING WAM 02-19-19

EET, WAM

EET, WAM

EET, WAM

EET, WAM

EET, WAM

SB 1461

(SSCR471)

Status & Testimony

SB 1530, SD1

(SSCR660)

Status & Testimony

<u>OD 1401</u>

RELATING TO SCIENCE.

Requires the Governor to enter into negotiations with the United States Department of Energy to establish a national laboratory in Hawaii.

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

Establishes the stadium development district, which includes all state property under the jurisdiction of the stadium authority, and places that property under the jurisdiction of the Hawaii community development authority for development purposes. Authorizes the issuance of revenue bonds and special facility revenue bonds and appropriates funds. Exempts the stadium development district from section 206E-5, HRS. Authorizes the department of land and natural resources to give written concurrence on any project in the stadium development district based on a phased review. (SD1)

SB 763, SD1

(SSCR547)

Status & Testimony

SB 995, SD1

(SSCR469)

Status & Testimony

SB 1079, SD1

(SSCR309)

Status & Testimony

SB 1333, SD1

(SSCR528)

Status & Testimony RELATING TO ADVERTISING AND MARKETING.

Requires the department of business, economic development, and tourism, in consultation with the department of agriculture, to conduct a study calculating the economic impact and gross domestic product lost by the State as a result of companies exploiting the Hawaii brand and selling products in the United States using place-based marketing without any material ties to the State. Appropriates funds for the study. (SD1)

RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION.

Requires HTDC to adopt rules to require businesses that receive a technology research and development grant award to maintain their principal place of business in Hawaii for five years or, if they do not, to return the award. Makes an appropriation into and out of the research and development special fund for HTDC's research and development program. (SD1)

RELATING TO DEFERRED MAINTENANCE.

Establishes an asset management task force within the Office of the lieutenant governor to create a standardized schedule of repair and maintenance of state-owned facilities. Makes an appropriation for the asset management task force. (SD1)

RELATING TO PROCUREMENT.

Requires procurement officers to complete periodic performance evaluations of certain contractors. Establishes factors to be included in any evaluation, consideration, or review of past performance, and ratings standards for those factors. Requires past performance to be factored into future bid selection of contractors for certain contracts. Requires past performance to be considered in all sole source procurement and any competitive contracts that exceeds the small purchase threshold. Requires the development and implementation of a statewide past performance database. Requires the establishment of an initial procurement working group that will evaluate and make recommendations to the legislature about the effectiveness of existing procurement methods. Appropriates funds. (SD1)

EET, WAM

EET, WAM

EET/TEC, WAM

EET/AEN, WAM

GVO, WAM

GVO, WAM

SB 661, SD1 RELATING TO FUEL CELL ELECTRIC VEHICLES. GVO/TRS, WAM Grants procurement priority for fuel cell electric vehicles for state (SSCR526) and county vehicle purchases. Includes fuel cell electric vehicles in the definition of "electric vehicles" for purposes of Status & parking fee exemption, high occupancy vehicle lane use, **Testimony** registration, and required parking spaces in places of public accommodation. (SD1) SB 785, SD1 RELATING TO COLLECTIVE BARGAINING. LCA, WAM Allows the scope of collective bargaining negotiations to include (SSCR339) benefits. Allows collective bargaining parties to resolve Status & impasses related to contribution disputes through binding arbitration. Takes effect 1/1/2051. (SD1) **Testimony** RELATING TO EMPLOYEE TRAINING. LCA, WAM SB 792, SD1 Establishes the public employees training program to provide (SSCR340) training to state employees. Requires all new employees to be Status & provided with a general orientation on their benefits and rights. Takes effect 1/1/2051. (SD1) **Testimony** RELATING TO HISTORIC PRESERVATION. LCA, WAM SB 1394, SD1 Establishes a historic preservation income tax credit. (SSCR645) Appropriates funds for one temporary position to assist with the establishment and administration of the Hawaii historic Status & preservation income tax credit program. Takes effect 7/1/2050. **Testimony** (SD1) **SB 1475, SD1** RELATING TO WAGES. LCA, WAM Requires that the foreperson classification be recognized in (SSCR410) Hawaii's Davis-Bacon Act and the requirements in the collective bargaining agreement be followed when the basic hourly rate is Status & established by a collective bargaining agreement. Takes effect **Testimony** on 1/1/2051. (SD1) RELATING TO THE HAWAII LABOR RELATIONS BOARD. LCA, WAM SB 1498, SD1 Requires the Hawaii Labor Relations Board to determine (SSCR335) qualifications for grievance arbitrators and interest arbitrators. Requires the Hawaii Labor Relations Board to review and Status & **Testimony** determine the qualifications and criteria for potential arbitrators selected under certain circumstances to resolve collective bargaining impasses. Takes effect 1/1/2051. (SD1) RELATING TO THE ECONOMY. **SB 1507, SD1** LCA/EET, WAM Appropriates funds to plan for and hold a 2020 Hawaii -(SSCR610) Philippines sister city trade show and economic outlook symposium. Takes effect 1/1/2051. (SD1) Status & **Testimony** RELATING TO THE DEPARTMENT OF TRANSPORTATION. **SB 274** TRS, WAM Appropriates funds for the Department of Transportation. (SSCR117) Appropriates funds. Effective 7/1/2050. Status &

Testimony

SB 411, SD1 (SSCR272) Status & Testimony	RELATING TO TRANSPORTATION. Exempts marine terminal equipment temporarily moving in or between marine terminals at Hilo Harbor, Kawaihae Harbor, Kahului Harbor, and Nawiliwili Harbor from inspection, registration, and licensing requirements. (SD1)	TRS, WAM
SB 509, SD1 (SSCR139) Status & Testimony	RELATING TO THE DEPARTMENT OF TRANSPORTATION. Appropriates funds for operating expenses for the highways division of the department of transportation. Effective on 7/1/2050. (SD1)	TRS, WAM
SB 510, SD1 (SSCR119) Status & Testimony	RELATING TO THE DEPARTMENT OF TRANSPORTATION. Appropriates funds for operating expenses for the administration division of the department of transportation. Effective 7/1/2050. (SD1)	TRS, WAM
SB 511, SD1 (SSCR144) Status & Testimony	RELATING TO THE DEPARTMENT OF TRANSPORTATION. Appropriates funds for operating expenses for the airports division of the department of transportation. Effective on 7/1/2050. (SD1)	TRS, WAM
SB 512, SD1 (SSCR163) Status & Testimony	RELATING TO THE DEPARTMENT OF TRANSPORTATION. Appropriates funds for operating expenses for the harbors division of the department of transportation. Effective on 7/1/2050. (SD1)	TRS, WAM
SB 513, SD1 (SSCR305) Status & Testimony	RELATING TO THE DEPARTMENT OF TRANSPORTATION. Appropriates funds for capital improvement projects for the harbors division of the department of transportation. Effective on 7/1/2050. (SD1)	TRS, WAM
SB 652 (SSCR247) Status & Testimony	RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST KEAHOLE FBO I LLC. Authorizes the issuance of special purpose revenue bonds to assist Keahole FBO I LLC with planning, designing, constructing, equipping, and operating facilities for aviation services and aviation-related services at Ellison Onizuka Kona International Airport at Keahole.	TRS, WAM
SB 472, SD1 (SSCR207) Status & Testimony	RELATING TO PUNA. Makes an appropriation for a feasibility and cost study relating to the construction of a new boat ramp and pier in Puna. Takes effect 7/1/2050. (SD1)	WTL, WAM
SB 1500, SD1 (SSCR266) Status & Testimony	RELATING TO WATER CIRCULATION. Requires the Department of Health to collaborate with various agencies to research and develop a plan for a mechanism for increased water circulation in Pokai Bay. Requires the Department of Health to report its activities to the legislature. Takes effect 12/31/2050. (SD1)	WTL, WAM

SB 379, SD1 RELATING TO LAND EXCHANGE. WTL/AEN, WAM Allows the governor to negotiate land exchanges to acquire (SSCR456) lands that are suitable for long-term diversified agricultural production in return for state lands to be developed for housing. Status & Requires a report to the legislature. Takes effect 12/31/2050. **Testimony** (SD1) **SB 191, SD1** RELATING TO STRENGTHENING THE FOUNDATION FOR WTL/HWN, WAM ENSURING A FAIR AND JUST PAYMENT AMOUNT FOR THE (SSCR497) OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF THE PUBLIC LAND TRUST. Status & Requires the Department of Budget and Finance to use certain **Testimony** reporting and accountability procedures in implementing the public land trust reporting requirements of Act 178, Session Laws of Hawaii 2006. Requires the Department of Budget and Finance to consult with the Office of Hawaiian Affairs to ensure that the accounting and reporting is accurate and inclusive. Establishes and requires the Department of Budget and Finance to request funding every fiscal year for a specific budget line item for a public land trust reporting and accountability officer position. Takes effect 12/31/2050. (SD1) SB 838, SD1 RELATING TO THE LAND CONSERVATION FUND. WTL, WAM Increases the percentage of the land conservation fund that may (SSCR220) be used for costs related to the operation, maintenance, and management of lands acquired by the fund. Increases the Status & maximum dollar amount of the conveyance tax distribution to the **Testimony** land conservation fund. Appropriates funds from the land conservation fund for resource land acquisition. Takes effect 12/31/2050. (SD1) RELATING TO LAND DEVELOPMENT. WTL/PSM/AEN, SB 914, SD1 Requires the Department of Land and Natural Resources to WAM (SSCR515) allocate ten percent of revenues collected from commercial properties within the Banyan Drive redevelopment area to the Status & **Testimony** Banyan Drive Hawaii Redevelopment Agency. Appropriates funds to the Agency for conducting environmental impact and other studies that are necessary to complete the Agency's redevelopment plan for the Banyan Drive redevelopment area. Requires matching funds from the County of Hawaii. Takes effect 12/31/2050. (SD1) RELATING TO MARINE LIFE CONSERVATION DISTRICTS. WTL, WAM SB 1403, SD1 Provides that a total of forty permits shall be issued for the Maui (SSCR615) Molokini Shoal marine life conservation district and that twenty

Decision making meeting only, no oral testimony will be accepted.

Persons wishing to submit written testimony may do so up to 24 hours prior to the hearing.

permitted vessels shall be granted entry to the crater at any one

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time. Takes effect 12/31/2050. (SD1)

FOR AMENDED NOTICES: Measures that have been deleted are stricken through and measures that have been added are underscored. If a measure is both underscored and stricken through, that measure has been deleted from the agenda.

Status &

Testimony

If you require auxiliary aids or services to participate in the public hearing process (i.e., interpretive services (oral or written), ASL interpreter, or wheelchair accessibility), please contact the committee clerk at least 24 hours prior to the hearing so that arrangements can be made.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT (808) 586-6800
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Senator Donovan M. Dela Cruz	
Chair	