



Senator Roz Baker

Chair, Committee on Commerce, Consumer Protection and Health

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Notable CIP Funding for Maui County

Education

- \$63 million — Kihei new high school additional design and construction
- \$700,000 — Kahului Elementary heat abatement air conditioning
- \$500,000 — Pukalani Elementary facilities improvements and renovations
- \$3 million — Kula Elementary design/ construction for new classrooms and offices
- \$200,000 — Makawao Elementary improvements
- \$1 million — Maui High School renovation/ expansion of gym and choir buildings, new weight training & wrestling room
- \$500,000 — Haiku Elementary design/ construction to replace roof, make site improvements
- \$400,000 — Kalama Intermediate expansion of the music/band room
- \$1.35 million — King Kekaulike High School design/construction of a new girls' softball batting cage, storage area and site improvements
- \$230,000 -- Kualapuu Elementary plans/ construction for roof replacement and site improvements
- \$1.434 million -- Lanai High and Elementary plans/construction of site improvements and building renovations
- \$800,000 — Maui Waena Intermediate heat abatement air conditioning
- \$12.3 million — Waihee Elementary land acquisition, design/construction of admin bldg
- \$1.1 million — UH Maui College Paina HVAC construction and renovations

Aloha!

I'm pleased to share some of the accomplishments from the recently adjourned 2017 legislative session. There were many important issues to tackle and funding for programs and projects was in shorter supply than anticipated. However, we secured over \$160 million in Capital Improvement Project (CIP) funding for Maui County. The breakdown is outlined in this newsletter.

The Committee I chair -- Commerce, Consumer Protection and Health -- heard 334 bills and resolutions and confirmed more than 109 gubernatorial nominees to various boards and commissions. The Legislature passed over 200 bills to the Governor for action. By June 26, the Governor must let us know if there are any bills he is considering to veto. July 11 is the veto deadline. Of course the Governor can let bills become law without his signature.

I'm honored to be able to serve as an advocate for the people of Maui County. I welcome hearing from you. My email is senbaker@capitol.hawaii.gov or call my office 808-586-6070 (toll free from Maui 244-9000 x66070). My wonderful staff Peggy and Heath are available to assist as well.

Mahalo for your feedback and support as together we work hard to make our island home a better place for all of us.

A hui hou,

Maui Hospitals Update

Transfer of operations and management of Maui Memorial Medical Center, Kula Hospital and Clinic, and Lanai Community Hospital to Maui Health System, LLC, a Kaiser Permanente-affiliated system, will take place July 1, 2017. During this legislative session, your Maui legislators secured \$73 million for employee benefits and physical improvements to the hospitals and clinics. Completion of the transfer is expected to increase access to healthcare services, providing Maui residents and visitors with high quality inpatient and emergency medical services. We anticipate that the affiliation with Kaiser Permanente will enable Maui Health System to attract more specialty providers and decrease patient wait-time for cardiology, neurology and surgical services among others. Maui Health System facilities will continue to provide excellent patient care in our community and provide good-paying jobs for Maui residents.

- \$300,000 — UH Maui College Lahulima HVAC construction and renovations
- \$440,000 — UH Maui College Library construction and renovations

Health

- \$6 million—Maui Memorial Medical Center renovations and upgrades

Recreation

- \$2.5 million—Makena State Park two new comfort stations design and construction
- \$1.029 million—Maui Regional Sports Complex design/construction of park improvements and safety measures
- \$3 million—Iao Valley State Monument reconstruction and restoration improvements including bridge and access improvements

Airports

- \$11.5 million—Kahului Airport improvements
- \$2 million—Hana Airport renovations to the baseyard building
- \$2 million—Kapalua Airport improvements to the water tank
- \$7.25 million—Molokai Airport improvements
- \$4.5 million—Kalaupapa Airport improvements, installation of aircraft rescue, firefighting garage
- \$2.5 million—Lanai Airport renovations baseyard and restrooms

Harbors

- \$15 million—Lahaina Small Boat Harbor ferry pier plans, design, construction
- \$3.7 million—Hana Harbor improvements to remove pier superstructure
- \$150,000—Kahului Harbor equipment for a large portable bathroom complex

Housing

SB1244, SD2, HD2, CD1 RELATING TO AFFORDABLE HOUSING allows qualified nonprofits to repurchase affordable housing units developed with governmental assistance if the State opts not to purchase and provides a similar right to the counties. SB1244 is a step toward addressing the critical shortage of low cost housing by helping to ensure that housing developed as affordable remains so.

SB584, SD1, HD1, CD1 RELATING TO MORTGAGES permits an extended or hanai family member to co-sign a home loan for a property from the Hawai'i Housing Finance Development Corporation. This measure may assist some residents to qualify for a mortgage and become a home owner.

Protecting Women and Children

HB674, HD2, SD2, CD1 RELATING TO CHILD CARE PROVIDERS requires all child care providers to obtain and maintain liability insurance to be licensed and to provide that information to parents or guardians. This measure will help protect children and providers by ensuring that child care facilities meet certain minimum criteria for insurance coverage.

SB513, SD1, HD2, CD1 RELATING TO CONTRACEPTIVE SUPPLIES authorizes pharmacists to prescribe and dispense self-administered hormonal contraceptive supplies to patients regardless of a previous prescription, subject to specified education and procedural requirements. It also enables pharmacists to be reimbursed for their services. SB513 will increase the availability of birth control to women who need it.

SB514, SD1, HD1, CD1 RELATING TO HEALTH authorizes pharmacists to administer vaccines for the human papillomavirus, Tdap (tetanus, diphtheria, pertussis), meningococcal or influenza vaccine to persons between eleven and seventeen years of age and also specifies requirements pharmacists must meet prior to administering these vaccines. This measure will help protect our children from cancer-causing HPV and other communicable diseases easily and voluntarily.

SB501 SD1 HD2 CD1 RELATING TO HEALTH ensures that regardless of income all women in the State can have meaningful access to effective reproductive health services. This bill requires limited service pregnancy centers to disclose the availability of and enrollment information for reproductive health services. It is imperative that anyone seeking healthcare, including reproductive healthcare, receives comprehensive, accurate and unbiased information in a confidential setting.



The Legislature donated more than 115 baskets to the Institute for Human Services, a shelter providing housing support, homeless outreach, and other support services to families, women, and children on Oahu. From L-R: Rep. Lauren Matsumoto Rep. Della Au Belatti, Sen. Karl Rhoads, Sen. Roz Baker.

Roadways

- \$1.4 million—Leiali'i Parkway design and construction and highway improvements
- \$1 million—Honolua Bridge refurbishment or replacement
- \$70 million—Lahaina Bypass road extension design and construction
- \$20 million—Hana Hwy rockfalls and landslide areas mitigation design and construction
- \$3.25 million—Puunene Avenue intersections improvements
- \$2.8 million—Maui highways various shoulder and guard rail improvements
- \$600,000—Pedestrian safety improvements throughout Maui
- \$1.5 million—Existing intersection improvements throughout Maui design and construction
- \$3.25 million— Upgrade existing Maui traffic signals
- \$1.2 million—Kula highway repairs, drainage improvements and roadway safety design

Land

- \$9.3 million—Ka`anapali Beach sand replenishment
- \$1.5 million—Kaho`olawe Island restoration, management, maintenance of native dryland forest
- \$1 million—Keokea-Waiohuli phase 2 site improvements (76 lots)
- \$3 million— Ho`olehua Naiwa subdivision design/construction of improvements
- \$17.5 million—Pulehunui development area plans, design, construction of infrastructure improvements including sewage treatment
- \$4.8 million—plans, construction of an agricultural park in upcountry Maui

Judiciary

- \$2.6 million—design and construction for security improvements to Hoapili Hale

Community Health

HB552, HD1, SD2, CD1 establishes the Affordable Health Insurance Working Group to plan for and mitigate adverse effects of the potential repeal of the federal Affordable Care Act (ACA) by Congress. The working group will assess any Congressional action and its impacts on Hawai'i residents and Hawai'i's insurance marketplace and then make recommendations on appropriate policy actions. The working group will focus on essential health benefits, retention of nondiscrimination provisions for gender or those with pre-existing health conditions, Medicaid expansion to insure our most vulnerable and any minimum level of coverage required for individuals. In the event the Congress repeals or changes drastically the ACA, Hawai'i will be ready to enact state laws to ensure necessary health insurance coverage for Hawai'i residents.

SB505, SD1, HD2, CD1 continues the Legislature's work to address the epidemic of addiction to opioid prescription drugs for pain management. This measure requires an informed consent process between patients and prescribing providers in order to educate patients about the effects, interactions, addiction risks and alternatives to taking opioids for chronic pain. SB505 also limits the initial opioid prescription to seven days with some exceptions. The informed consent process is considered a best practice in reducing opioid addiction.

HB235, HD1, SD1, CD1 provides a long overdue increase in reimbursements for acupuncture treatments utilized following an automobile accident from an insured's personal injury protection plan. This bill ties reimbursements to the workers compensation medical fee schedule rather than an arbitrary amount set in law. Acupuncture treatments can help control post injury pain without the need for potentially addictive prescription drugs.

SB387, SD1, HD1, CD1 RELATING TO HEALTH INSURANCE addresses health plans' network adequacy and is largely the work product of a stakeholders working group convened by the Insurance Commissioner. Based on model legislation being implemented across the country, its provisions require health plans like HMSA and Kaiser to maintain a sufficient network of providers including specialists that their members can utilize for their healthcare needs and receive reimbursement for those services. Telehealth providers can be included in determination of network provider adequacy. This measure will help consumers to comparison shop and ensure that plan members across the State will have access to the healthcare services they may need.

Below: The Women's Legislative Caucus supported Hawai'i Says No More week, which raises awareness of domestic violence and sexual assault.



Front Street Apartments

Unfortunately, House and Senate conferees could not agree on a final version of SB1266, to give residents of the Front Street Apartments peace of mind that rents for their units would remain in the affordable and low income category. Rents are scheduled to rise to market rates in 2019. There's some good news, though. The bill carries over to the next session of the Legislature which begins January 17, 2018 and conference can be restarted soon thereafter. In the meantime, the HHFDC Executive Director is continuing to work with his board and others on long-term solutions. The fight is by no means over. Mahalo to all the residents and others in the community who weighed in with key House and Senate members on this very important measure. Your Maui delegation, House and Senate, is committed to continuing to work on this matter as well as other affordable housing initiatives for Maui residents.

Health continued

HB1244, HD1, SD2, CD1 RELATING TO CESSPOOLS requires all cesspools to be upgraded, converted or connected to sewers before 2050 unless exempted. It also broadens eligibility criteria for a tax credit to offset costs. This measure will help ensure our coastal waters and streams remain free of pollution and waste.

HB561, HD2, SD1, CD1 RELATING TO DENTISTRY protects consumers by requiring that dentists who administer sedation meet more rigorous training standards to keep their certification up-to-date, requires on-site inspections of dental offices where sedation will be administered and posting of information for Regulated Industries Complaints Office where any concerns or complaints may be filed. This bill will help to prevent tragic events.

Consumer Protection

HB651, HD2, SD1 RELATING TO CONSUMER CREDIT REPORTING AGENCIES safeguards protected consumers, including minors under the age of 16 and incapacitated persons, by offering them the same protections as other consumers. Research has shown that up to 10% of children fall victim to identity theft, whereas less than 1% of adults are victims. Children are preferred targets for identity thieves due to their clean credit history and because the ID theft can continue for years without detection. HB651 establishes procedures that consumer credit reporting agencies must follow to place a security freeze on a report or record and requires them to create a record for protected consumers even if they do not have an existing line of credit file, to prevent the devastating effects that can occur when a child's identity is stolen.

HB1444, HD2, SD2, CD1 RELATING TO PHARMACY BENEFIT MANAGERS requires pharmacy benefit managers to register with the Insurance Commissioner. This is a first step in regulating a multibillion dollar industry that has raised pharmaceutical prices for consumers and driven small, independent pharmacies out of business. The cost of pharmaceuticals is a leading cost driver in healthcare. The transparency that comes with regulation of pharmacy benefit managers is crucial in order to begin reducing the amount Hawai'i residents pay for drug and healthcare coverage.

SB1227, HD2, CD1 RELATING TO FORECLOSURES permanently puts into place safeguards against "robo-signing" to prevent fraudulent foreclosures on homes. "Robo-signing" is the mass production of false and forged affidavits and other foreclosure documents, created by people without knowledge of the facts attested. "Robo-signing" was commonly used by big banks during the mortgage crisis of 2008 to foreclose on homes even if they did not have legal ownership of the mortgage. This bill makes permanent the Hawai'i safeguard which requires an attorney's affirmation that all foreclosure documents are real, accurate and in place before a foreclosure can proceed.

SB1264, SD1, HD2, CD1 RELATING TO SECURITY GUARDS amends the process for registering, instructing and training of security guards, to ensure that Hawai'i's security guards continue to get timely background checks and receive adequate training to protect the community.

SB119, SD1, HD1, CD1 RELATING TO PAYMENT OF RENT sets a limit on the fee a landlord can charge a tenant for late rent payments. The law applies to all new rental agreements and current ones starting 11/1/2017. the Office of Consumer Protection has received complaints of landlords charging exorbitantly high fees for late payment of rent. SB119 will curb any such abuse.

Consumer Protection Continued

HB50, HD3, SD2, CD1 RELATING TO APPRAISAL MANAGEMENT COMPANIES will impose new regulations on appraisal management companies. During the housing bubble, just prior to the 2008 mortgage crisis, research showed that 90% of appraisers felt pressured by banks or other interested parties to adjust, restate or change their appraisals to hit specific, higher values, which would benefit those interested parties. In 2010, the Dodd-Frank Act required changes be made that would assure appraisal independence and fair-market valuation for homes. Since some appraisal management companies are not covered by the federal law, in 2015 the Consumer Finance Protection Bureau (CFPB) outlined minimum standards for state regulation to be enacted by 2018. HB50 will meet the federal requirements set forth, protect Hawai'i consumers and preserve the flow of residential capital in the state.

SB950, SD2, HD1, CD1 RELATING TO MORTGAGE SERVICERS requires the Commissioner of Financial Institutions to determine fitness and impact on the public interest when a change in control of a company occurs, providing important protections for consumers' mortgages, affecting what often is a consumer's largest asset. It also subjects mortgage servicers to disclosure requirements.

SB951, SD2, HD1, CD1 RELATING TO MORTGAGE LOAN ORIGINATION clarifies the law on ownership of a mortgage loan originator company, specifies procedures for ownership change and requires disclosures and background checks to obtain a license as a mortgage loan originator. This measure also adds necessary protections for consumers who received a mortgage loan originated by a nonprofit, which are typically exempt from the statutory licensure requirements. This bill allows the State to provide appropriate supervision of the mortgage loan origination industry and enhances the Division of Financial Institution's regulatory oversight of the industry and provides greater consumer protection for Hawai'i homeowners.

Working Families

HB209 HD1, SD1, CD1 RELATING TO TAXATION creates a State Earned Income Tax Credit. It represents significant relief to working families laboring under the high cost of living in Hawai'i. Eligibility for the state credit is the same as for the Federal Earned Income Credit. Any taxpayer who is eligible for the federal credit also will now be eligible to receive the additional state credit. The EITC is designed to provide eligible working families with substantial economic support through a system of tax credits. The non-refundable state tax credit will be equal to 20% of the federal credit and will generate an estimated \$12.7 million in tax relief for low-income working families in its first year. By its fifth, the State EITC will provide over \$27 million in tax relief to approximately 104,000 Hawai'i households including 128,000 children who are expected to benefit from this program. Additionally, the measure will make permanent the Food/Excise Tax credit, which allows families to offset some of the State GET charged on food items.



Medical Marijuana

HB1488 HD1, SD1, CD1 RELATING TO MEDICAL MARIJUANA is an omnibus bill which ensures an adequate supply of medical marijuana is readily available for patients, streamlines the implementation of the dispensary program, and strengthens the State's regulatory framework for the program. Specifically, it creates an alternative sales tracking method in case of primary system failure, provides commonsense rules relating to laboratory testing of medical marijuana and allows highly skilled individuals to continue working to implement the dispensary program. The bill increases the number of plants a patient or caregiver can cultivate, the number of plants grown at a production center and the number of retail locations for licensees serving rural areas. The measure also makes it possible for those assisting qualified patients with mobility issues to enter a dispensary and assist the patient obtain their medication. HB1488 expands the list of treatable conditions to include lupus, epilepsy, multiple sclerosis and rheumatoid arthritis. The measure also extends the existing caregiver program through 2023 and expands access to laboratory testing of medical marijuana for qualified caregivers and patients who cultivate their own medicine. Lastly, required video monitoring of dispensary locations will be retained for 50 days for security purposes. Overall, HB1488 will significantly improve qualified patients' access to medical marijuana, assist the dispensary operation and ensure robust oversight of the program.

The legislature also passed **SB786**, which changes in the nomenclature used to refer to medical marijuana. By 12/31/19, all references to "medical marijuana" in rules or statute will be changed to "medical cannabis" for uniformity with programs in other states.

Kupuna Caregivers Program

HB607 HD1 SD1 CD1

The state's population is rapidly aging, as is the critical need for long-term services that support our elders. The number of individuals in Hawai'i age 65 and older is projected to rise to 19.4 percent of the population by 2020 and to 23 percent of the population by 2030. Family caregivers play a vital role in caring for this growing elderly population who want to age in place. In addition, family caregivers alleviate strains on the state's healthcare system by providing long-term care services to Kupuna enabling them to stay at home, rather than reside in costlier long-term care facilities. Adult children commonly abandon careers to return home or stay at home to care for aging parents. Extended family members often do the same. Family caregivers are invaluable. However, caregiving can be taxing physically and financially, thus putting a caregiver's own health at risk, due to the increased stress and responsibility of being a caregiver.

There is strong agreement among government agencies, community organizations and the public that family caregivers need support and respite in order to continue their critical role in helping the state's Kupuna. The legislature demonstrated its support of Kupuna and their caregivers by passing HB607, HD1, SD2, CD1, which authorizes the Executive Office on Aging to establish the Kupuna Caregivers program, a first-in-the-nation program to support family caregivers. This unique program helps family caregivers to stay in the workplace by ensuring that their loved one who is a Kupuna Care recipient receives additional services and supports. The ability to purchase additional services with resources from the Kupuna Caregivers program will also encourage much-needed new service providers in the community. The Kupuna Caregivers program will assist qualified family caregivers obtain services up to \$70 per day for their loved one in order to allow the caregiver to remain in the workforce.

Veteran's Highway

To honor the many from Maui County who have served our country as well as to recognize the important role Maui played in WW II, Mokulele Hwy has been renamed Veteran's Highway through Act 11 signed by the Governor on April 26, 2017. I was honored to sponsor this bill for our veterans.



Above: Senators English, Baker & Keith-Agaran w/ rat traps

Our Keiki

Another year of funding has been secured for the **HAWAI'I KEIKI: HEALTHY AND READY TO LEARN**, a coordinated program involving partnerships with the DOE, DOH, DHS and UH Manoa School of Nursing and Dental Hygiene. This program brings school based health services to a number of DOE schools. It expands wellness programs, provides sports physicals, vision screenings and glasses to students. The program also engages with community organizations through partnerships to expand access to health care services and work to supplement state funding.

The program also positively impacts keiki in the classroom. According to the CDC, school health programs can help students perform better in school. Healthy students perform better on tests, get better grades, attend school more often and behave better in class.

We continue to work on ways to expand funding to ensure that all our keiki are able to have the most meaningful experiences throughout their time in Hawai'i Schools.

Rat Lungworm Disease: Be Informed!

Rat Lungworm disease is a potentially deadly parasitic infection, caused by a microscopic roundworm. An infection can occur from ingestion of untreated water, raw unwashed vegetables or other food exposed to snails, the parasite's host and can be spread by rats. It is common and widespread throughout the Pacific and SE Asia. While there has been a recent rise of confirmed cases, the risk of infection is low. Maui residents should use common-sense food safety precautions, such as thoroughly washing raw fruits and vegetables. One way the Legislature is responding to the increase of cases is by providing an additional \$1 million to the DOH to combat the disease and educate the consumers about control measures, such as rat traps and thoroughly washing raw produce.

Grants In Aid

Capital Awards

- \$95,000--Hui Noeau improvements to the visual arts center
- \$300,000—La’ua Kea Foundation for design and construction for affordable housing
- \$1 million— Maui Arts & Cultural Center for plans/ construction of new community stage/events lawn
- \$600,000— Maui Youth & Family Services new facility to provide substance abuse treatment, homeless youth and behavioral health services
- \$500,000—Waiohuli Hawaiian Homesteaders Association, Inc. to construct a community center and park
- \$705,000— Ka Hale A Ke Ola Homeless Resource Centers renovations and improvements to permanent supportive housing

Operating Awards

- \$50,714—Grow Some Good to support the Grow/ Know It Healthy Harvest Program grades K-3
- \$200,000—Hana Health to help develop a 4,000 foot Rehab Support Center
- \$250,000—Hale Mahaolu to support the Personal Care Program
- \$400,000—Hale Makua Health Services to begin ground work for a nursing home capacity program
- \$150,000—Boys & Girls Club of Maui supporting the Great Futures Hawai`i program
- \$25,000—Tri-isle Resource Conservation and Development Council capacity building

Condominiums

The following RELATING TO CONDOMINIUMS bills were brought forward by condo owners and AOAO leaders to provide clarity to sometimes confusing statutory language and improve governance in condominium communities.

SB369, SD1, HD1, CD1 prohibits anyone acting on the behalf of a condo association or an owner from retaliating or discriminating against an owner, employee or board member who files a complaint or reports an alleged violation of state condo law.

HB1498, HD1, SD1, CD1 requires transparency for owners in all contracts, written job descriptions and compensation agreements of persons or entity retained by an AOAO. The CD1 specifies that only unit owners may serve as board directors. If there are requirements for directors to be elected by a certain classification of owner and a vacancy occurs, only owners in that classification may vote to fill the vacancy.

HB832, HD1, SD1, CD1 provides increased transparency and generates more open discussion and participation in a condo board’s deliberations on a variety of matters.

HB239 HD2, SD1, CD1 clarifies that an improperly marked proxy voting form shall be counted for quorum purposes only. **HB192, HD2, SD1, CD1** applies that same clarification to Planned Community Associations.

SB292, SD1, HD1, CD1 repeals HRS 514A, a largely obsolete chapter governing condo projects developed prior to 2006. Since July 1, 2006, Chapter 514B has applied to all condominiums in the State. However, there has been confusion with two condo statutes on the books. Since the superior consumer protections and governance provisions are found in 514B, stakeholders agreed that it was time to repeal 514A, clarifying that condo law governance and other requirements is found solely in 514B. For the few projects organized under 514A that have not gone to market but may decide to proceed, an additional transition period and requirements for notifying prospective buyers, lenders of the 514B provisions is provided in this measure.

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