

Legislative Update 2011

House District 45: Waianae, Makaha, Makua - May 2011



Aloha Neighbors,

The 2011 legislative session recently closed, and the purpose of this newsletter is to inform you about some of the important measures that have become law or are poised to become law.

The critical challenge this year was balancing the state's budget in light of a \$1.3 billion budget shortfall on top of the past two years combined \$3.3 billion shortfall. We ensured that primary educational, health and safety services were maintained by reducing government spending and without raising the GET or income taxes. The budget and other measures are discussed inside.

During the next few months, I plan to reach out to you either in person or through various forms of media. I also plan to bring state officials into our community to address your concerns. With your help and support, we will continue to improve our neighborhood and community, and continue to move our state in the right direction.

I remain humbled and honored to represent you. Please feel free to contact me if I can be of assistance.

Mahalo,



Jo Jordan,
District 45 Representative

Community Receives \$9.5 Million in New Projects

Although funding was tight this year, I am glad to report that our district is fortunate to be receiving funds for a number of projects that will improve our community. The funding for flood mitigation on Farrington Highway and Lahilahi Street and in Lualualei are aimed at finally addressing challenges that have burdened our community for several years and were especially problematic with the heavy rains experienced earlier this year. Additionally, the fiscal year 2012-2013 funds for Kamaile Elementary School for electrical upgrades and other improvements appropriately follows Governor Abercrombie's release of nearly \$15 million dollars of CIP funds for various schools including Leihoku Elementary, Makaha Elementary, Waianae Elementary, Waianae Intermediate, and Waianae High Schools. Below is a list of projects that were funded by the Legislature this year:

\$500,000—Waianae, Pearl City and Kaneohe Baseyards washdown rack installations. Construction will include a water recycling unit, steam pressure washers, and a concrete pad for compliance with DOH regulations.

\$1,700,000—Farrington Highway, Makaha Bridges No. 3 and No. 3A replacement. Additional construction will include sidewalks, bridge railings, and other improvements.

\$1,000,000—Farrington Highway, Lahilani Street design and construction for flood mitigation system.

\$800,000—Kamaile Elementary School construction for electrical upgrades, ground and site improvements, and equipment and appurtenances. This will be for FY2012-2013.

\$3,000,000—Leeward Community College Waianae Education Center. Including plans, land acquisition, design, construction and equipment for the education center.

\$2,000,000—Lualualei Flats/Puhawai Stream construction for flood mitigation.

\$500,000—Waianae Small Boat Harbor improvements, including ground and site improvements, equipment and appurtenances.

Go Paperless!

Check out my online newsletter at <http://capitol.hawaii.gov/session2011/members/house/memberpage.aspx?member=jordan> or email me at repjordan@capitol.hawaii.gov and title the email, "send me your e-newsletter." I'll add you to my email list and you'll get all future Newsletters sent straight to your email, not to your mailbox.

Thanks for doing your part to save the trees.

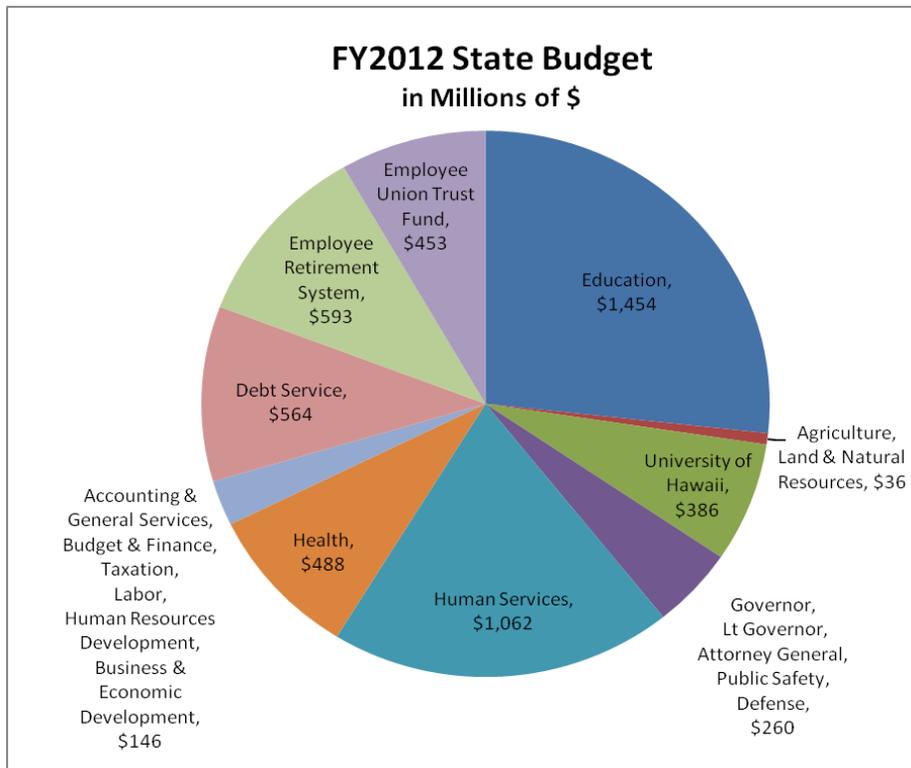
Legislative Action

The State Budget

The legislature passed the State Budget, which appropriates over \$5 billion in general funds and \$11 billion in all means of financing for each fiscal year of the biennium. This budget confronted a large shortfall estimated at \$1.3 billion, which follows 2 consecutive years of budget shortfalls totaling \$2.1 billion and \$1.2 billion, respectively. This was a significant achievement given that the budget shortfalls over the past 3 years are almost equal to the total general fund spending of \$5 billion appropriated this fiscal year.

Budget Breakdown

The guiding principles for the biennium budget were to first identify and support the state's core functions – those programs and services that the state should be providing – and second to make strategic investments in people and programs that encourage economic growth, lower long-term future costs, and provide meaningful public services. Toward this end, the House proposed several budget adjustments, such as \$200 million to end furloughs. The budget also reflects labor savings of \$88.2 million per year through collective bargaining agreements. Additionally, the House and Senate evaluated reductions of state programs that they proposed in their draft budgets in order to reach agreement on this final version of the budget. This budget also includes a lump-sum reduction of \$50 million per year to provide the Governor with maximum flexibility to allocate the reduction among the executive branch of government. Finally, this budget funded several of the Governor's requests for additional resources. However, not all of his requests could be accommodated. Altogether, the legislature's adjustments to the executive budget have resulted in a reduction of \$618.6 million over the fiscal biennium, nearly half the amount



needed to close the budget gap.

Other measures passed this year are aimed at generating revenue to meet the remaining shortfall. In conclusion, this budget is a major component of the solution to the severe financial situation facing the State of Hawaii.

Generating Revenue

REPEAL GENERAL EXCISE TAX (GET) EXEMPTIONS, SB 754 - Generate \$385.8 million by repealing some GET business exemptions for 2 years.

TRANSIENT ACCOMMODATIONS TAX (TAT) and HAWAII TOURISM AUTHORITY (HTA) CAP, SB 1186 - Caps the counties' share of the TAT until 2015 generating \$40.4 million and caps the TAT going to the HTA generating \$34.9 million.

RENTAL VEHICLE SURCHARGE, HB 1039 - Generate \$60 million by increasing the rental vehicle surcharge for one year.

NON-GENERAL FUND TRANSFERS, SB 120 - Transfers \$38 million from special funds to the general fund.

Health & Human Services

HEALTH CARE PAYMENTS, SB 1292

- Makes emergency appropriations of \$57 million in general revenues and \$96 million in federal Medicaid funds as a federal match for fiscal year 2010-2011 to ensure the uninterrupted provision of medically necessary services to low-income adults and children.

DEPT. OF HUMAN SERVICES, SB 1293 - Makes emergency appropriations of \$11 million for cash support for families with dependent children and \$45 million for work program services and maintenance of effort contracts for fiscal year 2010-2011.

GRANDPARENT VISITATION, HB 56 - Permits the family court to award reasonable visitation to grandparents if the denial of visitation would cause significant harm to the child.

INTELLECTUAL DISABILITIES, HB 761 - Changes references in the Hawaii Revised Statutes by substituting "intellectual disabilities" wherever the term "mental retardation" appears.

More Legislative Action

Education

APPOINTED BOARD OF EDUCATION, SB 8 - Strengthens educational governance by providing implementing legislation for the constitutional amendment ratified by voters in November 2010, requiring that the Board of Education consist of members appointed by the Governor with the advice and consent of the Senate.

INSTRUCTIONAL TIME, HB 945 - Implements the minimum student school year and instructional hours requirements in a feasible and fiscally responsible manner.

CHARTER SCHOOLS, SB 1174 - Requires charter school budget requests for needs-based facilities funding to include a detailed explanation as to the formula used and the funding request breakdown by school. The bill also requires charter schools and their local school boards to develop internal policies and procedures consistent with ethical standards of conduct.

EDUCATION OF STUDENTS WITH DISABILITIES, SB 1503 - Requires accreditation within a certain time for certain private school or programs that accept students with disabilities who receive state funding.

Environment

GREENWAYS and TRAILS, HB 1405 - Requires the Office of Planning to establish a statewide system of greenways and trails.

SUSTAINABILITY, SB 283 - Incorporates the definitions and guiding principles of the Hawaii 2050 sustainability plan into the Hawaii state planning act.

OUTDOOR LIGHTING, SB 1493 - Protects the State's valuable night sky resource by requiring every new and replacement outdoor light fixture to use full-cutoff fixtures to direct the lighting downward, with certain exceptions.

Consumer Protection

MORTGAGE FORECLOSURES, SB 651 - Implements a comprehensive strategy to reform the foreclosure process by providing protections for homeowners in foreclosure or at-risk of foreclosure. The bill provides for a moratorium on nonjudicial foreclosures (part I), establishes a temporary mortgage foreclosure dispute resolution program for owner-occupants, authorizes conversion from nonjudicial to judicial foreclosure, amends sections relating to mortgage servicers and the nonjudicial foreclosure process, and prohibits deficiency judgments in certain situations.

AUTOMATIC RENEWAL CLAUSES, HB 663 - Require automatic renewal clauses in consumer contracts be clearly disclosed, as well as how the contract can be cancelled, with specific notification requirements for contracts with terms of 12 months or more.

Crime

DOMESTIC ABUSE; TEMPORARY RESTRAINING ORDERS, HB 968 - Allows a temporary restraining order to remain in effect for up to 180 days or until the protective order's effective date in order to provide greater protection for victims of domestic abuse and specifies when protective orders orally stated by the court shall be effective.

LABOR TRAFFICKING, HB 141 - Establishes Class A and B felony offenses for labor trafficking, an offense for nonpayment of wages, and an offense for unlawful conduct with respect to documents in order to protect and aid victims of trafficking.

PSEUDOEPHEDRINE TRACKING, SB 40 - Establishes an electronic tracking system for the sale of pseudoephedrine to further control access to help limit use in the illegal manufacturing and sale of methamphetamine.

Waianae High and Leihoku Elementary Students Visit the Capitol



5th Graders from Leihoku Elem.



Leihoku students ask me questions.



Students from Waianae High's Business & Human Services academies.



More 5th Graders from Leihoku Elem.

Legislative Wrap Up & Community News

Hawaiian Affairs

HAWAIIAN HOME LANDS LESSEES; LOANS, SB 1290 - Increases the limits of the State's liability from \$50 million to \$100 million for moneys borrowed by the Department of Hawaiian Home Lands (DHHL) or loans made to lessee-beneficiaries that are guaranteed by DHHL in order to enhance DHHL's ability to deliver homesteads and home ownership opportunities to beneficiaries.

NATIVE HAWAIIANS; RECOGNITION, SB 1520 - Establishes a five-member Native Hawaiian roll commission to prepare and maintain a roll of qualified Native Hawaiians and requires the commission to publish the roll to facilitate commencement of a convention for the purpose of organization as a step in the continuing development of a reorganized Native Hawaiian governing entity and, ultimately, the federal recognition of Native Hawaiians.

OFFICE OF HAWAIIAN AFFAIRS; LANDS CONTROLLED BY THE STATE, HB 397 - Requires more specificity in all concurrent resolutions for the review of proposed exchanges, sales, or gifts of state land, including whether the land was classed as government or crown lands.

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) REPORTING COMPLIANCE - In response to a resolution I introduced, HCR 168—Requesting a Management and Financial Audit of the HPHA, the HPHA is in the process of carrying out its accounting and reporting requirements mandated by Act 178, passed in 2006. This resolution was prompted by an Office of Hawaiian Affairs (OHA) briefing where I learned that certain State agencies failed to submit accounting reports required by Act 178, in which State departments or agencies that collect receipts from public trust lands are required to determine and transfer to OHA that portion of their receipts from the use of public trust lands collected during each fiscal quarter.



Rep. Jordan with Ronie Low, a Waianae resident who was honored for her many years of service in the House.

Three Resolutions Adopted

Of the 5 resolutions I initiated, 3 were adopted this session. **HR 226** requests that the Department of Land and Natural Resources conduct a study of private boating facilities to determine the feasibility of generating revenue from commercial operations occurring at or from these facilities. **HCR 166** requests the auditor to conduct a study regarding the transfer of non-general funds to the general fund. **HCR 167** requests the Department of Agriculture to convene a working group to determine an appropriate geographic preference to be used by the Department of Education to encourage the purchase of local produce.

Kaupuni Village

19 families were given keys to their new energy efficient homes in Kaupuni Village in Waianae. Developed through a partnership between DHHL and HECO, Kaupuni Village is the nation's first zero net energy community, meaning it obtains all its energy through natural resources. Each home is equipped with energy efficient appliances to reduce energy consumption, photovoltaic panels to generate its own electricity, and infrastructure to keep homes cool. In addition, Ma'o Organic Farms and Ka'ala Farm, will support residents with planting a garden and developing a fish pond to grow their own food. Because of its design, Kaupuni Village is being called a 21st century ahupua'a, where the community works together to live off the land and replenish what they use. It's a model that proves that our communities can be self-sustainable. With the rising cost of oil, it's critical that we exert our energy independence. Kaupuni Village is the beginning of our sustainable future.



Gov. Abercrombie, Lt Gov Schatz, Rep Jordan, DHHL Chair Na-halea & residents of Kaupuni Village at the dedication ceremony.