

**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

ON THE FOLLOWING MEASURE:

H.B. NO. 2, H.D. 1, RELATING TO THE STATE BUDGET.

BEFORE THE:

SENATE COMMITTEE ON WAYS AND MEANS

DATE: Friday, February 22, 2019

TIME: 10:00 a.m.

LOCATION: State Capitol, Room 211

TESTIFIER(S): Clare E. Connors, Attorney General

Chair Dela Cruz and Members of the Committee:

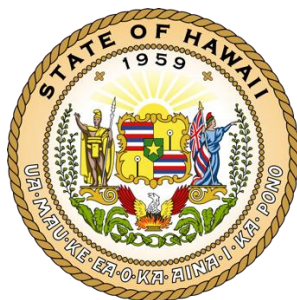
The Department of the Attorney General provides the following comments on H.B. No. 2, H.D., relating to the State Budget on behalf of the executive.

The final general appropriations bill must satisfy article VII, section 9, of the Hawai'i State Constitution that provides:

[T]he legislature shall transmit to the governor an appropriation bill or bills providing for the anticipated total expenditures of the State for the ensuing fiscal biennium. . . . [and] no appropriation bill . . . shall be passed on final reading until the bill authorizing operating expenditures for the ensuing fiscal biennium, to be known as the general appropriations bill, shall have been transmitted to the governor.

These provisions require that after transmittal of the general appropriations bill to the Governor, i.e., after the Legislature has provided a bill that authorizes expenses for the executive to operate, the Legislature may then appropriate such additional funds it deems necessary for the anticipated total expenditures of the State.

Thank you for the opportunity to provide testimony.



‘O kēia ‘ōlelo hō’ike no ke
Komikina Kūlana Olakino o Nā Wāhine

Testimony on behalf of the
Hawai‘i State Commission on the Status of Women
Prepared for the Senate Committee on Ways and Means

In Support of HB2 HD1
Friday, February 22, 2019, at 10:00 a.m. in Room 211

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Honorable Members,

The Hawai‘i State Commission on the Status of Women supports HB2 HD1 which would appropriate baseline funds to the Hawai‘i State Commission on the Status of Women. The Commission is the oldest commission of its kind – the very first state women’s commission in the United States. The Commission was formalized into state law by the Legislature in 1970 to “aid in the implementation of its recommendations, to develop long-range goals, and to coordinate research planning, programming, and action on the opportunities, needs, problems, and contributions of women in Hawaii. It is the purpose of this chapter to provide for a statewide program, on a permanent and continuing basis, on the status of women in Hawaii (HRS § 367-1).”

For over 50 years, the Commission has served as the main consultant to policymakers and as the central clearinghouse for women’s resources. The Commission has also been instrumental in coordinating the three county commissions on women, producing statewide research, and supporting critical programs on the most marginalized issues affecting women and girls.

The Commission supports the Department of Human Services’ position to request \$174,035 in HB2 HD1, in addition to HB1355 which corrects and offsets one-time salary adjustments that occurred in 2017 (executive director) and 2018 (permanent secretary). Accordingly, the Commission respectfully urges the Committee to pass this measure.

Sincerely,
Khara Jabola-Carolus
Executive Director

LATE

DAVID Y. IGE
GOVERNOR



DR. CHRISTINA M. KISHIMOTO
SUPERINTENDENT

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

Date: 02/22/2019
Time: 10:00 AM
Location: 211
Committee: Senate Ways and Means

Department: Education
Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education
Title of Bill: HB 0002, HD1 RELATING TO THE STATE BUDGET.
Purpose of Bill: Appropriates funds for the operating budget of the Executive Branch for fiscal years 2019-2020 and 2020-2021. (HB2 HD1)

Department's Position:
Chair Dela Cruz, Vice Chair Keith-Agaran, and committee members:

Thank you for the opportunity to testify on behalf of the Department of Education (Department) to support the intent of House Bill 2, H.D. 1, to establish a base operating budget for the fiscal biennium (FB) 2019-21.

However, the Department has concerns that the HD1 removed all appropriations from the Department's base operating budget, which includes EDNs 100, 150, 200, 300, 400, 500, and 700, for further scrutiny and inclusion in House Bill 1523, H.D.1 by the subject matter committee. **We respectfully request this committee restore the Department's base budget in House Bill 2.**

At the start of the second half of calendar year 2018, the Department began formulating a budget, that we believe is reasonable and sustainable, by first realigning and reprogramming our current resources in our base operating budget. The Department then targeted strategic priority areas to advance high-impact strategies of School Design, Teacher Collaboration and Student Voice.

As a result of this early work, which later coincided with budget development instructions in Finance Memorandum No. 18-16, the Department created a budget that lays the fiscal foundation to meet our primary mission of equity, excellence and innovation for all of our public schools students.

For FB 2019-21, the Department was able to reprogram a total of \$18.8 M for fiscal year (FY) 2019-2020 and \$21.6 M for FY 2020-2021 of existing funds to align with our strategic priorities.

The realignment and reprogramming required no new general fund requests and further lowered our need for additional, new funding in key areas that could not be addressed by reprogramming. We believe that by realigning and reprogramming our existing funds, it allows for more transparency in how the Department utilizes its resources.

In order to streamline the process of addressing multiple budget bills, both for the base and additions, we respectfully request that the Department's base operating budget for FY 2019-2020 and FY 2020-2021 as established by House Bill 1523, H.D. 1, be restored to House Bill 2, H.D. 1 to ensure that base-level funding is provided for the State's public school system. Additionally, we respectfully request that our adjustments to the base as established by House Bill 1524, H.D. 1, be included in House Bill 2, H.D. 1, as well as a review of what was approved by the Board of Education, to ensure equitable access to quality education for all public school students.

As our budget makes its way through the legislative process, we will be happy to share how it was put together to communicate the transparency of our budget development process. We look forward to working with the Senate Committee on Ways and Means on shaping the future for quality education and to preserve our commitments to:

- Provide competitive pay;
- Repair our aging facilities;
- Provide adequate pre-K for our highest-needs students;
- Keep the momentum in transitioning to school-based empowerment; and
- Modernize our technology infrastructure.

Our next decade of work will require operational, policy, financial, and community partnership support.

We appreciate the opportunity to testify and will be available to answer any questions.

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.



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

Date: 02/22/2019
Time: 10:00 AM
Location: 211
Committee: Senate Ways and Means

Department: Education
Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education
Title of Bill: HB 0002, HD1 RELATING TO THE STATE BUDGET.
Purpose of Bill: Appropriates funds for the operating budget of the Executive Branch for fiscal years 2019-2020 and 2020-2021. (HB2 HD1)

Department's Position:

Chair Dela Cruz, Vice Chair Keith-Agaran, and committee members:

Thank you for the opportunity to testify on behalf of the Department of Education (Department) to support the intent of House Bill 2, H.D. 1, which establishes the base operating budget for the fiscal biennium (FB) 2019-21.

We understand that HD1 removed all appropriations from the Department's base operating budget, which includes EDNs 100, 150, 200, 300, 400, 500, and 700, for further evaluation by subject matter committees. We respectfully request this committee restore the Education base budget in HB2.

At the start of the second half of calendar year 2018, the Department began formulating a budget, that we believe is reasonable and sustainable, by first realigning and reprogramming our current resources in our base operating budget. The Department then targeted strategic priority areas to advance high-impact strategies of School Design, Teacher Collaboration and Student Voice.

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DAVID Y. IGE
GOVERNOR

GWEN S. YAMAMOTO LAU
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

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Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: gems.hawaii.gov

Telephone: (808) 587-3868
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Testimony of
Gwen Yamamoto Lau
Executive Director
Hawaii Green Infrastructure Authority (HGIA)
before the

SENATE COMMITTEE ON WAYS AND MEANS
Friday, February 22, 2019 at 10:00 A.M.
State Capitol, Conference Room 211

in consideration of
HOUSE BILL NO. 2, HD1
RELATING TO THE STATE BUDGET

Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee:

Thank you for the opportunity to testify **in support** of House Bill 2, HD1, which appropriates funds for the fiscal biennium 2019-2021 operating budget and lending ceiling for the Hawaii Green Infrastructure Authority (BED 138). This will allow HGIA to continue its green infrastructure financing programs.

Thank you for this opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

LATE

Testimony Presented Before the
Senate Committee on Ways and Means
February 22, 2019 at 10:00 a.m.

by
Kalbert K. Young
Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB2 HD1 – RELATING TO THE STATE BUDGET

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) **cannot support** HB2 HD1, Relating to the State Budget, as there are no appropriations to any UOH Program ID's. This bill is considered the general appropriation bill (general appropriations act) for the Executive branch. However, given the different direction and approach undertaken by the House and the Legislature as to the process to deliberate the State budget this year, the funding for the University has been entirely removed from this general appropriation bill. As such, to pass HB2 HD1 in its current form would result in the systematic elimination of funding for the University and every other department whose Program ID was pulled from HB2. The University is hopeful that legislative processes will be able to reconcile all the various appropriation and funding bills, and that the University's budget will eventually be incorporated into a general appropriations act.

When HB2 was amended to HB2 HD1, all general and essential funding was removed from the general appropriation bill. In the House those components have been subsequently incorporated into separate appropriation house bills – HB1521 and HB1522. The University is hopeful that the legislative process will eventually accommodate incorporating the components of HB1521 and HB1522 into the general appropriations bill. Until then, the University requests that the same components in HB1521 and HB1522, be incorporated into HB2 HD1.

HB 1521 reflects the appropriation levels as set forth by Act 53, Session Laws of Hawai'i 2018, with adjustments to account for already agreed upon collective bargaining increases and non-recurring expenditures.

We do note, however, that while HB 1521 provides a base level of funding to UH, it still leaves other processes to provide general fund support to Athletics programs at UH's Mānoa and Hilo campuses, as has been provided in recent years:

Prog ID	Description	FTE (P) 20	\$\$\$ 20	FTE (P) 21	\$\$\$ 21	MOF
UOH100	Funding Support for Athletics	-	2,700,000	-	2,700,000	A
UOH210	Funding Support for Athletics	-	300,000	-	300,000	A

HB2 HD1 should be amended to include the following items that were included in the original HB2.

LHE - LOWER & HIGHER EDUCATION						
1. UOH100 - UNIVERSITY OF HAWAII, MANOA						
			3,253.88*		3,253.88*	
			47.25#		47.25#	
OPERATING	UOH	234,274,199A	381.25*	238,050,358A	381.25*	
			2.00#		2.00#	
	UOH	363,217,455B	78.06*	363,706,629B	78.06*	
	UOH	6,873,565N	28.25*	6,873,565N	28.25*	
	UOH	65,255,168W		65,293,844W		
2. UOH110 - UNIVERSITY OF HAWAII, JOHN A. BURNS SCHOOL OF MEDICINE						
			218.60*		218.60*	
			3.50#		3.50#	
OPERATING	UOH	20,000,817A		20,395,095A		
	UOH	27,958,949B		27,958,949B		
	UOH	6,761,641W		6,761,641W		
3. UOH210 - UNIVERSITY OF HAWAII, HILO						
			553.25*		553.25*	
			7.00#		7.00#	
OPERATING	UOH	37,791,653A	81.00*	38,354,273A	81.00*	
	UOH	46,848,430B		46,893,444B		
	UOH	443,962N		443,962N		
	UOH	8.50*		8.50*		
	UOH	7,438,008W		7,439,992W		
4. UOH700 - UNIVERSITY OF HAWAII, WEST OAHU						
			240.20*		240.20*	
			1.50#		1.50#	
OPERATING	UOH	17,896,292A	7.50#	18,167,102A	7.50#	
	UOH	20,944,723B		20,981,095B		
	UOH	802,037N		802,037N		
	UOH	2,069,957W		2,070,663W		
5. UOH800 - UNIVERSITY OF HAWAII, COMMUNITY COLLEGES						
			1,906.00*		1,906.00*	
			54.50#		54.50#	
OPERATING	UOH	148,833,308A	34.00*	151,094,113A	34.00*	
	UOH	100,508,863B		100,630,837B		
	UOH	0.50*		0.50*		
	UOH	4,428,296N		4,428,296N		
	UOH	5,564,293W		5,566,997W		

6. UOH881 - AQUARIA

		13.00*	13.00*
OPERATING	UOH	758,030A	763,141A
		7.00*	7.00*
	UOH	3,417,141B	3,517,141B
	UOH	996,499W	996,499W

7. UOH900 - UNIVERSITY OF HAWAII, SYSTEMWIDE SUPPORT

		464.00*	464.00*
		1.00#	1.00#
OPERATING	UOH	56,394,172A	56,533,226A
		31.00*	31.00*
	UOH	17,214,396B	17,229,806B
		4.00*	4.00*
		4.00#	4.00#
	UOH	1,094,875N	1,094,875N
		15.00*	15.00*
	UOH	17,364,423W	17,377,422W

In addition, the UH Board of Regents has formally requested consideration of additional funding for the following programs and initiatives:

Prog ID	Description	FTE (P) 20	\$\$\$ 20	FTE (P) 21	\$\$\$ 21	MOF
UOH800	Roll-over Act 14/18 funding into the Promise Program base	-	700,000	-	700,000	A
UOH900	Additional Funds for Hawai'i Promise for four year institutions	-	19,000,000	-	19,000,000	A
UOH100	Raise Graduate Assistant (GA) Stipend	-	2,198,360	-	2,242,327	A
UOH100	Learning Assistants and Peer Mentoring for Mānoa	1.00	956,600	3.00	1,408,876	A
UOH210	Funding support for Learning Assistants, Peer Mentors and Graduate Assistants at UH Hilo		122,000		231,000	A
UOH700	Add funds for student employment at UH West O'ahu, including hiring Learning Assistants		300,000		300,000	A
UOH800	Funding support for student Mentors and Tutors at the Community Colleges		1,004,400		1,004,400	A
UOH100	General funded position counts for the Athletics Program	30.00		30.00		A
UOH100	Facilities Maintenance positions for Mānoa	6.00		6.00		A
UOH900	Construction manager and inspector positions for the Office of Project Delivery	4.00		4.00		A
UOH210	Positions and funds for the Custodial and Maintenance staff at UH Hilo	5.00	228,576	5.00	228,576	A
UOH210	UH Hilo Security - additional security staff positions	8.00	311,240	8.00	311,240	A
UOH210	Wayfinding Education Program – 'Imiloa Astronomy Center	2.00	375,000	2.00	300,000	A
UOH800	Hawaii Nutrition and Employment Training (HINET) for SNAP recipients at the Community Colleges	8.00	520,000	8.00	520,000	A
UOH700	Build Distance Education Infrastructure and fund additional faculty	8.00	1,000,000	8.00	1,000,000	A
UOH110	Increase Ceiling for RTRF and Real Property and Facilities Use Revolving Fund (RPFURF) for JABSOM	-	1,021,453		1,021,453	W
UOH800	Increase Ceiling for the CC's for RTRF and the Commercial Enterprises Revolving Fund (CERF)		1,000,000		1,000,000	W
UOH700	Decrease Ceiling for Lease Payments (BK)		(270,000)		(270,000)	B

There are also transfers between different Program IDs at UH. These transfers have no net effect on the overall budget but are useful as a practical matter during budget execution:

Prog ID	Description	FTE (P) 20	\$\$\$ 20	FTE (P) 21	\$\$\$ 21	MOF
UOH100	Transfer Ant Lab from Hilo to Mānoa.	2.00	200,000	2.00	200,000	A
UOH210	Transfer Ant Lab to Mānoa	(2.00)	(200,000)	(2.00)	(200,000)	A
UOH900	Transfer Nā Pua No'eau to Various Campuses	(6.00)	(322,242)	(6.00)	(322,242)	A
UOH100	Transfer Nā Pua No'eau from System to Mānoa	1.00	82,491	1.00	82,491	A
UOH210	Transfer Nā Pua No'eau from System to UH Hilo	2.00	87,631	2.00	87,631	A
UOH700	Transfer Nā Pua No'eau from System to UH West O'ahu	1.00	44,724	1.00	44,724	A
UOH800	Transfer Nā Pua No'eau from System to the Community Colleges	2.00	107,396	2.00	107,396	A
UOH800	Transfer Hawai'i Promise from the CC to System.	-	(2,529,000)	-	(2,529,000)	A
UOH900	Transfer Hawai'i Promise from CCs	-	2,529,000	-	2,529,000	A

HB 1522 incorporates both the additional amounts requested in the Board of Regents' budget request as well the transfers. As such, HB2 HD1 should be further amended to include the following additions to the section provided above:

LHE - LOWER & HIGHER EDUCATION

1.	UOH100 - UNIVERSITY OF HAWAII, MANOA		40.00*	42.00*
	OPERATING	UOH	6,137,451A	6,633,694A
2.	UOH110 - UNIVERSITY OF HAWAII, JOHN A. BURNS SCHOOL OF MEDICINE			
	OPERATING	UOH	1,021,453W	1,021,453W
3.	UOH210 - UNIVERSITY OF HAWAII, HILO		15.00*	15.00*
	OPERATING	UOH	1,224,447A	1,258,447A
4.	UOH700 - UNIVERSITY OF HAWAII, WEST OAHU		9.00*	9.00*
	OPERATING	UOH	1,344,724A	1,344,724A
		UOH	-270,000B	-270,000B
5.	UOH800 - UNIVERSITY OF HAWAII, COMMUNITY COLLEGES		10.00*	10.00*
	OPERATING	UOH	-197,204A	-197,204A
		UOH	1,000,000W	1,000,000W
6.	UOH900 - UNIVERSITY OF HAWAII, SYSTEMWIDE SUPPORT		-2.00*	-2.00*
	OPERATING	UOH	21,206,758A	21,206,758A

In combination, the two above amendments constitute a total operating budget for the University. UH would prefer for its budget to reside with other departments in a general appropriations act. This can be accomplished by amending HB2 HD1 or SB126 by inserting these items.

We look forward to working with the Legislature to advance a budget that will enable UH to fulfill its mission to improve the social, economic, and environmental well-being of current and future generations through higher education.

Thank you for this opportunity to testify.



S E A C
Special Education Advisory Council
1010 Richards Street, Room 118
Honolulu, HI 96813
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov

LATE

February 22, 2019

**Special Education
Advisory Council**

Ms. Martha Guinan, *Chair*
Ms. Dale Matsuura, *Vice Chair*
Dr. Patricia Sheehey, *Vice
Chair*
Ms. Ivalee Sinclair, *Vice Chair*

Ms. Brendelyn Ancheta
Ms. Virginia Beringer
Ms. Deborah Cheeseman
Ms. Annette Cooper
Mr. Motu Finau
Mr. Sage Goto
Ms. Lindsay Heller
Dr. Kurt Humphrey
Ms. Tina King
Ms. Bernadette Lane
Ms. Kaili Murbach
Ms. Stacey Oshio
Ms. Carrie Pisciotto
Ms. Kau'i Rezentos
Ms. Rosie Rowe
Mr. James Street
Mr. Francis Taele
Mr. Steven Vannatta
Dr. Amy Wiech
Ms. Jasmine Williams
Ms. Susan Wood

Mr. Drew Saranillio, *liaison
to the Superintendent*
Dr. Bob Campbell, *liaison to
the military community*

Amanda Kaahanui, Staff
Susan Rocco, Staff

Senator Donovan M. Dela Cruz, Chair
Committee on Ways and Means
Hawaii State Capitol
Honolulu, HI 96813

RE: H.B. 2, H.D. 1 – RELATING TO THE STATE BUDGET

Dear Chair Dela Cruz and Members of the Committee,


The Special Education Advisory Council (SEAC), Hawaii's State Advisory Panel under the Individuals with Disabilities Education Act (IDEA), supports adding the Department of Education's base budget for fiscal biennium 2019-21 (deliberated in H.B. 1523) and additional funds and positions (deliberated in H.B. 1524) into H.B. 2, H.D. 1.

SEAC fully supports the Department's base budget and biennium request for additional funding. We received a briefing on the budget earlier this month from Assistant Superintendent and Chief Financial Officer Amy Kunz. We endorse the Department's alignment of the budget with strategic priorities and its efficient reprogramming of existing funds to that aim. Specifically, we support the funding of critically needed applied behavioral analysis (ABA) personnel and skilled nursing services through repurposing existing EDN 150 monies.

Furthermore, we appreciate the noticeable efforts to make the Department's budget process more transparent to families, legislators and other key stakeholders. We are hopeful that your committee will fully support the Department's biennium request to provide a safe, quality, and appropriate learning environment for all of Hawaii's public school students.

Thank you for the opportunity to provide testimony on this important budget legislation. If you have questions or concerns, please contact us.

Sincerely,


Martha Guinan
Chair


Ivalee Sinclair
Legislative Committee Chair



Kokua Council is one of Hawaii's oldest Senior Advocacy Group. **Kokua Council** advocates, informs, and educates to improve laws, policies and practices impacting the well being of seniors, their families and our community.

TESTIMONY

SENATE COMMITTEE ON WAYS AND MEANS

FEBRUARY 20, 2019 10:00 AM RM 221

RE: HB 2 HD1 RELATING TO THE STATE BUDGET

KOKUA COUNCIL CANNOT SUPPORT THIS BILL WITHOUT INCORPORATING ALL THE MAJOR KUPUNA CAUCUS FUNDING PROVISIONS INCLUDED IN ITS BASE. KOKUA COUNCIL ALSO SUGGESTS THAT \$20 MILLION (BOTH STATE AND FEDERAL \$\$) FOR THE MOST VULNERABLE OF SENIORS IS NOT ADEQUATE.

OF PARTICULAR CONCERN IS THE NEED TO ADD AT LEAST \$2 MILLION FOR THE KUPUNA CAREGIVERS PROGRAM

EFFORTS TO MODIFY THE PROGRAM BY LIMITING ITS ALLOCATION TO \$70 ONCE A WEEK WOULD VIRTUALLY ELIMINATE ITS PURPOSE AND EFFECTIVENESS, AND RELEGATE IT TO ONLY THOSE FAMILIES WITH SUBSTANTIAL RESOURCES.

CONSIDER THE PROFILE OF ELDERS AND CAREGIVERS ON OAHU:

According to the Elderly Affairs Division:

The average age of caregivers who receive services under the program was 59.

The Average Age of the elders they care for is 88.

The average number of ADLs is 4

The average number of IADLs is 7.

This suggests that the needs and frailty of the elders requires a lot more than \$70 once a week!!!

PLEASE FIND BELOW A SHORT REPORT AND UPDATE ON THIS PROGRAM

Kokua Council appreciated the leadership of this Committee and look forward to continued support for Kupuna.

**Sincerely
Jim Shon, President**

**SPECIAL REPORT ON THE STATUS OF THE KUPUNA CAREGIVERS
PROGRAM**

**(Based on information generated by the January 28, 2019 Kokua Council
Summit on Kupuna Caregivers)**

On January 28, 2019, the Executive Office on Aging, the City and County's Elderly Affairs Division, and Caring Across Generations reviewed what we know about the program, and how to promote and improve it.

2017 ACT 102

https://www.capitol.hawaii.gov/session2017/bills/HB607_CD1 .htm

FUNDING: Distress Among the Providers and the Vulnerable. Although the informal Kupuna Caucus has recommended \$2 million to fund the program, the Governor's budget did not reflect this, and the Chair of House Finance has questioned the effectiveness of the program and completely de-funded it in the Budget Bill: HB 2 HD1.

<https://www.capitol.hawaii.gov/session2019/bills/HB2 HD1 .HTM>

As a result, community providers of services to the vulnerable and their clients are filled with great concern, panic and stress. Providers who could be spending more time serving clients now must spend more hours at the Legislature trying to "save" the program. Employees hired by providers to implement the program find their jobs at risk. Intended or not, some proposals demonstrate an indifference as to the impacts that target the most vulnerable. HB 2 is similar to a government shutdown: Provider employees don't know whether they need to seek another job.

Last year the funding was \$600,000. (To put this into perspective, \$600K would, under our expensive procurement code, air condition just six DOE classrooms. An appropriation of \$2 million for Kupuna Caregivers, would air condition just 20 classrooms.)

STATEWIDE STATISTICS: As of December 2018, last year's funding of \$600,000 served 110 caregivers, or 112 clients. This is broken down by county:

Hawaii: 11 caregivers/ 11 clients;

Kauai: 8/8;

Maui: 22/23; and
Honolulu: 71/68.

TYPE OF SERVICES: For the State: there were:

Adult Day Care: 104;
Home Delivered Meals: 1;
Personal Care: 15;
In-Home Respite 3;
Homemaker: 4;
Chore: 1; and
Assisted Transportation: 2.

One reason for the preference for Adult Day Care is that the limit of \$70 per day corresponds more closely with receiving day-long adult day care, and conversely, other services, charging by the hour, are more expensive. On Oahu, there are eleven (11) providers of Adult Day Care at twelve sites.

CHALLENGES

- **No administrative support is funded, imposing more tasks on ADRC staff who are already busy implementing other Kupuna Care programs.**
- **Early premature promotion of the program without adequate public education led to a surge of interest and demand well before the program could begin, and well beyond its funding capacity.**
- **Late arrival of State guidelines and funds meant some ADRCs only had five months to implement the program.**
- **No ability to use family income and other supports to determine priorities.**
- **There are some federal guidelines that inhibit flexibility in crafting some ADRC programs. Thus, even though ACT 102 funds are all state money, when other programs are also accessed, this complicates the process.**
- **Overlap with other Kupuna Care services that are free.**
- **Caregiving is not always provided by just one working caregiver; thus, the assumed model may be too one-dimensional to take into account multiple support networks.**
- **No ideal profile of the age or status of a caregiver has been**

developed to assist ADRCs to identify priority clients for the limited funds.

- It is not completely clear which EOA program “guidelines” are hard wired to provisions of the law, and which are internal agency decisions. Suggestions to change some aspects of the program may or may not require legislative action.
- ACT 102 says until EOA adopts administrative rules for ACT 102, the rules for Kupuna Care can be guides – however there are no administrative rules yet for Kupuna Care.
- Public skepticism of legislators, including attempts to restrict funding to one client to \$70 a week undercuts the effectiveness of the program. No provider believes \$70 a week will be enough incentive to keep a caregiver in the workforce.

Top Five Kokua Council Priorities for 2019

1. **Funding, structure, and implementation of the Kupuna Caregivers Law.**
2. **More funds to serve more seniors** in other programs: Kupuna Care, ADRCs, etc.
3. **Less bureaucracy and timely payments** for vendors delivering Kupuna services.
4. **Condo legal and financial protections** for low income, vulnerable senior residents.
5. **Greater transparency and collaboration** in legislating, designing, and implementing policies, programs and practices impacting seniors & their families.

*To Contact Kokua Council, send emails to Jim Shon, President:
jshon@hawaii.edu.*



**Testimony to the Senate Committee on Ways and Means
Friday, February 22, 2019; 10:00 a.m.
State Capitol, Conference Room 211**

RE: COMMENTING ON HOUSE BILL NO. 0002, HOUSE DRAFT 1, RELATING TO THE STATE BUDGET.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **COMMENTS** on House Bill No. 0002, House Draft 1, RELATING TO THE STATE BUDGET.

The bill, as received by your Committee, would appropriate funds for the operating and capital improvement budget of the Executive Branch for Fiscal Years 2019-2020, and 2020-2021.

The HPCA wishes to share its concerns on Program ID HMS401 -- the Medicaid Program.

Over the past seven legislative sessions, the HPCA has urged the Legislature to appropriate additional funds to HMS401 for the reinstatement of adult dental Medicaid coverage, without success. As such, during the 2018 Regular Session, we offered an alternative solution for your consideration. Last year, we believed additional funds for fiscal year 2018-2019 were not necessary because it was our contention that there were sufficient resources within HMS401 to reinstate this essential benefit immediately.

Our position has not changed and we continue to assert that there are sufficient resources in HMS401 to reinstate the benefit immediately.

Based on our review of the Ige Administration's disclosures, it would appear that there are sufficient funds to reinstate this benefit immediately. Also, because this is the reinstatement of a pre-existing benefit, and that no additional statutory authorization is needed for DHS to reinstate the benefit, any subsequent change in resources for this benefit could be incorporated into the "base" budget so that future adjustments could be made citing "changes in utilization" as DHS did this year.

Furthermore, because of the scale of the appropriations in HMS401, DHS has more options at its disposal to ensure that funds are available for this benefit.

If the Legislature continues to find merit in DHS' plea for additional resources for the reinstatement of this benefit, we offer for your consideration this -- deny DHS's request to reduce the budget for fiscal year 2019-2020 in Line Item HMS401 by \$16,511,000 in general funds. This amount is more than what the Administration requested in all means of financing last year for the reinstatement of the benefit. If DHS believes it needs even more funding the following year, they can request it in the Supplemental Budget. However, at that time, DHS will need to reconcile their projected increases with the actual amounts spent and any **variance** with the previously budgeted amounts.

The House Committee on Finance appears to have incorporated DHS's request to cut \$16,511,000 into House Bill No. 2, House Draft 1 (**See**, page 17, line 19 of the bill.). We recommend that this amount be put back into HMS401 so that the appropriation for fiscal year 2019-2020 be the same as that approved pursuant to the Budget Act of 2018.

We propose that the language found in House Bill No. 2, House Draft 1, page 17, lines 18 through 24 be deleted and replaced with the following if and only if you agree with DHS that there is insufficient funds in HMS401 to reinstate the benefit:

<u>PROG .</u>	<u>PROGRAM</u>	<u>EXPENDING</u>	<u>FISCAL YEAR</u>	<u>MOF</u>	<u>FISCAL YEAR</u>	<u>MOF</u>
<u>ID</u>		<u>AGENCY</u>	<u>2019-2020</u>		<u>2020-2021</u>	
HMS401	OPERATING	HMS	944,108,598	A	982,477,598	A
			1,376,660	B	1,376,660	B
			1,803,909,546	N	1,803,909,546	N
			13,216,034	P	13,216,034	P
			6,781,921	U	6,781,921	U

We reiterate that it is our contention that there is more than enough funds in HMS401 as well as the authority to use these funds to reinstate the benefit without having to make this or any other change.

In addition, if your Committee is inclined to put back these funds into HMS401, to ensure that the \$16 million is used for the reinstatement of adult dental Medicaid coverage, we further suggest that proviso language be added to this bill.

To do this, we propose a new SECTION be added to the bill as follows:

"SECTION. . . Of the appropriations for health care payments (HMS401), \$16,511,000 in general funds or so much thereof as may be necessary for fiscal year 2019-2020, shall be expended only for the restoration of adult dental benefits which include preventative and restorative oral health services."

In closing, we greatly appreciate this opportunity to share our MANAO with you today. It is our hope that the Legislature will agree with our assessment and urge the Governor to reinstate this essential benefit immediately.

Should you have any questions, please do not hesitate to contact us.

Ben Dyre Family Limited Partnership

Po Box 40

Kilauea, HI 96754

Testimony of the Ben Dyre Family Limited Partnership

Supporting Funding for the Department of Land and Natural Resources

HB2, HD1 RELATING TO THE STATE BUDGET.

Senate Committee on WAM

Friday, February 22, 2019, 10:00 AM, Room 211

Thank you for your support of funding for watershed protection in Hawai‘i. Please help us continue that important work by again supporting the Department of Land and Natural Resources’ budget requests.

The Kauai Watershed Alliance (KWA) has been actively managing portions of the mauka watershed on Kauai since 2003. We as members make up a diverse group of public and private entities that own land within the mountainous watershed and understand the importance of protecting and preserving the forests that capture fresh water—our most precious resource.

We are honored to be a part of the KWA, as our family recognizes 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 and the future generations.

An investment made in our natural resources and native Hawaiian forested watersheds through supporting the Department of Land and Natural Resources is one of forward thinking as we all have the opportunity to protect these resources for generations to come. Our natural resources are more easily protected than restored, which would be at a great cost.

Mahalo for your consideration and support!

Warmly,

Holly Dyre

General Partner of the Ben Dyre Family Limited Partnership



Hawai'i Association of
Watershed Partnerships

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

February 19, 2019

Testimony from the Hawai'i Association of Watershed Partnerships
**Supporting Funding for the Department of Land and Natural
Resources' Watershed and Invasive Species Programs in SB126
and HB2, HD1 Relating to the State Budget**

Senate Committee on Ways and Means
Friday, February 22, 2019, 10:00 AM, Room 211

The Hawai'i Association of Watershed Partnerships (HAWP) supports funding for the Department of Land and Natural Resources' Watershed and Invasive Species Programs in SB126 and HB22, HD1. These funds support critical watershed protection projects that provide a multitude of benefits, both environmental and social.

HAWP comprises ten Watershed Partnerships across five islands, and works collaboratively with over 100 public and private landowners who own and/or manage more than 2 million acres of vital 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 140,000 acres (17%) of the State's priority watersheds currently fenced, actively managed, and effectively protected. But, continued funding and support is needed to meet the State's commitments toward watershed protection and the many irreplaceable benefits that result.

We appreciate the opportunity to comment on the State budget bills. If there are questions, please feel free to contact HAWP's Outreach and Education Specialist, Shelley Gustafson, at (808) 425-2237, shelley.gustafson@hawaii.edu or any of our 10 Watershed Partnership coordinators located across the islands: <http://hawp.org/contact-us/>.

Protecting and sustaining the forest, the water and the people of Hawai'i.

Testimony of The Nature Conservancy of Hawai'i
Supporting Funding for the Department of Land and Natural Resources'
Watershed and Invasive Species Programs in
S.B. 126 and HB2 HD1 Relating to the State Budget
Senate Committee on Ways and Means
Friday, February 22, 2019, 10:00 AM, Room 211

The Nature Conservancy of Hawai'i is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 40,000 acres in 13 nature preserves and work in over 30 coastal communities to help protect the near-shore reefs, waters and fisheries of the main Hawaiian Islands. We forge partnership with government, private parties and communities to protect forests and coral reefs for their ecological values and the many benefits they provide to people.

The Nature Conservancy supports the Department of Land and Natural Resources' operational and capital budget requests for:

WATERSHED MANAGEMENT (LNR172, 402, 407): Base general funding for forest management programs, plus \$5.583m in FY20 and \$4.992m FY21 in CIP funds for animal management fencing that provides long-term protection for watershed forests statewide.

INVASIVE SPECIES (LNR402): Base general funding, plus an additional \$1,000,000/year to the Hawai'i Invasive Species Council and 10 additional departmental positions to address pest threats to Hawai'i's economy, environment and quality of life, and an additional \$800,000/yr. to address the critical threat of Rapid 'Ōhi'a Death.



LEGACY LAND PROTECTION (LNR101): Requested spending ceiling increase of \$2,364,905 to help protect priority coastal, agricultural, historic, cultural, forest, and recreational resources.

AQUATIC RESOURCES (LNR153, 401, 805): Base general funding and staff support to address the health and productivity of Hawai'i's marine resources, including an aquatic resources program manager and three aquatic biologist positions.

CONSERVATION ENFORCEMENT (LNR405): Funding for the Division of Conservation and Resources Enforcement to convert temporary positions to permanent to operate the successful community fisheries enforcement units on four islands.

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.



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

Testimony of The Kauai Watershed Alliance
Supporting Funding for the Department of Land and Natural Resources
HB2, HD1 RELATING TO THE STATE BUDGET.
Senate Committee on WAM
Friday, February 22, 2019, 10:00 AM, Room 211

Thank you for your support for funding for watershed protection in Hawai`i. Please help us continue this important work by again **supporting the Department of Land and Natural Resources’ budget requests. (LNR172, 402, 407):** Base general funding for forest management programs, plus \$5.5M in FY20 and \$4.9M FY21 in CIP funds for protective (animal exclusion) fencing that provides long-term conservation of watershed forests statewide.

The Kauai Watershed Alliance (KWA) has been actively managing portions of the mauka watershed on Kauai since 2003. The Membership makes up a diverse group of public and private entities that own land within the mountainous watershed and understands the importance of protecting and preserving the forests that capture fresh water—our most precious resource.

The KWA currently has 13 miles of feral ungulate proof fence that protects 7,000 acres of priority designated watershed in Kauai’s mauka forests. The membership’s management plan identifies additional priority watershed areas in need of protection.

The DLNR Division of Forestry and Wildlife’s (DOFAW) along with the Watershed Partnerships across the State are grateful for your past and present support. Without funding the Legislature provides, significant work and progress would not have been accomplished.

Thank you for your consideration and support.

Kauai Watershed Alliance



ALEXANDER & BALDWIN
PARTNERS FOR HAWAII

Testimony of Tom H. Shigemoto
Supporting Funding for the Department of Land and Natural Resources

HB2, HD1 RELATING TO THE STATE BUDGET.
Senate Committee on WAM
Friday, February 22, 2019, 10:00 AM, Room 211

As a former member of the Kauai Watershed Partnership, thank you for the opportunity to submit testimony for SB 126. I strongly support funding for the Department of Land and Natural Resources and for Division of Forestry and Wildlife CIP funding - fencing \$5,579,000 for FY20 and \$4,888,000 for FY21 contained within this bill.


Our company has been a member of the Kauai Watershed Alliance since 2003 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.

McBryde Sugar Company Hawaii, LLC together with our sister company A&B Properties Hawaii, LLC, understands the urgency to maintain and preserve our native rain forests from the degradation caused by invasive species and feral animals. The funds that this and other bills provide will help to ensure that much of our precious natural resources are protected.

The DLNR Division of Forestry and Wildlife's (DOFAW) along with the Watershed Partnerships across the State are grateful for your past and present support. Without funding the Legislature provides, significant work and progress would not have been accomplished. Much work is still to be done!

Thank you for your consideration and support.

Sincerely,



Tom H. Shigemoto
Vice President

Lourdes Scheibert
920 Ward Ave #6D
Honolulu, Hawaii 96814

February 20, 2019

TESTIMONY
SENATE COMMITTEE ON WAYS AND MEANS
FEBRUARY 20, 2019 10:00 AM RM 221
RE: HB 2 HD1 RELATING TO THE STATE BUDGET

I am a Senior and a constituent of the State of Hawaii, I cannot support bill HB2 HD1 Relating to the State Budget without incorporating all the major Kupuna Caucus Funding provisions included in its Base.

Of particular concern is the need to add at least \$2 million for the Kupuna Caregivers Program to support the elderly who need care and their working families who are their support system.

Supporting these elderly programs create unintended benefits to our community.

The Judge and the Christian

My nephew in his younger days would bring home wounded dogs and cats nursing them back to health. At family gatherings he would be the barbecue grill cook. He loved to cook.

One day my nephew stood before a Judge for a misdemeanor. The Judge had to find a punishment to fit the crime or send him to jail. His punishment was community service delivering meals to the elderly for Meals on Wheels. He came to love the the people he served who couldn't wait until Derrick would deliver their meals because this was the only time they had someone to talk with. After he did his time, Derrick continued to deliver meals to now his elderly friends. At Christmas, we would help Derrick make little gifts for them.

Along the way he met a Pastor of a Christian Fellowship who asked if he could cook for their youth camp retreats for their troubled children. Derrick did and found his place he most enjoyed. Derrick became a Christian.

In a terrible accident Derrick passed away. I remember the day of his Celebration of Life, the Christian Hall was filled with people and others standing in the parking lot. The gathering of all these people showed our family the great number of lives that Derrick touched. Just because of the Judge.

Unintended Benefits

A Judge in his wisdom was able to use an elderly service to serve two purposes, help a young man and help an elderly in need. The moral to this beautiful story is the far reaching benefits that touched a wide range of people in our community is PRICELESS.

Please fund these elderly programs.

Thank-you,

Lourdes Scheibert



Mauna Kahālāwai
Watershed Partnership

P.O. Box 13240

Lahaina, Hawai'i 96761

Phone (808) 661-6600

Fax: (808) 661-6604

Westmauiwatershed.org

Watershed Partners

County of Maui

Hanaula Ranch, LLC

Ka'anapali Land
Company, LLC

Kahoma Land, LLC

Kahoma Land
Holdings, LLC

Kamehameha Schools

Makila Land Co., LLC

Maui County
Department of Water
Supply

Maui Land & Pineapple
Company Inc

State of Hawaii
Dept. of Land & Natural
Resources

The Nature
Conservancy

Tri-Isle RC&D

U.S. Fish & Wildlife
Service

Wailuku Water Co. LLC

Mauna Kahālāwai Watershed Partnership

February 18, 2019

Supporting Funding for the Department of Land and Natural Resources' Watershed and Invasive Species Programs in SB126 and HB2, HD1 Relating the State Budget

Senate Committee on Ways and Means
Friday, February 22, 2019, 10:00 AM, Room 211

Aloha Legislators,

The Mauna Kahālāwai Watershed Partnership supports the Department of Land and Natural Resources' budget request in **SB126** and **HB2, HD1** for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities. Please also see testimony in support of provisions within this bill by Department of Land and Natural Resources Chairperson, Suzanne Case.

These provisions will provide critical operating funds for watershed protection. The CIP request will help protect prime watershed lands in Honokohau and Olowalu and limit further invasive species degradation costs in the long term. The more we protect now from impacts, the less we will have to reforest or remove spreading invasive species later.

Since our beginning in 1998, we have constructed over 23 miles of fence which allows us to actively manage 29,000 acres of prime source water recharge areas. We have seen firsthand and proven how our work is allowing the forest to recover. Moving forward, we need support to fence and prevent further degradation to the remaining 39% of prime watershed lands. These lands and their native cover capture rain and cloud moisture and deliver it efficiently to aquifers and surface water sources. Subsequent consumption enhances every aspect of our daily lives and benefits all sectors of our island economy. Further, these funds are leveraged at least 3 times over with county, federal and private sources to further stimulate our economy and provide local jobs.



KAHUKU MEDICAL CENTER

Testimony from Alan MacPhee, CEO
Kahuku Medical Center
For the Committee on Ways and Means
Friday, February 22, 2019
Re: SB 126
Re: HB 2

Kahuku Medical Center Biennium Budget Request (HTH 211)

In fiscal year 2019, Kahuku Medical Center received \$1,800,000 in general fund appropriations and no funding for the much needed capital improvement projects for our aging hospital. Kahuku Medical Center is requesting additional general fund appropriations for fiscal year 2020 and fiscal year 2021 of \$1,600,000. These additional requests are to fund wage increases and operational needs so that Kahuku Medical Center can continue to be competitive for healthcare workers and increase revenues and operating efficiencies.

In recent years, Kahuku Medical Center has survived financially by keeping salary and wages well below market rates for similar positions. Until recently wages were 30% to 50% below market rates. During this period Kahuku Medical Center was recognized nationally as one of the top 20 critical access hospitals in the country. This is a testimony to the loyalty of our employees. However, this cannot continue as we strive to improve operational and financial performance. To meet the healthcare needs of our community we will need to expand our workforce. We need to pay higher wages.

This will be an ongoing expense increase, however, we anticipate improvements in financial performance to provide the funding required to continue paying these necessary wage and salary increases.

With the continued growth of the North Shore and being the only healthcare facility within 55 miles, Kahuku Medical Center has never been a more important provider of healthcare services and we appreciate your investment in our community.



CATHOLIC CHARITIES HAWAII

TESTIMONY ON HB 2 HD1: RELATING TO THE STATE BUDGET
Support for funding for: Homeless Services in the Base Budgets of
Department of Human Services and Department of Health

TO: Senator Donovan Dela Cruz, Chair, Senator Gilbert Keith-Agaran, Vice Chair,
and Members, Committee on Ways and Means
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii
Hearing: **Friday, 2/22/19; 10:00 am; CR 211**

Thank you for the opportunity to provide testimony **in strong support of funding to preserve the current levels of appropriations for all homeless services provided now in the base budget. These ongoing services create a foundation to end homelessness.** They are making a significant impact on ending homelessness in Hawaii. I am Betty Lou Larson, 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 70 years. CCH has programs serving elders, children, youth, families, 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 2019.

The current base budget provides a foundation of services that network and are successfully turning around years of increases in homelessness. The statewide Point in Time count **has decreased by almost 18% since 2016**. This network of services currently funded in the base budget include programs which have been reorganized to more strongly focus on navigation into permanent housing. Current base budget funded services include:

- Shelter, homeless outreach, and prevention/diversion like the State Homeless Emergency Grant Program in the Department of Human Services.
- LEAD (Law Enforcement Assisted Diversion), outreach for unsheltered individuals with addiction, and AMHD homeless outreach services in the Department of Health.

To end homelessness, we need to preserve these programs as the foundation to move people off the streets and into permanent housing. To move people more rapidly off the streets, we urge the State to also expand the Base Budget to include data driven, proven program that fill in the gaps and provide a comprehensive system to both prevent and end homelessness. **Housing First, Rapid Rehousing, Kakaako Family Assessment Center**, and additional **Outreach and civil legal services** are key programs in our fight to end homelessness. Housing First in Hawaii has a 92.5% retention rate vs. the national success rate of 80%. The state saves an estimated \$6,197 PER MONTH just in medical costs for EACH chronic, high need disabled homeless person placed into Housing First. This is a estimated 75% DROP in health care costs, per research by the UH Center on the Family. **301 projected Housing First participants would save the State an estimated \$22 million per year in medical costs alone.**

Thank you for your dedication to funding effective programs to end homelessness. We urge your support in the Base Budget for this network of services. Please contact me at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.





PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

Testimony in Support of HB2 HD1: Relating to the State Budget

Support for funding for Homeless Services in the

Base Budgets of Department of Human Services and Department of Health

TO: Committee on Ways and Means

FROM: Partners in Care (PIC)

HEARING: Friday, February 22, 2019 at 10:00 a.m., Conference Room 221

Dear Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the Committee on Ways and Means:

Thank you for the opportunity to provide testimony in **strong support of funding to preserve the current levels of appropriations for all homeless services provided now in the base budget. These ongoing services create a foundation to end homelessness.** Partners in Care (PIC)—a coalition of more than 50 organizations working to address homelessness—supports this portion of the bill because it would make permanent a position that is key to coordinating the work of the many stakeholders in Hawai'i working to address homelessness.

If we want to turn the tide on homelessness, two things are key: (1) we need to continue to improve the efficiency with which we use our resources; and (2) we need to make sufficient resources available on a consistent basis.

With respect to improving efficiency, we've seen significant improvements in recent years. Years ago, a family facing homelessness would arrive at service provider's door and receive whatever the provider had to offer whether or not it was the best suited service for the situation. Or the family might be sent away with only a list of other providers and a prayer that one of them could help. Today, regardless of which provider's door they knock on, families are assessed and matched with the services and providers that can best address their particular situation.

Efficiency is critical, but **even the most efficient system cannot address a problem of this magnitude without consistent commitment of sufficient resources.** Last year, the legislature demonstrated the type of investments we need to be making to address Hawai'i's housing and homelessness crisis, appropriating \$30 million for the Ohana Zones program and \$13.5 million for core homelessness services programs—a \$43.5 million combined investment. The magnitude of this investment is a huge step in the right direction, but we must keep making big steps toward a solution. **Ideally, we would increase the base budget allocations for homelessness services by an additional \$16.5 million to ensure stability in funding for programs we know are working** that have been receiving regular annual appropriations in recent years—those included in SB471 that have been referred to your committee for consideration (evidence-based programs such as Housing First and Rapid Rehousing). **At minimum, we need to ensure that the funding for homelessness programs already in the base budget remain there.** We need to do all we can to provide stability in funding that allows service providers to plan long term and more efficiently use these resources.

PARTNERS IN CARE, OAHU'S CONTINUUM OF CARE

200 North Vineyard • Suite 210 • Honolulu, Hawaii 96817 • www.PartnersinCareOahu.org

Current base budget funded services include:

- Shelter, homeless outreach, and prevention/diversion like the State Homeless Emergency Grant Program in the Department of Human Services.
- LEAD (Law Enforcement Assisted Diversion), outreach for unsheltered individuals with addiction, and AMHD homeless outreach services in the Department of Health.

Attached to this testimony is a list and explanation of all the homelessness programs that merit inclusion in the base budget because we know they work and they will work best and most efficiently if provided with stable funding (with a total allocation of \$16.5m for those programs).

Thank you for your dedication to funding effective programs to end homelessness. We urge your support in the base budget for these services, which are critical to gaining ground on our homelessness crisis.

Outreach: Without outreach services, we could not connect people to the proven effective programs such as Housing First that bring them out of homelessness. Outreach teams connect those on the streets—youth, families, kupuna, adults, and people suffering from mental illness—to all available housing options: Emergency Shelters, Transitional Shelters, Housing First, Rapid Rehousing with rent stipends, and/or treatment (i.e., substance use). For many chronically homeless mentally ill persons, it can take 50 or more individual outreach contacts spread out over several months or even years to build up trust and move them off the streets. Outreach teams may also do wound care, distribute hygiene kits or snacks, and offer to obtain identification documents.

Rapid Rehousing: Rapid rehousing is designed to help individuals and families exit homelessness quickly and return to permanent housing by providing, rental stipends, assistance in finding housing, and case management services. The Urban Institute released a 2018 report that found Rapid Rehousing to be successful in helping families and veterans to move into housing units in the private rental market faster than they would on their own and for a lower cost. Most do NOT become homeless again, although many struggle with ongoing housing affordability, like many other low-income renters. According to the report, “Rapid Rehousing could be a scalable and cost-effective crisis response intervention that could help communities address homelessness more effectively.” This is a program that works, and it should be consistently and adequately funded.

Housing First: Housing First targets chronically homeless individuals and families with disabling conditions (mental health, substance use, and physical disabilities). It provides subsidized housing, case management services, and other support services. According to a UH Center on the Family study, Housing First saves an estimated \$6,197 per month in health care costs alone, for **each** homeless participant in Housing First. For a projected 301 participants, that could add up to over \$22 million **each** year in savings. On average nationally, the Housing First program has kept its clients in permanent housing 85 percent of the time, and local data suggests an even higher success rate in Hawaii.

LEAD: LEAD (Law Enforcement Assisted Diversion) is a pre-booking diversion program that grants police officers the discretionary authority to redirect low-level offenders – typically drug-involved and homeless - to case managers if they choose to do so. Twenty-eight percent of Hawaii’s unsheltered homeless individuals identify as having substance use disorders. A pilot project funded by the Legislature in 2017 is showing promise in breaking the ineffective, destructive, and expensive revolving cycle of arrest, incarceration, release, and back to addiction and the streets. In 2018, the program was expanded from Oahu to Maui and Hawai‘i Island.

Family Assessment Center: The Family Assessment Center (FAC) in Kakaako has had tremendous success. . The Kakaako FAC moves families off the streets in 77 days (average). One-hundred percent of the families have remained in permanent housing. The much-needed capacity provided by the FAC in Kakaako is also needed on neighbor islands and in other areas of Oahu, and the 2018 legislature appropriated funding for an additional FAC on a neighbor island.

CSHI: CSHI (Coordinated Statewide Homelessness Initiative) provides a one-time cash infusion for people on the cusp of homelessness. In just eighteen months of operation in 2016, at a total cost of \$3.7 million, CSHI helped 4,944 individuals retain housing or obtain a housing placement. The program was credited as playing a significant role in a 25% reduction in evictions on Oahu. According to judges, property managers, and eviction attorneys, the program had a dramatic and immediate effect on the prevention of evictions. In 2018, a \$1.5 million appropriation



KAMEHAMEHA SCHOOLS®

Senate Committee on Ways and Means

Time: 10:00 a.m.

Date: February 22, 2019

Where: State Capitol Room 211

TESTIMONY

By Ka'ano'i Walk

RE: **HB2, HD1, Relating to the State Budget**

E ka Luna Ho'omalua Dela Cruz, ka Hope Luna Ho'omalua Keith-Agaran, a me nā Lālā o ke Kōmike o nā Loa'a a me nā Ho'olilo o ka 'Aha Kenekoa! My name is Ka'ano'i Walk, the Senior Policy Analyst for Kamehameha Schools.

Kamehameha Schools is in **support** of HB2, HD1, relating to the State Budget, which appropriates funds for the operating budget of the Executive Branch for fiscal years 2019-2020 and 2020-2021. Kamehameha Schools strongly supports the following:

Public Pre-K continuation and expansion for the Hawai'i public charter schools and the Executive Office of Early Learning (EOEL) public Pre-K classrooms. Currently these preschools serve a high percentage of economically disadvantaged students and both have shown positive growth in developmental and learning needs. Public Pre-K provides an important opportunity for all of our keiki to enter Kindergarten well prepared for their future educational journey. *Without these funds, over 730 4-year olds across Hawai'i will be displaced.*

We know that more than eighty-five percent of brain development occurs from the time of birth to the age of five. Enrollment in school readiness programs, like the operating eighteen public charter school Pre-K classrooms and the new twenty-two EOEL Pre-K classrooms, prepares all keiki to learn cognitively, linguistically, socially, emotionally, and physically.

Secondly, funding of facilities for public charter schools is essential because it ensures that public charter schools can fully provide a quality educational experience in the K-12 educational offerings as well as its public Pre-K programming.

We have been a collaborator with the Hawai'i public charter schools for over a decade and recognize that facilities funding continues to be the top priority need for Hawai'i's public charter schools. Mahalo for the opportunity to testify in support of increased funding for early learning and funding for charter school facilities.

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community

success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership.

‘A‘ohe hana nui ke alu ‘ia. No task is too large when we all work together! Mahalo nui.



Senate Committee on Ways and Means
Friday, February 22, 2019, 10:00AM, Room 211

Testimony of the *Coordinating Group on Alien Pest Species*
Supporting Funding for the Department of Land and Natural Resources'
Watershed and Invasive Species Programs
in HB 2 HD 1 Relating to the State Budget

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members,

The Coordinating Group on Alien Pest Species (CGAPS) **is in support of HB 2 HD 1, Relating to the State Budget.** The aim of this measure is to make appropriations for operating and capital improvement budgets for FY 2019-2020 and 2020-2021. These appropriations will support the Department of Land and Natural Resources watershed and invasive species programs and Hawaii Department of Agriculture's Plant Quarantine Branch, all of which are vital to protecting Hawaii's natural resources. Some of the highlighted line items include:

- **Natural Area Reserves and Watershed Management (DLNR):** This funding will provide long-term protection of forested watersheds across the State.
- **Plant Quarantine Detector Dog Kennels and Training Facility (HDOA):** This funding will establish new kennels and a training facility on Oahu for the detector dog program aimed at early detection of high-risk invasive species like the Brown Treesnake and Coconut Rhinoceros Beetle and 4 technician positions to manage the new electronic manifest database.
- **Native Resources and Fire Protection Program (DLNR):** This funding will create 10 new invasive species technician positions within the Division of Forestry and Wildlife as outlined in the Hawaii Interagency Biosecurity Plan, support the construction of a coqui frog barrier fence on Maui, and direct funding to invasive species programs allocated by the HISC. This funding will also continue the multi-agency response to Rapid 'Ōhi'a Death (ROD).

We would like to call your attention to the DLNR's critical role in the response efforts to the two fungal pathogens causing ROD that continue to spread on Hawaii Island and both pathogens were confirmed on Kauai last year. Funding provided by the Legislature for ROD is critical for leveraging federal and other non-state funds for research and field work necessary to prevent, monitor, and manage the spread of the disease as well as seek means for controlling it. The total need for this work, including work on Kauai, is \$3.2 million for each FY 20 and FY 21. We ask for additional funding to continue the response on Hawaii Island and Kauai which is outlined in the ROD Strategic Response Plan (see <https://www.ctahr.hawaii.edu/dl/rod/strategicresponseplanfinal.pdf>).

We encourage the committee to support this measure. Mahalo for your consideration.

Aloha,
Chelsea Arnott
CGAPS

LATE

Testimony of *JC Watson*

Supporting Funding for the Department of Land and Natural Resources'

Watershed and Invasive Species Programs

in SB126 and HB2, HD 1 Relating to the State Budget

Senate Committee on Ways and Means

Friday, February 22, 2019, 10:00AM, Room 211

Thank you for your support of funding for watershed protection and invasive species response in Hawai'i. Please help us continue that important work by again **supporting the Department of Land and Natural Resources' budget request for watershed management, CIP fencing work, and invasive species prevention, control, research, and education programs and activities.**

As a resident of citizen of Oahu and resident of Mānoa Valley, I can first hand attest to the importance of maintaining our water supply and the need to reduce impacts caused by introduced species. I have witnessed our forests being overtaken by aggressive alien species such as feral hogs and albizia trees, and am sad to think that they will continue to degrade without intervention. The work of our state Watershed Partnerships and invasive species response teams is paramount as they directly impact the health and overall water giving aspects of the native forests that we all so desperately rely on.

The source of fresh water is not the faucet, pipe, or even the well or stream it's drawn from. The real source is a system of healthy forested watersheds, not forests overrun by invasive plants and animals, which capture rain and cloud moisture and deliver it efficiently to aquifers and surface sources for subsequent consumption in our daily lives.

Thank you for your support.

Sincerely,



Mr. JC Watson