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TESTIMONY ON SENATE BILL 1116
A BILL RELATING TO RELATING TO THE STATE BUDGET

PRESENTATION TO
COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS

BY

MAJOR GENERAL KENNETH S. HARA
ADJUTANT GENERAL AND DIRECTOR OF STATE EMERGENCY MANAGEMENT AGENCY

FEBRUARY 4, 2021

Chair Clarence Nishihara, and Vice Chair Kalani English, and Members of the Committee.

I am Major General Kenneth S. Hara, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in **SUPPORT** of Senate Bill 1116.

Thank you for the opportunity to provide written testimony on behalf of the Department of Defense which supports SB1116, Making Emergency Appropriations to the Department of Defense Relating to COVID-19 Expenditures.

Highlights of the Emergency Appropriation request funding for the States Safe Travels Program, Call Center Operations, National Guard state match requirements to federal funding, procurement, storage and distribution of personal protective equipment.

The department changes the overall request from our original Emergency Appropriation request from \$25, 545,290 to \$13,602,351. The following is the breakdown of the budget request:

The Safe Travels Hawaii funding of \$9,394,908 to \$8,413,549,

Call Center Funding from \$600,000 remains the same,

Funding for National Guard support from \$22,500 to zero,

Screeners tablets for \$90,000 to zero (Included in Safe Travels funding),

PPE/Warehousing/Distribution from \$15,427,882 to \$4,588,802

Reductions are based on new projection based on actual expenses and the anticipation that Hawaii National Guard funding through this state fiscal year will be 100% federally funded.

Thank you for the opportunity to support SB1116. If you have any questions or need additional information to our response, please contact our administrative services officer Rusty Spray at (808) 726-5599 or at rusty.spray@hawaii.gov

Senator Clarence K. Nishihara, Chair
Senator J. Kalani English, Vice Chair
Senate Committee on Public Safety, Intergovernmental, and Military Affairs

Testimony of Jame K. Schaedel

Thursday, February 4, 2021

Comments on Senate Bill No. 1116 - Making Emergency Appropriations to the Department of Defense Relating to COVID-19 Expenditures

WRITTEN TESTIMONY ONLY

Thank you for the opportunity to offer comments on Senate Bill No. 1116. This bill would:

- Appropriate ~\$9.3 million to the state Department of Defense (DOD) for the Safe Travels Program, transferring responsibility of this program from the state Department of Transportation (DOT) - Airports Division to DOD;
- Appropriate \$600,000 to DOD for a call center at the Convention Center for the Safe Travels Program;
- Appropriate \$22.5 million to DOD for costs related to the activation of the Hawaii National Guard;
- Appropriate \$90,000 to DOD for data service for tablets used at airports to screen travelers;
- Appropriate ~\$15.4 million for personal protective equipment (PPE) for schools and other state agencies;
- Authorizes the Governor to transfer the aforementioned appropriations to other state agencies, “as deemed necessary;” and
- Authorizes the Governor to transfer excess funds appropriated to the state DOD to his contingency fund, “as deemed necessary.”

I offer this testimony as a private citizen.

The State of Hawaii has expended significant sums of money to address the COVID-19 pandemic. Many costs have been reimbursed by the federal government, a trend which is expected to continue.

I offer the following amendments to ensure the state's very limited general funds are appropriated and expended appropriately:

- **A clause should be added to SECTION 5 of the bill limiting the transfer of these funds to the Governor's contingency fund. It is very likely that Title 32 U.S.C. or State Active Duty (SAD) activation of the Hawaii National Guard will continue to be reimbursed by the federal government to address costs associated with the state's response to the COVID-19 pandemic. Unexpended or reimbursed funds should lapse back to the general fund. These funds should not be allowed to transfer to a fund upon which the Governor can exempt procurement from said fund utilizing his emergency powers, without question.**
- **SECTION 6 should be removed from this bill. DOD should have included or anticipated this request in their operating budget request in House Bill No. 200 and Senate Bill No. 1229, since it is an ongoing cost.**
- **A new audit and/or report to the Legislature SECTION should be added to this bill to account for how funds were expended, procurements conducted, and transfers to the contingency fund made. The audit and/or report should be submitted to the Legislature 30 days prior to the convening of the Regular Session of 2023.**

These are trying times. Public workers and their unions are indirectly given veiled threats, but are left without any answers, nor any long-term solutions. These threats include possible furloughs, layoffs, and reductions-in-force to balance the budget. Unions speculate and send e-mails to their membership, but many of those e-mails are based on assumption, rumor, and hearsay.

Public workers, essential workers in state and county government, who provide essential services, such as processing unemployment claim applications and certifications for those in need in our state are irrelevant to that guy on the 5th Floor. THE decision-maker on the 5th Floor of the State Capitol has ignored them. He provides zero guidance, zero hope to those in need in our struggling state as evidenced during his lackluster State of the State Address before you last month.

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

Thursday, February 4, 2021

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However, this same, supposedly calculative leader, has the audacity to ask this esteemed Legislature to ask for the authority to transfer unencumbered monies, unspent by the DOD, to a contingency fund that the omnipotent one with an office on the 5th Floor is allowed to expend from freely. HEWA!

I believe there are good components to this bill, especially those that provide PPE to those that work in our state's struggling public schools. However, the Legislature should provide requirements, checks and balances, to ensure our limited general funds are spent wisely. I humbly ask that your Committee consider my amendments to this bill, with a recommendation for passage on Second Reading.

Respectfully,

Jame K. Schaedel
Kailua-Kona, Hawaii