



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

Testimony of **Linda Chu Takayama**
Chief of Staff, Office of the Governor

Before the
House Committee on Finance
March 10, 2022
1:30 p.m., Via Video Conference
Conference Room 308

In consideration of
House Bill No. 1600
RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Yamashita, and Committee Members:

Thank you for the opportunity to testify on House Bill 1600.

We have two budget requests for the FY23 supplemental budget which aim to assist the next administration with a smooth transition and resources to carry out essential services and functions of the Office of the Governor. The first request is for \$100,000 for Gubernatorial transition costs. This is a non-recurring request and is required pursuant to Section 30-6, Hawaii Revised Statutes (HRS).

The second request is to restore the Intergovernmental Relations and Policy Unit which was abolished last year. The unit was comprised of 7 full-time equivalent (FTE) positions which serve an essential function in the office - to support and assist in stakeholder coordination and policy analysis in order to advance State programs, services, and initiatives. The \$288,773 general fund request includes a six-month delay in hire to serve the next Administration.

We appreciate your consideration of these requests and are available to answer any questions. Thank you for your continued support of the Governor's Office budget.



DAVID Y. IGE
GOVERNOR

GWEN S. YAMAMOTO LAU
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

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Testimony of
Gwen Yamamoto Lau
Executive Director
Hawaii Green Infrastructure Authority
before the
HOUSE COMMITTEE ON FINANCE

Thursday, March 10, 2022
1:30 P.M.
State Capitol, Conference Room 308 & Videoconference

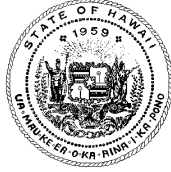
in consideration of
HOUSE BILL NO. 1600
RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Yamashita and Members of the Committee on Finance:

Thank you for the opportunity to testify in **support** of House Bill 1600, which appropriates funds for the Hawaii Green Infrastructure Authority's ("HGIA") (BED 138) lending ceiling, bond ceiling and operating budget for the upcoming fiscal year. This will allow HGIA to continue its green infrastructure financing programs and assist underserved ratepayers in lowering their energy costs.

Thank you for this opportunity to testify in support of HB 1600.

DAVID Y. IGE
GOVERNOR



RYKER WADA
DIRECTOR
ANDREW T. GARRETT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES
DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE

For Hearing on Thursday, March 10, 2022
1:30 p.m., Conference Room 308 and via video conference

BY

RYKER WADA
DIRECTOR

House Bill No. 1600
Relating to the State Budget

CHAIR LUKE, VICE CHAIR YAMASHITA AND MEMBERS OF THE COMMITTEE:

The purpose of House Bill No. 1600 is to adjust and make additional appropriations for fiscal biennium 2021-2023 to fund the operations of Executive Branch agencies and programs.

The Department of Human Resources Development (DHRD) **strongly supports** this measure as it relates to DHRD's supplemental budget priorities to improve program operations.

1. HRD102 – Addition of \$80,000 for the Learning Management System to increase the number of licenses to accommodate all non-email users, and employees in temporary and exempt positions regardless of the length of their appointment; and to streamline the log in process by implementing a unique user ID system that will follow the employee regardless of transfer within the Executive Branch.
2. HRD102 – Addition of two permanent Human Resources Specialist positions and \$65,136 for the Employee Classification program to help address the workload in an adequate and timely manner; and to train and develop State human resources professionals in classification.

3. HRD102 – Addition of \$283,600 for an integrated Workers' Compensation Claims Management System. DHRD is responsible for administering the State's centralized, self-insured workers' compensation program, which covers all State Executive Branch agencies (except for the DOE, UH, and HHSC), Charter Schools, and the Legislature. Funding for an integrated workers' compensation claims management system will allow DHRD to maximize the use of available technology to improve the claims management process and make claims handling more efficient.
4. HRD102 – Addition of a permanent Administrative Assistant position and \$66,486 to provide DHRD with the staff it needs to fulfill its statutory duties pursuant to Act 57, SLH 2019. The Administrative Assistant is integral to DHRD's operations and services provided to other State agencies.
5. HRD102 – Addition of two permanent Program Specialist positions, one permanent Human Resources Technician position, and \$3,681,623 for the Student Helper/Intern and Kuana'ike programs to provide the State Executive Branch departments with learning and development resources for our future workforce.

We are aware of the challenges ahead and remain committed to work with the Legislature to seek solutions that effectively balance short and long-term priorities.

Thank you for the opportunity to provide testimony on this measure.



STATE OF HAWAII
Executive Office on Early Learning
2759 South King Street
HONOLULU, HAWAII 96826

March 8, 2022

TO: Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair
House Committee on Finance

FROM: Coleen Momohara, Interim Director
Executive Office on Early Learning

SUBJECT: **Measure:** H.B. No. 1600
Hearing Date: Thursday March 10, 2022
Time: 1:30pm
Location: Videoconference and Room 308

Bill Description: RELATING TO THE STATE BUDGET – Adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Supports

Aloha. I am Coleen Momohara, Interim Director of the Executive Office on Early Learning (EOEL). EOEL respectfully requests your consideration of funding for EDN700, EOEL's program ID, as contained in the Executive Supplemental Budget FY 2023, approved by our governing board, the Early Learning Board.

We thank the Legislature for its support of EOEL's work to increase access to high-quality early learning. EOEL is statutorily responsible for the development of the State's early childhood system that shall ensure a spectrum of high-quality development and learning opportunities for children throughout the state, from prenatal care until the time they enter kindergarten, with priority given to underserved or at-risk children.

We request the Legislature's support to help reach its goal of expanding access to early learning. EOEL provides comments on the EDN700 budget proposal and details of our requests.

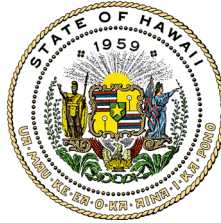
Recognizing the dire economic situation our State faced due to the COVID-19 pandemic, we appreciate the Legislature's commitment to maintaining EOEL's funding and ensuring our ability to maintain existing programs and services for young children and their families. **Investing in our youngest keiki is both a short-term and a long-term relief package. Investing in quality early care and education not only provides immediate support to Hawaii's working families and boosts the economy by providing jobs, it also provides substantial long-term benefits as well.** High-quality early childhood programs help "build the foundations for stronger family lives that result in larger gains for their children" and have "substantial second-generation effects on education, employment, crime, school suspensions, and health" (Heckman, James, and Ganesh Karapukula, 2019).

The proposed EDN700 budget reflects an appropriation ceiling request of \$100,000 for the Early Childhood Educator Special Fund, established through Act 210, SLH 2021. The Early Childhood Educator Stipend Program provides upfront funding to eligible students pursuing early childhood coursework and credentials. The program requires that recipients provide two consecutive years of early care and education services in one of the early learning systems as described in Section 302L-2, for children birth to five years of age. If recipients fail to meet any requirements of the program, they will be required to pay some or all the funds back. Recouped payments shall be deposited into the Hawaii Early Childhood Educator Special fund.

We respectfully request the legislature adopt the requests for EDN700 as reflected in the FY 2023 Supplemental Executive Budget. Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR OF HAWAII

ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH



CAROLINE CADIRAO
DIRECTOR

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STATE OF HAWAII
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
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HONOLULU, HAWAII 96813-2831

**Testimony in SUPPORT of HB1600
Relating to the State Budget**

COMMITTEE ON FINANCES
REPRESENTATIVE SYLVIA LUKE, CHAIR
REPRESENTATIVE KYLE YAMASHITA, VICE CHAIR

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: March 10, 2022
Time: 1:30 PM

Room Number: 308
Via Videoconference

1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency of the Department
2 of Health (DOH), supports HB1600, Relating to the State Budget.

3 **Fiscal Implications:** Sufficient appropriations are required to assure the health and safety of our
4 kupuna. EOA is requesting \$1.5 million for Kupuna Care. In addition, EOA is requesting
5 \$110,400 for 2 FTE for the Long-Term Care Ombudsman program. Finally, the conversion of
6 the program data research position is cost neutral.

7 **Purpose and Justification:** This measure adjusts and requests appropriations for the operating
8 and capital improvement budget of the Executive Branch for fiscal biennium funding
9 requirements of 2021-2023. The EOA stands in full support of its supplemental budget request,
10 (HTH 904) item 25 on page 46 of HB1600, for three items: 1) \$1.5 million dollars for the
11 Kupuna Care program; 2) \$110,400 to establish two full-time equivalent (2.0 FTE) Long-Term
12 Care Ombudsman positions; and 3) converting the temporary program data research position to a
13 permanent, full-time equivalent position (1.0 FTE).

1) **\$1.5 million for the Kupuna Care Program.** In the Governor's Administration package, SB3113 SD2, the EOA is proposing to combine the two programs, Kupuna Care and Kupuna Caregivers Program, for a more seamless system of supports for older adults and their caregivers. In previous years, the Kupuna Caregivers Program had its own allocated budget, however, for purposes of combining the two programs, we are requesting the \$1.5 million allocation be appropriated in the Kupuna Care Program budget to be used for both the Kupuna Care and Kupuna Caregivers programs.

2) **2.0 FTE for the Long-Term Care Ombudsman Program.** The LTCOP is required by federal and state law to protect the human and civil rights of residents in all long-term care settings. The Long-Term Care Ombudsman is required to visit facilities quarterly, respond to complaints, engage in investigations, provide information, assistance and referrals to long-term residents and their families, facilitate family councils statewide, provide community education, and administer the program. Currently, LTCOP has two full-time staff, one full-time State Ombudsman and the Oahu Ombudsman. In addition, we have three part-time contracted Ombudsman for Kauai, Maui, Lanai, Molokai, and Hawaii island. These contractors are trained and certified Ombudsmen and have assisted to expand quarterly visits; however, they do not replace the unmet needs that would be filled by full-time staff. In 1995, the Academy of Medicine recommended one full-time ombudsman for every two thousand residents. Hawaii has 12,895 residents in 1,779 facilities statewide. Based on these statistics, LTCOP should have 6.44 full-time long-term care ombudsmen. Establishing two full-time equivalent Long-Term Care Ombudsman positions would help to meet our obligations to residents in all care settings statewide.

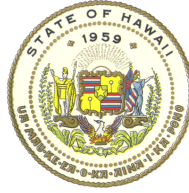
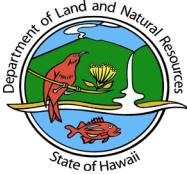
3) **Finally, EOA is requesting converting the data research position from temporary to permanent.** The primary purpose of this position is to manage EOA's statistical policies,

1 programs, and information systems; supervise statistical studies and provide data
2 consultation services to EOA staff and other agencies and entities conducting research on
3 aging and long-term care. The position provides highly technical, adequate, reliable,
4 comprehensive data indicators on the following issues: long term care, aging, caregiver
5 burden, aging and disabled populations, economics, social welfare, health, insurance,
6 housing, transportation, and service utilization. Quality, accurate, and complete data are
7 needed for EOA functions to be carried out effectively and efficiently.

8 Your favorable consideration of our request is appreciated.

9 Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
FINANCE**

**Thursday, March 10, 2022
1:30 PM
State Capitol, Conference Room 308, Videoconference**

**In consideration of
HOUSE BILL 1600
RELATING TO THE STATE BUDGET**

House Bill 1600 proposes to adjust and request appropriations for the supplemental operating and capital improvement budgets of the Executive Branch agencies and programs for Fiscal Biennium 2021-2023. **The Department of Land and Natural Resources (Department) strongly supports this Administration measure to preserve, and in part, supplement base funding for the Department's programs and mandates, along with the adjustment by way of Governor's Messages No. 7 as follows:**

- **Adjustment to the Capital Improvement Program (CIP) Budget Request:**
 - LNR 141/GA, Water and Land Development
Add \$4,000,000 in general obligation (G.O) bond funds for Fiscal Year (FY) 23 for Upolu Well Development, Hawaii, for improvements to develop an existing well to provide agricultural water in North Kohala, Hawaii.
- **Amendment to the CIP Provisos:**
 - LNR 141/GA, Water and Land Development
Lapse \$2,500,000 in G.O. bond funds from FY 21 for the Exploratory Water Well, Hawaii (Item No. A-18.3 of Act 40, Session Laws of Hawaii (SLH) 2019, as amended by Act 6, SLH 2020).

Thank you for the opportunity to comment on this measure.

HB-1600

Submitted on: 3/8/2022 3:24:00 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Cynthia Gomez	DLNR	Support	Remotely Via Zoom

Comments:

I am available for questions to DLNR. Please allow me Zoom access.



Written Statement of
Len Higashi
Acting Executive Director
Hawaii Technology Development Corporation
before the
HOUSE COMMITTEE ON FINANCE

Thursday March 10, 2022
1:30 p.m.
Videoconference

In consideration of
HB1600
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Yamashita and Members of the Committee.

The Hawai'i Technology Development Corporation (HTDC) **supports with requested amendment** HB1600 that adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

HTDC supports initiatives aimed at promoting technology and manufacturing jobs. Due to budget shortfalls caused by the pandemic, HTDC did not receive an appropriation for FY21 for our three core grant programs: Hawai'i Small Business Innovation Research (HSBIR), Manufacturing Assistance Program (MAP), and accelerator (a.k.a. excelerator) programs. HB1600 restores funding in the amounts that they were funded in 2020. HTDC believes the three core grant programs provide leverage and positive economic development value for the State.

HTDC requests consideration for the following suggested amendment:

Conversion of two full-time equivalent (2.0 FTE) positions at the Hawaii Center for Advanced Transportation Technologies (HCATT) from federal funded to general funded positions and \$150,000 in General Funds for FY23 to fund the positions. Due to lack of congressional-add-on funding provided for the project, the HCATT program is at risk of being suspended. HCATT operates the only operational renewable hydrogen production and dispensing station on Oahu and over the years has brought more than \$40 million in federal funds into the State, matched by another \$23 million from private partners. The program has already been reduced from five full time staff to two. Federal funding has not been appropriated for the past two years so HTDC may not be able to retain the remaining two employees.

HCATT continues to support innovative renewable energy transportation projects for the state and is a key asset in HTDC's ability to compete for federal funding, particularly in hydrogen and sustainable aviation fuel.

Thank you for the opportunity to offer these comments.



KŪKULU KE EA A KANALOA
KAHO‘OLAWE ISLAND RESERVE COMMISSION

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Telephone (808) 243-5020 Fax (808) 243-5885
Website: <http://kahoolawe.hawaii.gov>

COMMISSION MEMBERS

JOSHUA KAAKUA, Ed.D
Chairperson
CARMEN HULU LINDSEY
Vice-Chair

SUZANNE CASE
‘ĀNELA EVANS
SAUMALU MATAAFA
BENTON KEALII PANG, Ph.D
MICHELLE PESCAIA

Michael K. Nāho‘opi‘i
Executive Director

Testimony of
MICHAEL K. NĀHO‘OPTI
Executive Director

Before the House Committee on

FINANACE

Thursday, March 10, 2022
1:30 PM
State Capitol, Conference Room 308

In consideration of
HOUSE BILL 1600
RELATING TO THE STATE BUDGET

House Bill 1600 in addition to adjusts and requests appropriations for fiscal biennium 2021 – 2023 funding requirements for operations and capital improvements projects of Executive Branch agencies and programs, also restores funds for the Kaho‘olawe Island Reserve Commission and funds for one full-time equivalent Cultural Specialist positions for the Kaho‘olawe Island Reserve Commission. The Kaho‘olawe Island Reserve Commission (KIRC) strongly supports this measure.

Act 140 SLH 2018 appropriated \$100,000 in general funds for FY 2019 to support on-island restoration efforts for Kaho‘olawe. This funding was continued in Act 113 SLH 2019 for FY 2020. For FY 2021, continuation of this funding for the second year of the biennium budget was included in the Governor’s Executive Budget and in HB2200 HD1 SLH 2020 but the second-year funding for FY 2021 was removed in the SD amendment due to the impact of COVID.

HB1600 reestablishes the funding authorized in Act 113 SLH 2019 \as a critical, underfunded program established by Act 140 SLH 2018. In Act 340 SLH 1993, the creation of the KIRC and Hawaii Revised Statute Chapter 6K in 1993, the legislature found that “the extensive erosion and other ecological problems, presence of unexploded ordnance, archaeological sites and native and endangered flora and fauna that a management regime was needed to meet the challenges of restoring and presenting the island”.

HRS 6K-3 sets aside the Kaho‘olawe Island Reserve for four specific purposes. One of the most significant and a key distinction between the KIRC and other conservation organization is the island, and its waters were set aside for the “Preservation and practices of all rights customarily and traditionally exercised by native Hawaiians for cultural, spiritual, and subsistence purposes.” Cultural Specialists assists the Kaho‘olawe Island Reserve Commission (KIRC) in its management of the historic and cultural resources in the Reserve by instilling traditional Native Hawaiian practices and knowledge in its day-to-day program management activities and tasks;

oversees multiple preservation projects of cultural sites in the Reserve and coordinates the various requests for cultural use of the Reserve.

The Cultural Resource Project Coordinator (CRPC) position, previously established in Act 140 SLH 2018 was defunded in the FY2021 administrative budget and eliminated in FY2022 due to the impact of COVID, therefore the KIRC is seeking to fund a new Cultural Specialist position to replace the previous duties occupied by the CRCP.

This position is necessary to review and coordinate the various requests to use the Kaho`olawe Island Reserve for Native Hawaiian cultural practices; conduct regular surveys and project coordination of the KIRC many cultural and archaeological preservation and protection projects and to help expand the KIRC's staff ability to institute traditional native Hawaiian practices and knowledge into its many programs.

The KIRC has lived on a shoestring budget for the past decade, making do with whatever resources and funds we have been able to get, but at the same time been able to do amazing work on restoring one of the most devastated and remote places in Hawaii. The task ahead of the KIRC is one of the greatest challenges for this and the next generation, but to many here in Hawaii, a challenge that is worth the effort.

DAVID Y. IGE
GOVERNOR



JOHN S.S. KIM
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

FOR: HB 1600 Relating to the State Budget
DATE: March 10, 2022 at 1:30 P.M.
COMMITTEE: Committee on Finance
ROOM: Conference Room 308 & Videoconference
FROM: Yvonne Lau, Interim Executive Director
State Public Charter School Commission

Chair Luke, Vice Chair Yamashita, and members of the Committees:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT** of HB1600, the State Budget, which appropriates the funds for the operation of charter schools in EDN 600 and appropriates the funds for the operation and administration of the Commission and the Charter School Early Learning Program in EDN 612

The Commission notes and appreciates the inclusion of over \$17 million dollars to charter school general funding in EDN 600. For the Committee’s information, the relevant appropriations for charter schools and the Commission are on pages 51 and 52 of this measure.

Thank you for the opportunity to provide this testimony.



UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
March 10, 2022 at 1:30 p.m.

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

HB 1600 – RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Yamashita, and members of the committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) **supports** HB 1600, Relating to the State Budget. This bill appropriates funds for the operating and capital improvement budget of the Executive branch for fiscal year 2022-2023 (FY23).

The following table lists the requests for additional General Funds in the Board of Regents (BOR) approved submittal and the Governor's budget submittal for FY23.

Description	Board FY23	Gov FY23
General Fund Restoration - Mānoa	\$ 30,000,000	\$ 30,000,000
General Fund Restoration - JABSOM	\$ 1,200,000	\$ 1,200,000
General Fund Restoration - Hilo	\$ 2,280,000	\$ 2,280,000
General Fund Restoration - UHWO	\$ 1,080,000	\$ 1,080,000
General Fund Restoration - Community Colleges	\$ 4,600,000	\$ 4,600,000
General Fund Restoration - System Support	\$ 3,391,232	\$ 3,391,232
Athletics - Mānoa	\$ 3,600,000	\$ 3,600,000
Athletics - Hilo	\$ 400,000	\$ 400,000
PISCES - Hilo	\$ 550,000	\$ 550,000
Creative Media - UHWO	\$ 282,000	\$ 282,000
Nursing Clinical Instructors - Mānoa, Hilo, CCs		\$ 1,756,489
Residency Program Expansion - JABSOM		\$ 2,040,000
Teacher Workforce Education - Mānoa		\$ 557,097
IT and Cybersecurity Workforce - System Support		\$ 1,575,000
Creative Media - Mānoa		\$ 380,000
Aviation Program - Hilo		\$ 190,000
Repairs, Maintenance, and Equipment - - System Support		\$ 21,700,000
Total	\$ 47,383,232	\$ 75,581,818

The UH was impacted with significantly reduced general funds in FY22 – partly, as a result of the negative impact to the economy from the pandemic. The Legislature reduced UH’s operating budget by a total of \$42.5 million. The first six items in the table seek restoration of those general funds to UH.

Similarly, the Legislature also eliminated general fund support to the Athletics programs at Mānoa and Hilo. UH is requesting the restoration of the \$3.6 million subsidy to Mānoa and the \$400,000 subsidy to Hilo. These funds were provided to the UH going back to FY18.

Act 1, Special Session of Hawai‘i (SSLH) 2021 transferred the Pacific International Space Center for Exploration Systems (PISCES) from the Department of Business, Economic Development and Tourism (DBEDT) to UH-Hilo. Although funding for PISCES was reduced from DBEDT, the corresponding funding was not transferred to UH-Hilo for the continued operations. UH is therefore requesting \$550,000 in general funds, which equals the appropriation eliminated in DBEDT. Related to this is a request for \$500,000 in special fund ceiling for the PISCES Special Fund. Please note, it is not listed on the table above because it is a non-general fund request.

Five positions and \$282,000 are requested to help staff the new Creative Media facility at UH-West O‘ahu. These new positions will provide highly technically skilled expertise in digital creative media for students and faculty.

The final BOR-approved request is a change in Means of Financing from the Community Colleges Special Fund (CCSF) to the Community Colleges Revolving Fund (CCRF), as a result of the reclassification of the CCSF to the CCRF in Act 9, SSLH 2021. Please note, this is also not listed on the table above because this is a non-general fund request.

Governor’s Additions

In addition to the Board-approved requests, there are a number of additional items that were included in the Governor’s budget submittal from December 2021.

Current faculty shortages are inhibiting UH’s capacity to educate future nurses so \$1,756,489 is requested for clinical instructors (expert clinical nurses who can provide “hands on” experience and knowledge) for UH’s nursing education programs across the state.

In an effort to address the physician shortage on the neighbor islands, approximately \$2.0 million is requested to expand the Graduate Medical Education (GME) residency program across the state. It is the experience of the John A. Burns School of Medicine (JABSOM) that of those physicians who do their medical school and residency in Hawai‘i, 80% remain in Hawai‘i to practice. However, these experiences are currently

O‘ahu-centric. Expansion to the neighbor islands should create a new pipeline of physicians who want to initiate a neighbor island practice.

To help address Hawai‘i’s teacher shortage, UH is requesting \$557,097 in additional funding to hire additional lecturers for elementary and secondary education instruction. There is also funding for additional specialists and support staff associated in this request.

To meet the workforce needs of Hawai‘i’s future, we must expand and focus our educational capacity in the areas of computer science and engineering. \$1.575 million is being requested for additional faculty in specialty areas of computer science and engineering as well as for the creation of a new internship program.

Creative media programs exist across all ten UH campuses and \$380,000 is requested for Mānoa for soundproofing improvements at the Ernst Lab Theater and for computer stations to handle virtual production.

In order to provide local students with the opportunity to prepare for careers as pilots, additional funding is requested for the Hilo aviation program to hire one Associate Professor and one Instructor.

Finally, \$21.7 million for repairs, maintenance, and equipment is included in the Governor’s budget. Some of the planned projects include demolition of the PBS Building, roofing repairs across various buildings, mechanical and/or electrical improvements, repairs to the parking structure, and additional improvements to the Clarence T.C. Ching Athletics Complex, including increasing seat capacity.

Capital Improvement Projects

The following table lists the requests for additional General Obligation Bond financed projects in the Capital Improvement Projects (CIP) portion of the budget:

Description	Board FY23	Gov FY23
Hamilton Library (Mānoa)	\$ 6,000,000	\$ -
Central Admin Facility w/ Parking (Mānoa)	\$ 4,000,000	\$ -
Fascias (Leeward CC)	\$ 6,500,000	\$ 6,500,000
Discharge System Upgrade (Waikīkī Aquarium)	\$ 11,500,000	\$ 11,500,000
Renew, Improve, and Modernize (RIM) (Systemwide)	\$ 33,500,000	\$ 32,000,000
Renew, Improve, and Modernize (RIM) (West O‘ahu)	\$ 2,500,000	\$ 2,500,000
Capital Renewal & Deferred Maintenance (Community Colleges)	\$ 25,000,000	\$ 24,000,000
UHWO Campus Expansion & University Village (via System)	\$ -	\$ 10,000,000
Total	\$ 89,000,000	\$ 86,500,000

The request for \$6 million in funding for Hamilton Library was for a feasibility study, planning, and design for renovations to transform the library to convert library space for books and materials into space for students to study and collaborate. This was not included in the Governor's request.

The request for \$4 million for design and planning for a new parking facility immediately adjacent to the Campus Services building at the intersection of East-West Road and Maile Way. This also was not included in the Governor's request.

The request for \$11.5 million for the Waikīkī Aquarium is for various repairs as well as a new wastewater system to meet regulatory standards.

Additional funding for Renew, Improve, and Modernize (RIM) projects as well as campus renewal and deferred maintenance is requested for various campuses across the UH system. These RIM funds are used to transform and modernize classrooms, laboratories, and offices into quality learning, teaching, and working areas consistent with the needs of the 21st century.

The Governor added \$10 million to the BOR request for planning and design work to develop lands located at the West O'ahu campus and the University Village lands that are adjacent to the campus and within Transit-Oriented Development (TOD) areas. The aim of this project is to increase housing, mixed-use development, economic and higher educational opportunities, and services in walkable communities around transit nodes.

The UH is the foremost state organization leading the education and development of our State's workforce and is the singular higher-educational resource for our residents and community. This budget request represents a very diligent, responsible, and rational ask for funding support to continue the UH's critical services to Hawai'i.

Thank you for this opportunity to testify.



HAWAII HEALTH SYSTEMS

C O R P O R A T I O N

Quality Healthcare For All

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

Rep. Kyle T. Yamashita, Vice Chair

Thursday, March 10, 2022

1:30 p.m.

Via Videoconference

Conference Room 308

State Capitol

415 South Beretania Street

Testimony in Support with Requested Amendments to House Bill 1600

RELATING TO THE STATE BUDGET.

Adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Linda Rosen, M.D., M.P.H.

President and Chief Executive Officer

Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony in **support with requested amendments to H.B. 1600** that adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Hawaii Health Systems Corporation (HHSC) plays a vital role in the healthcare delivery system for the State of Hawaii. In fiscal year 2021, HHSC's acute discharges for the four HHSC regions were 12,374, which accounts for approximately 12% of all acute care discharges in the State of Hawaii. In fiscal year 2021, HHSC's emergency department visits for the four HHSC regions were 66,334, representing approximately 18.6% of all emergency department visits statewide.

The impact of HHSC's facilities on the neighbor islands is even more impressive:

- For residents of the County of Hawaii, HHSC's facilities cared for 70% of all acute care discharges and 82% of all emergency department visits.
- For residents of the County of Kauai, HHSC's facilities cared for approximately 21% of all acute care discharges and 37.5% of all emergency department visits.

3675 KILAUEA AVENUE • HONOLULU, HAWAII 96816 • PHONE: (808) 733-4020 • FAX: (808) 733-4028

Coronavirus Impacts

In fiscal year 2021, the Coronavirus pandemic continued to have a tremendous impact on HHSC's operations. The Coronavirus started its spread in Hawaii in the second half of March 2020, and spread quickly from that point on. Although patient volumes increased slowly from its low point in April and May 2020, acute care discharges for fiscal year 2021 were still 9% less than the same measure for fiscal year 2019 (the last pre-pandemic fiscal year). Also, emergency department visits for fiscal year 2021 were 24% less than the same measure for fiscal year 2019. The emergency use approvals of the Coronavirus vaccines from Pfizer, Moderna, and Johnson & Johnson helped to dampen the spread of the virus during fiscal year 2021 and allowed the government to slowly loosen restrictions that were put in place at the height of the Coronavirus pandemic, including the re-opening of the State economy to tourism. With the Delta variant of the Coronavirus surging in the State of Hawaii in August 2021 and subsiding toward September 2021, HHSC's facilities were at or above full capacity in the intensive care unit and emergency department. After the Delta variant surge, new Coronavirus case counts remained relatively low until the debut of the Omicron variant; although the HHSC acute average daily admissions for the first seven months of fiscal year 2022 has remained fairly consistent.

In order to mitigate the negative impacts of the Coronavirus pandemic on its facilities, HHSC aggressively sought after federal funding for Coronavirus relief. To date, HHSC applied for and received over \$46 million in Health & Human Services Provider Relief Fund grants. HHSC also applied for and received almost \$20 million in first round Small Business Association Paycheck Protection Program (PPP) loans during fiscal year 2020, all of which were fully-forgiven by the Small Business Administration in fiscal year 2021. HHSC also has received another \$3.4 million in second round Small Business Administration PPP loans which are still outstanding. HHSC has applied and received various other grants and funding from federal, state, and county relating to the testing, treatment, and preparation costs for potential and actual Coronavirus patients. Two of HHSC's regions also applied for approximately \$14.4 million in advance payments from Medicare during fiscal year 2020. Under this program, repayment for the advance payments will be delayed until one year after the advance payment was issued; after that, repayment will be recouped over a maximum period of 29 months, after which the remaining balance must be paid in full subject to an interest rate of four percent.

Fiscal Year 2023 Supplemental Budget Request (HTH 212)

Please note that the funding amounts and requests in this section do not include the Oahu Region of HHSC, as Act 212, SLH 2021, provided for the transfer of the budget of the Oahu Region to the State Department of Health effective July 1, 2021.

In the 2021 Legislative Session, the Legislature appropriated the following general fund and capital improvement project appropriations for HTH 212 (HHSC Regions) for fiscal years 2022 and 2023:

	ACT 88 SLH 2021 FY 2022	ACT 88 SLH 2021 FY 2023
General Fund Appropriations for Operations	92,970,903	92,970,903
AMERICAN RESCUE PLAN FUNDS-Regions	<u>33,615,400</u>	<u>32,315,400</u>
STATE SUBSIDY FOR OPERATIONS	<u>126,586,303</u>	<u>125,286,303</u>
CIP APPROPRIATIONS	<u>33,500,000</u>	<u>16,000,000</u>

For HTH212, HHSC Regions, HHSC is requesting additional general fund appropriations for basic hospital operations to pay for the increase in the fringe benefit rate assumption from 50.75% to 62.78%, valued at \$26,099,000. The amount is computed as the value of HHSC's salaries and wages costs multiplied by the increase in the fringe benefit rate of 12.03%. The increase in the fringe benefit rate is something out of HHSC's control, and is the only major assumption that changed between the preparation of the biennium budget request for fiscal year 2023 and the preparation of the supplemental budget request. Unlike other State agencies, HHSC's fringe benefit costs are not funded by Budget & Finance, and any increase in fringe benefit costs must be paid for out of HHSC's own cash collections for patient services, which is not expected to increase at anywhere near a sufficient level to cover the increase in fringe benefit costs.

A summary of the amounts appropriated to HTH212 for fiscal years 2022 – 2023 in Act 88 S.L.H. 2021, requested by HHSC for FY 2023, and recommended by the Governor for FY 2023 are summarized below.

HTH 210, 212, 213: HHSC REGIONS, CORPORATE OFFICE				
Funding Type	Act 88 SLH 2021 FY 2022	Act 88 SLH 2021 FY 2023	HHSC Supplemental FY 23 Request	FY 2023 Gov Rec
General Fund Appropriations for Operations (A Funds)	92,970,903	92,970,903	26,099,000	(8,923,000)
ARPA Funds for Kauai Adolescent Mental Health (V Funds)	1,300,000	-	-	-
ARPA Funds for Operations (V Funds)	<u>32,315,400</u>	<u>32,315,400</u>	-	<u>8,923,000</u>
TOTAL STATE SUBSIDY AMOUNTS	<u>126,586,303</u>	<u>125,286,303</u>	<u>26,099,000</u>	<u>-</u>
CIP APPROPRIATIONS	<u>33,500,000</u>	<u>16,000,000</u>	<u>1,949,000</u>	<u>1,949,000</u>

It should be noted that HHSC's funding requests noted above do not include any amounts for collective bargaining pay increases as a result of the State of Hawaii's collective bargaining negotiations with the public sector unions. Should the Legislature provide funding for these raises, HHSC would request general fund appropriations be provided to cover these pay increases, as these costs were not under the control of HHSC as the State of Hawaii controlled the negotiations with the public sector unions.

It is important to note that at the time these requests were prepared, it was assumed that no further funding for hospitals would come from the federal government in terms of Coronavirus

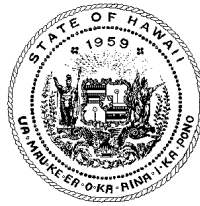
relief, as Congress and the President had not yet passed any further Coronavirus relief packages. With the recent announcement of an additional phase of Provider Relief Fund distributions, HHSC is currently evaluating the funding available in these distributions to see if there are any funds available to offset HHSC's losses as a result of the Coronavirus pandemic.

HHSC's base request is what HHSC believes is necessary to continue to provide the same level of quality healthcare it has been providing to its communities without reducing services, as it did in 2016 when funding was not sufficient to maintain current operations.

This testimony addresses only the amounts that would go to HTH 212, HHSC – Regions. We expect Kahuku Medical Center, Maui Health Systems, and Oahu Region to provide their own testimony in support of the amounts appropriated for those entities in this bill.

Thank you for the opportunity to testify on this measure **in support with requested amendments.**

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY

1177 Alakea Street, 6th Floor
Honolulu, Hawaii 96813

MAX N. OTANI
DIRECTOR

Maria C. Cook
Deputy Director
Administration

Tommy Johnson
Deputy Director
Corrections

Jordan Lowe
Deputy Director
Law Enforcement

No. _____

TESTIMONY ON HOUSE BILL 1600
RELATING TO STATE BUDGET.

by
Max N. Otani, Director

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair

Thursday, March 10, 2022; 1:30 p.m.
Via Videoconference

Chair Luke, Vice Chair Yamashita, and Members of the Committee:

The Department of Public Safety (PSD) **supports** House Bill (HB) 1600, which appropriates funding for the fiscal year (FY) 2022-2023 Supplemental Operating Budget and Capital Improvement Project (CIP) Budget.

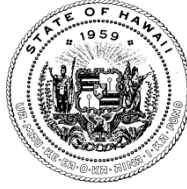
Specifically for PSD, the measure appropriates the following for the Operating Budget:

FY 2022-23: 3,005.60 permanent positions, 46.0 temporary positions, and \$321,541,462 for all means of financing; and for CIP, \$125,000,000 for fiscal year 2022-2023.

Details of our Operating Budget and CIP requests were sent to your Committee earlier.

Thank you for the opportunity to present this testimony.

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
EDUARDO P. MANGLALLAN
PATRICK H. MCCAIN
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

March 10, 2022
1:30 P.M.
State Capitol, Room 415, Via Videoconference

H.B. 1600
RELATING TO THE STATE BUDGET

House Committee on Finance

The Department of Transportation (DOT) **strongly supports** this bill, which adjusts and requests appropriations for the FY2023 Executive Supplemental budget funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Thank you for the opportunity to provide testimony.

TO: Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair
House Committee on Education

FROM: Robert G. Peters, Chair
Early Learning Board

SUBJECT: Measure: H.B. 1600
Hearing Date: Thursday March 10, 2022
Time: 1:30pm
Location: Videoconference and Room 308

Description : RELATING TO THE STATE BUDGET – Adjusts and requests appropriations for fiscal biennium 2021 - 2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs..

Early Learning Board Position: Support

Aloha. I am Robert G. Peters, Chair of the Early Learning Board (ELB), offering testimony in support of H.B. 1600. The ELB respectfully requests your consideration of funding for EDN700, EOEL's program ID, as contained in the Executive Supplemental Budget FY 2023, approved by the Board.

As the governing board for EOEL, we thank the Legislature for its support of EOEL's work to increase access to high-quality early learning. EOEL is statutorily responsible for the development of the State's early childhood system that shall ensure a spectrum of high-quality development and learning opportunities for children throughout the state, from prenatal care until the time they enter kindergarten, with priority given to underserved or at-risk children.

We request the Legislature's support to help reach its goal of expanding access to early learning, which passage of this budget bill will encourage.

Recognizing the dire economic situation our State faced due to the COVID-19 pandemic, ELB appreciates the Legislature's commitment to maintaining EOEL's funding and ensuring its ability to maintain existing programs and services for young children and their families. Support of the budget bill will demonstrate the Legislature's investment in quality early care and education, recognizing that it not only provides immediate support to Hawaii's working families and boosts the economy by providing jobs and it provides substantial long-term benefits for our keiki and community as well. High-quality early childhood programs help "build the foundations for stronger family lives that result in larger gains for their children" and have "substantial second-generation effects on education, employment, crime, school suspensions, and health" (Heckman, James, and Ganesh Karapukula, 2019).

The proposed EDN700 budget reflects an appropriation ceiling request of \$100,000 for the Early Childhood Educator Special Fund, established through Act 210, SLH 2021. The Early Childhood Educator Stipend Program provides upfront funding to eligible students pursuing early childhood coursework and credentials. The program requires that recipients provide two consecutive years of early care and education services in one of the early learning systems as described in Section 302L-2, for children birth to five years of age. If recipients fail to meet any requirements of the program, they will be required to pay some or all the funds back.

The ELB respectfully requests the legislature adopt the requests for EDN700 as reflected in the FY 2023 Supplemental Executive Budget. Thank you for the opportunity to testify on this bill.

HB-1600

Submitted on: 3/9/2022 6:04:13 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelle Miki'ala Pescaia	Kaho'olawe Island Reserve Commission, Protect Kaho'olawe 'Ohana, PKO Molokai 'Ohana	Support	Written Testimony Only

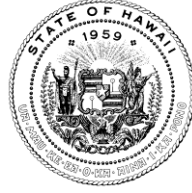
Comments:

Aloha e nā lālā o ke Kōmike House Finance, aloha nō.

I would like to take the time to express my full SUPPORT for HB1600 regarding the funding being provided to DLNR in account LNR906 for the Kaho'olawe Island Reserve Commission (KIRC). I am in full SUPPORT of the reinstatement of the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the continuation of their long-term restoration of Kaho'olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho'olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods.

But more so, right now, restoring the public confidence in the State government to steward lands and waters contaminated, disrespected and destroyed by the US military is critical. This act will demonstrate to our people that we put the needs of our 'aina above all else, if the land and water is unhealthy, it compromises our quality of life. Please SUPPORT the initiatives proposed by APPROVING this funding, and encourage our community to also value our 'aina and our environment and not take it for granted. Bombs on one island, jet fuel on another, both seem almost impossible to reverse completely, but we need to start somewhere and keep going. Our islands are worth it. Mahalo nui from Molokai.

I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Finance**

Thursday, March 10, 2022

1:30 p.m.

Via Videoconference

**On the following measure:
H.B. 1600, RELATING TO THE STATE BUDGET**

Chair Luke and Members of the Committee:

My name is Catherine P. Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department supports this bill.

The purposes of this bill are to adjust and request appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

For the Committee's information, the relevant program appropriations for the Department are on pages 66 to 68 of this measure.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1600**

**March 10, 2022
1:30 p.m.
Room 308 and Videoconference**

RELATING TO THE STATE BUDGET

The Department of Budget and Finance supports House Bill (H.B.) No. 1600.

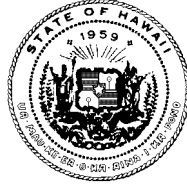
H.B. No. 1600 adjusts and requests appropriations for FY 2021-23 funding requirements for operations and capital improvement program (CIP) projects of Executive Branch agencies and programs. The bill also incorporates selected appropriations from Act 1 and Act 6, SpSLH 2021, which were deemed necessary for core State operations, and includes the cost element breakdown for all CIP projects, pursuant to Chapter 37, Budget, HRS.

H.B. No. 1600 includes funding to support priority programs, such as education, environment, health, human services, public safety, and transportation. This bill replenishes resources for programs that were severely impacted by budget reductions, while building back the State's workforce by restoring position counts and funds for deleted positions and funding for defunded and underfunded positions, and provides funding for increases in essential operating costs, such as utilities and insurance. In addition, H.B. No. 1600 provides funding to support other essential public services and to improve State programs.

The funding (general funds) proposed by this bill and other specific Administration appropriation bills meet the maintenance of effort (MOE) requirement imposed by the American Rescue Plan (ARP) Act for Elementary and Secondary School Emergency Relief Funds (ARP ESSER). The ARP ESSER MOE requires the state to maintain proportional levels of state support for education relative to the state's overall spending over a specified period. As such, changes to funding levels due to subsequent drafts of this bill and other appropriation bills will require a reassessment to ensure that MOE requirements are met.

Thank you for your consideration of our comments.

DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 9, 2022

TO: The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

FROM: Cathy Betts, Director

SUBJECT: **HB 1600 - RELATING TO THE STATE BUDGET.**

Hearing: Thursday, March 10, 2022, 1:30 p.m.
Via videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the executive budget and provides comments.

PURPOSE: The purpose of this measure is to adjust and request appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Director's Statement & Budget Summary

On behalf of DHS, we appreciate the opportunity to present and discuss the Department's supplemental State Fiscal Year (SFY) 2023 budget requests. We would also like to extend our appreciation and gratitude for the Legislature's support throughout the pandemic. Over the last two years, DHS staff and leadership have worked tirelessly to ensure timely and equitable access to a lifeline of safety net benefits and services. What lies before us in terms of long-term pandemic impact on some of our most marginalized communities remains unknown. However, we know that communities' need for our services and benefits remains at an all-time high, regardless of the recent economic upturn. As a department and a State, we have an opportunity to continue to innovate, collaborate, and ensure de-siloed and time-efficient services for our residents. Returning to a pre-pandemic status quo should not be entertained. With the legislature and our community stakeholders' commitment, we can transform how we operate and deliver services to those most in need. We will need adequate staffing, continued investment in IT modernization, and well-thought-out solutions to get there. We need the restoration of positions to support the dedicated and well-trained workforce to continue meeting the needs of our residents.

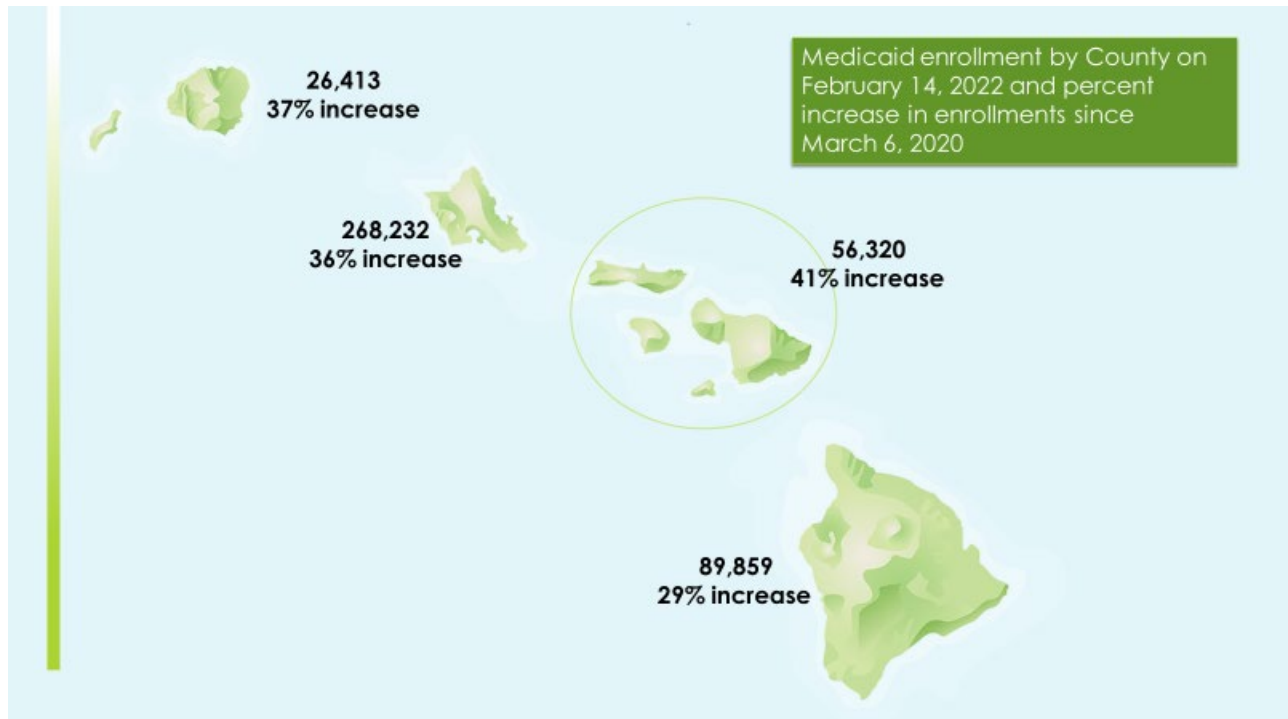
Hawaii Public Housing Authority will be submitting their testimony separately.

AN EQUAL OPPORTUNITY AGENCY

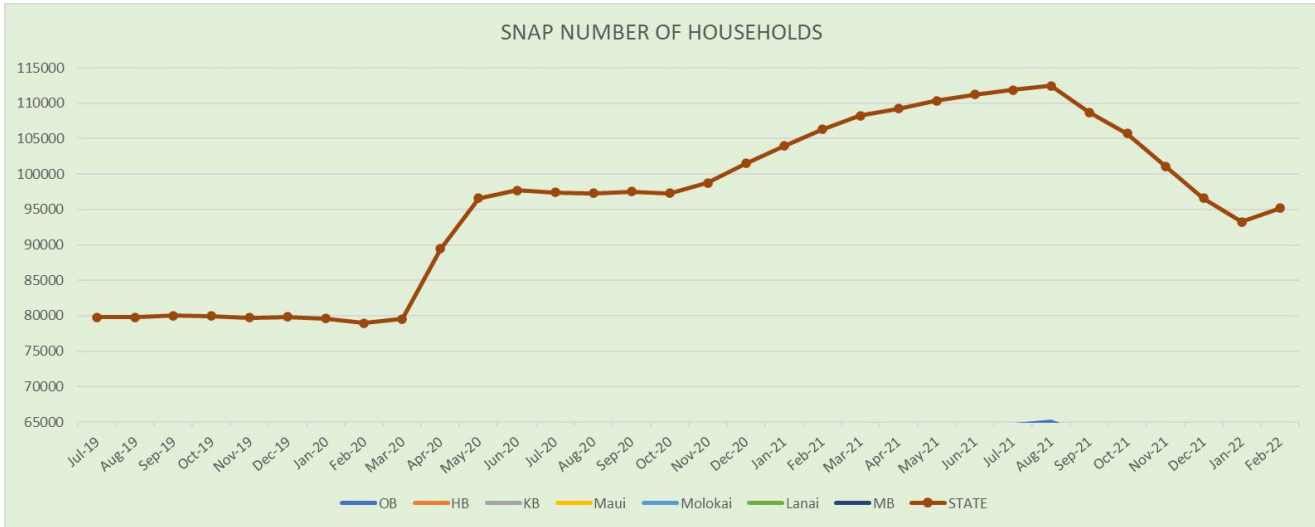
The top priorities of the DHS Supplemental SFY2023 budget are to restore funds to defunded or underfunded positions and establish new positions to meet the needs of Hawaii residents who continue to require benefits and services in record numbers.

For example, as of February 7, 2022, Medicaid enrollment remains at a historical high at 440,824 or 35% more individuals than in March 2020, with the highest percentage increase in Maui County.

Hawai'i Medicaid Monthly Enrollment: January 2019 to February 7, 2022
113,705 New Enrollments since 3/6/2020 (35% Increase)



Similarly, as of March 3, 2022, households receiving Supplemental Nutrition Assistance Program (SNAP) benefits remain 19.6% higher (95,190) than at the pandemic's start in March 2020. SNAP household participation hit a high of 112,461 households during the Delta variant surge in August 2021, or 41% higher than March 2020. We fully expect the fluctuation of the SNAP caseload to continue to follow the changes in economic activity as the different COVID-19 variants impact the State. While we have requested extensions of federal waivers, if the current federal waivers end at the end of March, we will be required to reinstate additional verification requirements. With the volume of cases, we do anticipate delays as eligibility staff continues to address the high volume of clients and additional verification procedures.



To continue providing timely services and improving access to services, we request the **restoration of salaries for 100 defunded positions and request 36 new positions and appropriations for salaries.**

DHS SUPPLEMENTAL FY23 BUDGET REQUEST TO RESTORE DEFUNDED SALARIES & NEW POSITION REQUESTS												
RESTORE SALARIES DEFUNDED BY ACT 9, SLH2020 & ACT 88, SLH 2021					NEW POSITION REQUESTS							
		Restore General Fund Salaries, MOF A	Adjusted Federal Fund Salaries MOF N	No. of Positions	FTE			TTL Pos	Salaries			
					MOF A	MOF N	MOF B		MOF A	MOF N	MOF B	Total Dollar Request
BESSD	HMS236	797,151	(51,425)	35								
	HMS302	-	-		12.50	12.50		25	533,430	533,430		1,066,860
	HMS903	70,585	(10,241)	3								
DVR	HMS802	135,376	-	11								
MQD	HMS902	775,084	49,307	32								
SSD	HMS301	68,536	1,590	3		0.50	0.50	1		31,068	31,068	62,136
	HMS601	29,874	1,212	1								
ADMIN	HMS904	551,547	-	14	2.95	1.05		4	280,109	120,017		400,126
HYCF	HMS503	55,200	-	1								
HPHA	HMS222	-	-	0		6.00		6		246,672		246,672
Total		2,483,353	(9,557)	100	15.45	20.05	0.50	36	813,539	931,187	31,068	1,775,794

The supplemental budget requests emphasize continued investment in the **DHS IT workforce and modernizing its IT infrastructure.**

Prog ID	Dept Pri	DHS IT Requests	MOF	FTE (P)	FTE (T)	\$ Amount
		Administration				
904AA-52	1	Add 3.00 Perm FTEs for OIT Project Management Office Positions	A	1.95		224,909
904AA-52	1	Add 3.00 Perm FTEs for OIT Project Management Office Positions	N	1.05		195,380
904AA-54	6	Fund OIT Information Technology Positions	A	8.0		328,278
904AA-53	7	Fund OIT Administration Positions	A	3.0		111,069
		Social Services Division – Child Welfare Services				
301SA-51	8	Add 1.00 Perm FTE for FFPSA SW V 92379K	B	0.50		25,286
301SA-51	8	Add 1.00 Perm FTE for FFPSA SW V 92379K	N	0.50		25,286
		Med-QUEST Division				
902IA-52	13	Add General Funds to KOLEA M&O	A			\$1,137,000

The prior and ongoing investment to modernize the DHS IT infrastructure was critical to the Department's ability to pivot to a telework environment and provide benefits and services to Hawaii's residents throughout the pandemic. Our budget requests assume that DHS will maintain the capabilities gained during the pandemic and add more IT capabilities and business processes to improve service delivery. For example, with CARES Act funds, DHS worked with the Department of Education (DOE) and the Hawaii State Public Charter School Commission to deliver new pandemic SNAP benefits through the Pandemic Electronic Benefits Transfer program (P-EBT). The DHS invested in new IT capabilities to match DOE and Charter School Commission data. As a result, Hawaii was among the first states to issue P-EBT COVID-19 relief benefits as follows:

SNAP households with children:

- Number of families received P-EBT benefits: 31,406
- Number of children who received P-EBT benefits: 51,608
- Total amount of P-EBT benefits issued: **\$30,454,938**

Non-SNAP households with children:

- Number of families received P-EBT benefits: 33,465
- Number of children who received P-EBT benefits: 46,380
- Total amount of P-EBT benefits issued: **\$30,733,550**

If schools should close again and more P-EBT benefits are authorized, DHS will be ready to distribute additional P-EBT benefits.

In SFY 2020, DHS issued \$2,000,000 in added Child Care Development Block Grant Funds (CCDBG) to child care providers to address child care providers' COVID-19 mitigation. To do this, we added a new automated batch processing function that authorizes multiple payment claims for multiple providers in one transaction, a new payment issuance process that leveraged existing Directed Provider Payment functionality to deposit payments to the bank account designated by the provider, and we added functionality to produce the reports and error checks to prevent duplicate payments.

With federal pandemic funds, DHS developed two child care grant programs that provided needed support to child care facilities to remain open. Child care programs used these funds to compensate their staff, even if the program's operations were impacted by COVID-19 cases, especially as children under five remain ineligible for vaccination against COVID-19.

In 2020, under Act 9, Part XII, the Legislature established the child care grant program to support child care facilities during the COVID-19 pandemic. Act 9 included an appropriation of federal funds appropriated to the State by the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, to implement the purpose of Act 9, Part XII. Later, Congress appropriated the child care relief and stabilization fund through the American Rescue Plan Act of 2021, Pub. L. No. 117-2. If the health and economic impacts of the pandemic continue, we anticipate that additional federal funds may be forthcoming to continue to support child care facilities. The pandemic highlighted the need for child care for working families; we anticipate with heightened scrutiny and commitment from the federal government, we will continue to receive an increase in federal funds to ensure adequate child care exists for working families.

The Act 9 child care grant program issued 348 grants for more than \$11.3M. The child care grant program funded with American Rescue Plan Act funds is in the process of issuing more than \$70M in funds to child care providers and their employees.

These expanded caseloads and new benefit programs, the SFY 2021 executive hiring freeze, Act 9, Session Laws of Hawaii (SLH) of 2020, defunding of 319 positions, and Act 88, SLH 2021, defunding of 18 positions, the dramatic growth in clients, retirements, resignations, programmatic changes, and new programs have put an enormous strain on our existing staff and operations.

The trauma and demands of the pandemic have significantly impacted our line staff, who work with vulnerable residents daily. Re-funding split funded positions will improve staff morale and provide needed support to continue the vitally important work.

DHS employees are proud that they have met the steep increase in need, but continuing to do so comes at a price for morale, risk of burnout, vicarious trauma, and hinders employee retention.

1. Restoring unfunded and reduced positions will allow the Department to sustain the increase in need, support the current and future workforce, and bolster the strength of our social service safety net, supporting all three strategic plan goals.
2. Budget requests for direct client assistance programs support our strategic plan goal to improve the self-sufficiency and well-being of Hawai'i's individuals and families.
 - a. MQD, HMS 401 – to extend postpartum benefits to twelve months and fund adult dental benefits.
 - b. SSD, HMS 301 – to maximize available federal funding to support families in the community and decrease the number of children entering foster care and families entering the Child Welfare System.
 - c. BESSD, HMS 211 – to increase and maximize the current allotment (benefit) amount allowable under HRS 346-053 for Temporary Assistance for Needy Families (TANF) and Temporary Assistance for Other Needy Families (TAONF).
 - d. BESSD, HMS 903 – to procure afterschool and summer programs for children in grades K-12 statewide to help address the lack of available childcare for grade school students and youth programs for students grades 7-12.
 - e. BESSD, HMS 903 – to reinstate the Exit and Employment Retention Bonuses program. The bonuses paid to those who exited TANF were proven successful as incentives for TANF recipient families to obtain and maintain employment and to remain financially independent.
 - f. HYCF, HMS 503 – to assist HYCF youth in transitioning back into our communities, reducing recidivism, and increasing public safety.
3. Budget requests supporting our strategic plan goal two to improve service integration and delivery to develop solutions for sustainable outcomes include the internal process and infrastructure improvements:
 - a. MQD, HMS 902 – additional general funds to support the maintenance and operations (M&O) for KOLEA, the Medicaid enrollment system. With KOLEA, MQD was able to process an increase of over 35% of Medicaid clients timely and safely.
 - b. BESSD, HMS 903 - tech refresh for all computers to replace equipment purchased in 2018. The ETS recommendation is that agencies follow a 4-year replacement cycle replacing roughly 25% of the PCs in the agency every fiscal year.¹
 - c. HPHA, HMS 220 – CIP request for public housing development, improvements, and renovations, including compliance with the Americans with Disabilities Act (ADA) and Department of Housing and Urban development's (HUD's) Uniform Federal Accessibility Standards (UFAS).
 - d. DVR, HMS 802 - CIP request for Ho'opono Services for the Blind, Buildings A & B enclosure of mechanical area, retro-commissioning, and paint building exteriors to

¹DHS will delete this request as the Department of Budget & Finance (B&F) approved DHS request for ARPA funds for this purpose. B&F will submit a Governor's Message to delete the request.

- prevent disruption in services to blind customers and maximize staff and consumer safety.
- e. HYCF, CIP requests to replace air conditioning systems and emergency generators that serve the Secure Custody Facility, Observation and Assessment Cottage, and Maluhia Cottage.

Capital Improvement Projects (CIP) Budget Request

OFFICE OF YOUTH SERVICES (OYS) / HAWAII YOUTH CORRECTIONAL FACILITY (HYCF)

HMS 503 – Hawaii Youth Correctional Facility (HYCF)

Dept Pri	Prog ID	Proj No.	Project Title	MOF	SUPPLEMENTAL TOTALS	
					FY 22	FY 23
1	HMS503	FY23.2	HYCF REPLACE EMERGENCY GENERATORS AND OTHER IMPROVEMENTS, OAHU	C		1,350,000
2	HMS503	FY23.1	HYCF AIR CONDITIONING SYSTEMS REPLACEMENT AND RELATED IMPROVEMENTS, OAHU	C		500,000

HMS 503 FY23.2 – HYCF Replace Emergency Generators & Other Improvements, Oahu

This request is necessary to replace existing emergency generators that service the Secure Correctional Facility, Observation and Assessment Cottage, and Maluhia Cottage. The work involves demolition, installing emergency generators and a generator building, and other related improvements.

HMS 503, FY23.1 – HYCF Air Conditioning Systems Replacement and Related Improvements, Oahu

This request is for plans, design, and construction to replace air conditioning systems and existing emergency generators that serve the Secure Custody Facility, Observation and Assessment Cottage, and Maluhia Cottage. The project may include repairs, renovations, refurbishments, new construction, ground and site improvements, and related work. In addition, the work involves demolition, installation of emergency generators, a generator building, and other related improvements.

DIVISION OF VOCATIONAL REHABILITATION (DVR)

HMS 802 – Vocational Rehabilitation

Dept Pri	Prog ID	Proj No.	Project Title	MOF	SUPPLEMENTAL TOTALS	
					FY 22	FY 23
1	HMS802	FY23.4	HOOPONO BUILDINGS A AND B IMPROVEMENTS	C		396,000

Comptroller's memo RA-22.0004 dated 9/22/2021 included prioritized backlog lists of repair and maintenance projects and recommended the following requests:

- Priority #1: Enclosure of mechanical unit/AC unit outside the Ho'opono building. In addition to the exposure to weather elements, there has been a history of security issues, high occurrences of vandalism, and high traffic of homeless individuals in the area. Not enclosing the mechanical unit increases the risk of damage from weather or vandalism to the A/C unit or chillers, impacting the entire Ho'opono building, staff, and services to our blind consumers. Technology equipment reliant upon cooler temperatures would be at increased risk for damages, services to blind individuals could be interrupted, and deteriorating work conditions could affect staff health and morale. DVR would also incur related repair or replacements costs that proper protection of the mechanical area will avoid.
- Priority #2: Re-commissioning of fixtures. Ho'opono has old and outdated fixtures that are out of date with current industry and safety standards. This improvement would minimize staff and consumer safety risks and promote energy efficiency and long-term cost savings.

Operating Budget Requests

OFFICE OF YOUTH SERVICES (OYS)

HMS 501 – In-Community Youth Programs

		BUDGET REQUESTS		FY23		
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
501YA-51	4	Transfer-Out Pre-Audit Clerk I 47413 from HMS 501 to HMS 904. Companion request is 904AA-57	A	(1.00)		(34,020)
904AA-57	4	Transfer-In Pre-Audit Clerk I 47413 from HMS 501 to HMS 904. Companion request is 904AA-57	A	1.00		34,020

501YA-51 - Transfer-Out Pre-Audit Clerk I 47413 from HMS 501 to HMS 904. Companion request is 904AA-57

DHS is requesting to transfer position 47413, Pre-Audit Clerk, from HMS 501 to HMS 904/FMO to reflect the current organizational structure accurately.

This position was established in HMS 501 in 1993 and reflected organizationally in the Financial Management Office (FMO). The incumbent in this position has continuously physically resided within FMO. FMO has supervisory control over this position. The position is one of three positions currently providing payroll services to all of DHS (except HPHA) and performs a critical function in FMO. This request is a trade-off with a companion request to transfer out of HMS 503.

HMS 503 – Hawaii Youth Correctional Facility (HYCF)

		BUDGET REQUESTS	FY23			
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
503YB-51	10	Funding of 1.00 Permanent General Professional IV 118511	A	-		55,200
503YB-52	29	Restoration of Other Current Expenses at HYCF	A			150,000

503YB-51 - Funding of 1.00 Permanent General Professional IV 118511

The Hawaii Youth Correctional Facility (HYCF) requests to restore the salary for position 118511. Federal regulations address sexual abuse and sexual harassment at correctional facilities and require a Prison Rape Elimination Act (PREA) Coordinator. Per 28 CFR § 115.311, Zero tolerance of sexual abuse and sexual harassment; PREA coordinator,

- (b) An agency shall employ or designate an upper-level, agency-wide PREA coordinator with sufficient time and authority to develop, implement, and oversee agency efforts to comply with the PREA standards in all of its facilities.
- (c) Where an agency operates more than one facility, each facility shall designate a PREA compliance manager with sufficient time and authority to coordinate the facility's efforts to comply with the PREA standards.

HYCF is the only juvenile secured custody correctional facility in Hawaii, and juveniles from the four counties are committed to HYCF by the Family Courts. The average population ranges from 20-25 youth in secure custody, with an average range of 5-10 youth per year in parole supervision.

The impact of not having a PREA Coordinator for HYCF results in the entire State of Hawaii being non-compliant with 28 CFR § 115.311 - zero tolerance of sexual abuse and sexual harassment; PREA Coordinator. Non-compliance results in a reduction of federal funding to the State.

503YB-52 - Restoration of Other Current Expenses at HYCF

The Legislature appropriated \$3,108,789 to HMS 503 in other current expenses for the fiscal year 2020-21. In 2021, the Legislature further cut this amount to \$1,938,413 by Act 88, SLH 2021. Even with \$520,000 received through the American Rescue Plan Act, Act 88, SLH 2021, the 2021 appropriation represents a reduction of \$650,376. The restoration of these funds is needed to fund mental health and transition services at HYCF. HYCF serves the most vulnerable high-risk youth of the Juvenile Justice system. Most of these youth are aging out at 18 with limited

resources. Restoring these funds will provide vocational training, housing for transition, and mental health treatment. In addition, these funds are necessary to address delayed repair and maintenance projects, rising utility costs, and any unforeseen maintenance.

BENEFITS, EMPLOYMENT & SUPPORT SERVICES DIVISION (BESSD)

HMS 204 – General Assistance Payments

		BUDGET REQUESTS		Amount	
Prog ID	Dept Pri	Description	MO F	FY22	FY23
204PD	NA	Lapse American Rescue Plan Act Funds for General Assistance Payments	V	(5,400,000)	

204PD-Gov1 Lapse \$5.4M ARPA for RY 22 (retro) General Assistance Payments

Pre-COVID-19, the caseload of the state-funded General Assistance (GA) program was 5,201 clients in February 2020; by June, the caseload rapidly increased to an unprecedented 7,015 clients. As a result, in September 2020, with a base budget of \$23,889,056, DHS projected a shortfall for SFY21 and SFY22 of \$5,400,000. The shortfall prompted the request for an Emergency Appropriation of \$3,200,000² for SFY 2021³ to restore benefits and avoid reducing benefits further for temporarily disabled residents and an additional \$5,400,000 appropriation for SFY22.

In SFY 2022, the GA caseload has steadily decreased, and the current caseload is 4,758 as of October 2021. With the decreased caseload, the current SFY22 general fund appropriation is adequate to maintain GA benefits at the present benefit amount. Therefore, the additional ARPA appropriation is unnecessary for the current fiscal year.

HMS 211 – Cash Support for Families – Self Sufficiency

		BUDGET REQUESTS		FY23		
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
211PC-51	20	Additional General Funds to Increase TAONF Allotment Level	A			4,021,809

211PC-51 – Additional General Funds to Increase TAONF Allotment Level

³ DHS also used funds from the Interim Assistance Reimbursement Special Fund (IAR) to maintain GA benefits. In SFY 2020, DHS drew \$202,223, and in SFY 2021 drew \$3,000,000 from the IAR.

This request is to increase funding for the TAONF portion of the allotment (benefit). The current allotment amount for Temporary Assistance for Needy Families (TANF) and Temporary Assistance for Other Needy Families (TAONF) recipient families is at 48% of the 2006 Federal Poverty Level (FPL). The last increase to the allotment level was in 2009, twelve years ago. According to 346-053, HRS, DHS may increase the allotment amount up to 62.5% of the 2006 FPL. This request supplements the current appropriation, allowing DHS to increase and maximize the benefit levels under section 346-053, HRS, for both TANF and TAONF programs. The allotment will increase from 48% to 60% of the 2006 FPL. The change will represent a \$190 increase per month for a maximum benefit of \$954 per month for a family of three with zero income; and an increase of \$230 for a maximum benefit of \$1,150 per month for a family of four with zero income.

TAONF benefits paid will be claimed towards meeting the federal TANF Maintenance of Effort (MOE) requirement. Hawaii must expend a minimum of \$75.8 million of state funds towards benefits and services for eligible families with dependent children and whose incomes are below the income threshold. If the State fails to meet the minimum MOE requirement, the State may face a fiscal penalty equal to 5% of the federal TANF Block Grant or about \$4.9 million.

HMS 224 – Homeless Services

		BUDGET REQUESTS		Amount	
Prog ID	Dept Pri	Description	MOF	FY22	FY23
224HS	NA	Lapse American Rescue Plan Act Funds for Property Storage and Debris Removal	V	(3,500,000)	(3,500,000)

224HS-Gov1 Lapse \$3.5M ARPA for FY22 (retro) & FY23 Property Storage & Debris Removal

For the past several years, DHS has administered funding for a statewide Stored Property and Debris Removal program through a Memorandum of Agreement (MOA) with the Department of Transportation (DOT). DOT contracts a vendor to maintain a statewide stored property program that addresses property, trash, or other debris left behind at unauthorized encampments on state lands. Expenditures include supplies and equipment to store the property, debris removal services, and signage and fencing to prevent unauthorized encampments on state lands. Most recently, in SFY21, DHS transferred \$3,500,000 in A funds to DOT to contract for these services for the duration of SFY22. In SFY23, DOT will assume full responsibility for this function and directly request an appropriation to perform this service.

DOT is appropriate for the Stored Property and Debris Removal program funding. DOT has implemented this program for the last four years and has the necessary expertise to contract a vendor to perform this function. In 2019, the Stored Property program removed 5,081 tons (11.2 million pounds) of debris and stored 226 items statewide, including more than 4,200 tons (9.25 million pounds) from the island of Oahu alone.

While the appropriation and program will no longer be with DHS, the Stored Property and Debris Removal program remains a core part of the state framework to address homelessness.

Prog ID	Dept Pri	BUDGET REQUESTS		FY23		
		Description	MOF	FTE (P)	FTE (T)	\$ Amount
224HS-51	2	Trade-off Funding for One (1) Defunded HPO Position (From OCE)	A			(51,024)
224HS-51	2	Trade-off Funding for One (1) Defunded HPO Position	A			51,024
224HS-52	27	Eliminate MOF P Ceiling for Homeless Services	P			(2,366,839)

224HS-51 – Trade-off Funding for One (1) Defunded HPO Position (from OCE)

DHS Homeless Programs Office (HPO) is requesting the reduction of other current expenses, line item 267 (Miscellaneous Current Expenses), MOF A, to restore the salary for position number 121802, Program Specialist III. HPO has a small staff, and managing ongoing caseloads are very challenging. This position is responsible for implementing planning, contracting, collaboration, and coordination with homeless providers. In addition, the position works with the counties on their continuum of care strategies to alleviate homelessness, develops and implements programs, and pursues private and federal funding opportunities. These efforts will enhance the State's efforts to mitigate homelessness and coordinate development and oversight of State-owned homeless facilities.

This position addresses the impact of the COVID-19 pandemic and the changes needed to keep service providers and clients as safe as possible. The position is part of the HPO team responsible for monitoring program compliance to address the increased demand while maintaining program integrity in delivering services to eligible homeless individuals and families. This position is essential for the oversight of homeless shelter programs to ensure that the State of Hawaii provides efficient and effective homeless programs. HPO needs funding for this position to maintain administrative oversight of homeless programs.

224HS-52 – Eliminate MOF P Ceiling for Homeless Services

This request eliminates the \$2,366,839 MOF P Ceiling for Homeless Services. HPO no longer administers the federal grant to Bridging the Gap (BTG), the Continuum of Care (CoC)⁴ for Hawaii, Kauai, and Maui counties. In 2019, the U.S. Department of Housing and Urban Development (HUD) agreed to HPO's request to direct the grant funds directly to BTG instead of passing the grant through DHS; this change streamlined contracting and improved the DHS timeliness of administrative activities. The Board of BTG unanimously approved the change. Ka Mana O Na

⁴ HUD requires communities to request funds through a Continuum of Care. Hawaii has two Continuum of Care (CoC), Partners in Care for the City & County of Honolulu, and Bridging The Gap for the Counties of Hawaii, Kauai, and Maui.

Helu manages the CoC grant, a non-profit organization procured for and selected by BTG to serve as the CoC Collaborative Applicant and Homeless Management Information System lead agency.

HMS 236 – Case Management for Self Sufficiency

		BUDGET REQUESTS		FY23		
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
236LC-51	2	General Funding and Federal Fund Adjustment for 35 Defunded Positions for Case Management and Self-Sufficiency	A			797,151
236LC-51	2	General Funding and Federal Fund Adjustment for 35 Defunded Positions for Case Management and Self-Sufficiency	N			(83,710)

236LC-51 - General Funding and Federal Fund Adjustment for 35 Defunded Positions for Case Management and Self-Sufficiency

All positions listed are critical to maintaining the caseloads within the processing centers and First-to-Work Offices, as they provide eligibility determinations, supportive services to maintain operations, or case management to assist participants:

1. Office Assistants provide supportive services such as receiving and processing documents for eligibility workers to review, answering general questions from the public, reception duties in the lobbies, and other clerical functions required to manage personnel records and functioning of the office setting.
2. Eligibility Workers conduct eligibility determinations for applicants and recipients for cash and SNAP benefits per program policies and procedures.
3. The Self-Sufficiency/Support Services positions support participants in the TANF and TAONF programs by providing case management and training to complete a resume, apply for jobs, and further their education.

During this pandemic period, the processing centers statewide have been receiving over 500 applications daily, which has increased the overall workload for the processing centers. It takes about 1.5 to 2 years for an Eligibility Worker to acquire the programmatic knowledge required to conduct eligibility determinations independently. Therefore, keeping the "pipeline" of positions is critical to balancing newly trained employees as current employees retire or resign.

These positions are essential for our operation as we continue to work through this pandemic period and economic uncertainty. Unfortunately, however, we do not have trade-off funds and request general funds for the salary. Also, the federal fund portion of the salary was adjusted to match the current salary schedule.

HMS 302 – General Support for Child Care Payments

Prog ID	Dept Pri	BUDGET REQUESTS Description	MOF	FY23		
				FTE (P)	FTE (T)	\$ Amount
302DA-51	5	Establish and Funds for 25.00 Permanent Positions to Implement Child Care Subsidy Programs	A	12.50		303,842 326,090
302DA-51	5	Establish and Funds for 25.00 Permanent Positions to Implement Child Care Subsidy Programs	N	12.50		680,631 493,534

302DA-51 - Establish and Funds for 25.00 Permanent Positions to Implement Child Care Subsidy Programs

NOTE: Due to formula reference errors in Form A 302DA-51, the amount of general funds approved is \$22,248 less than required, and the amount of federal funds approved is \$187,097 more than required. DHS requests that the amounts in the Governor's Decisions for FY23 be adjusted by +\$22,248 in general funds and by -\$187,097 in federal funds to correct the request to the actual amounts needed.

302DA-51 Establish and Funds for 25.00 Permanent Positions to Implement Child Care Subsidy Programs											
			FY 23 Request - Approved			FY 23 Request - Corrected			FY Request - Adjustment Needed		
			FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)
A. Personal Services			25.00	0.00	865,723	25.00	0.00	700,874	0.00	0.00	(164,849)
B. Other Current Expenses					118,750			118,750	0.00	0.00	0
C. Equipment					0			0	0.00	0.00	0
L. Current Lease Payments					0			0	0.00	0.00	0
M. Motor Vehicles					0			0	0.00	0.00	0
									0	0	0
TOTAL REQUEST			25.00	0.00	984,473	25.00	0.00	819,624	0.00	0.00	(164,849)
By MOF:											
A			12.50	0.00	303,842	12.50	0.00	326,090	0.00	0.00	22,248
N			12.50	0.00	680,631	12.50	0.00	493,534	0.00	0.00	(187,097)

DHS is requesting 25 positions and funds to bring the child care subsidy programs within its State offices instead of procuring the services. Child care subsidies help families afford child care, make more resources available for other living expenses, and provide equal access to high-quality care, targeting underserved and at-risk families. DHS currently procures child care subsidy services for the federally funded Child Care Connection Hawaii and the state-funded Preschool Open Doors programs. Bringing the program in-house will add capacity to process applications and improve efficiency, timeliness, and communication with families. DHS aims to reduce the time to make

accurate eligibility determinations as families need child care subsidies to obtain and maintain employment.

The COVID-19 pandemic highlighted that safe and affordable child care is an essential service for parents and caregivers to continue working. Congress appropriated additional child care funds as part of the pandemic response. The U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF), provided program waivers and changes to the Child Care and Development Fund for States to continue safe and affordable child care.

Since May 2020, applications for CCCH have significantly increased, and demand for child care assistance remains high. From May 2020 through January 2022, twenty-one months, CCCH received 10,520 applications and 5,801 re-certification applications compared to 5,624 total applications and 2,038 re-certification applications from the preceding twenty-one months period, August 2018 – April 2020.

Unfortunately, the contracted providers could not expand capacity to meet the increased demand for child care subsidies. DHS received numerous complaints from parents who were waiting for a determination on their applications, and many needed to resubmit documentation. From May 2020 through January 2022, there were 21,588 applications pending, or about 1,028 per month, on average. Families cannot afford to wait to enroll their children in child care while they look for employment, maintain employment, or continue their education.

DHS also anticipates that ACF will make permanent changes to the child care program that will expand eligibility so that more families can afford child care. With the additional staff, DHS will be more effective in administering the child care subsidy programs.

HMS 903 – General Support for Self Sufficiency Services

		BUDGET REQUESTS		FY23		
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
903FA-52	21	Additional General Funds & Federal Ceiling Increase for Exit and Retention Bonus Payments	A			349,000
903FA-52	21	Additional General Funds & Federal Ceiling Increase for Exit and Retention Bonus Payments	N			1,141,000
903FA-51	22	Additional General Funds & Federal Ceiling Increase for Afterschool and Summer Programs	A			300,000
903FA-51	22	Additional General Funds & Federal Ceiling Increase for Afterschool and Summer Programs	N			5,700,000
903FA-55	23	General Funding and Federal Fund Adjustment for Three (3) Defunded Permanent Positions from Central Services Office and Investigations Office	A			70,585

903FA-55	23	General Funding and Federal Fund Adjustment for Three (3) Defunded Permanent Positions from Central Services Office and Investigations Office	N			(16,670)
903FA-54	24	Request to Delete Three (3) Temporary Positions for BES Project and transfer funding from Personal Services to Other Current Expenses (From PS)	A		(1.59)	(83,386)
903FA-54	24	Request to Delete Three (3) Temporary Positions for BES Project and transfer funding from Personal Services to Other Current Expenses (To OCE)	A			83,386
903FA-54	24	Request to Delete Three (3) Temporary Positions for BES Project and transfer funding from Personal Services to Other Current Expenses (From PS)	N		(1.41)	(178,080)
903FA-54	24	Request to Delete Three (3) Temporary Positions for BES Project and transfer funding from Personal Services to Other Current Expenses (To OCE)	N			178,080
903FA-53	25	Additional General Funds & Federal Ceiling Increase for Tech Refresh Project	A			1,587,853
903FA-53	25	Additional General Funds & Federal Ceiling Increase for Tech Refresh Project	N			1,408,095

903FA-52 - Additional General Funds & Federal Ceiling Increase for Exit and Retention Bonus Payments

The requests for general funds and an increase in the federal ceiling are to restart the exit and retention bonus payments and complete system modifications necessary to run the program. The additional funds will be for the bonus payments beginning SFY23. The amount requested for SFY23 is less than will be required in SFY24 because no one will be eligible for the 24-month bonus until the second year of implementation. The requested federal funds are currently available through the federal Temporary Assistance for Needy Families (TANF) Block Grant. This grant represents an obligation for the TANF programs. DHS may use funds carried over from the previous years for this request.

The Legislature, by Act 128, SLH 2018, re-established the Exit and Retention Bonus program and appropriated \$400,000. These funds covered most costs to modify the Hawaii Automated Network Assistance (HANA) case management system to issue payments. The HANA system modification of the Exit and Employment Retention Bonuses program paused in July 2020 due to the pandemic and other priorities, which left approximately \$94,000 to lapse on the IT contract. The budget request of \$94,000 is needed to complete IT system modifications and include new functions and features. The new capabilities will allow case managers to enter data on household composition, employment information, employment hours, earnings, and household income; and allow bonus payments to be authorized and issued through the HANA system. Data entered into the HANA system will n be extracted and used to evaluate the bonus program.

We estimate about 75% of the 1,632 will be eligible for federally-funded bonuses; therefore, 25% of the projected bonus payments will need a general funds appropriation. For the first year, SFY 2023, the program requires \$1,047,000 of federal TANF funds and \$349,000 with general funds. In the second year, SFY 2024, the program will require \$1,250,000 of federal TANF funds and \$417,000 with general funds.

The previous Exit and Retention Bonus program was proven successful as incentives for TANF recipient families to obtain and maintain employment and to remain financially independent. From 2009 through 2012, DHS paid these bonuses to employed TANF recipients as part of the "Reward Works" initiative. TANF recipient families who successfully exited TANF due to employment income were eligible to apply for the exit bonus. They were also eligible to apply for additional bonuses if they maintained their employment status for three months, six months, 12 months, and 24 months immediately following their TANF exit. The retention bonuses increased as the employment retention periods increased. For SFY10 and SFY11, the last two years of the previous bonus program, 83% of families that received at least one bonus payment did not reapply for TANF, and only 17% of the families reapplied for TANF after receiving a bonus payment. However, due to a lack of funds, the Exit and Employment Retention Bonus program ended in 2012.

A total of 1,091 former TANF recipients (unduplicated) received at least one bonus payment in fiscal years 2010 and 2011. Of this total, 29% received a 3-month bonus; 26% received a 6-month bonus; 24% received a 12-month bonus; and 21% received a 24-month bonus. Therefore, we project that for SFY 2022, approximately 1,632 recipient families will exit TANF with employment. Applying the above percentages, we project the number of families who would receive bonuses. Assuming 1,632 will be eligible for an exit bonus in SFY 2023 – the first year, we calculate the following:

- Roughly 473 families will receive a 3-month bonus;
- About 424 families will receive a 6-month bonus;
- About 373 families will receive a 12-month bonus in SFY 2024; and
- Nearly 392 families will receive a 24-month bonus in the 2nd full year in SFY 2025.

Based on the following bonus amounts--1) \$500 at exit; 2) \$600 at 3-months; 3) \$700 at 6-months; 4) \$900 at 12-months; and 5) \$1,800 at 24-months, and the number of families that would be eligible for each of the bonuses, we project the following total payments for the 1st year SFY 2023--1) \$816,000 for exit bonuses; 2) \$283,000 for 3-month bonuses; and 3) \$297,000 for 6-month bonuses, for a projected total of \$1,396,000.

Assuming in the 2nd year, the number of families exiting TANF with employment will decrease by 4.7% from the 1st year SFY23 for a projection of 1,555 families that would be eligible for the exit, 3-, 6- and 12-month bonuses. The following total payments for the 2nd year SFY 2024--1) \$778,000 for exit bonuses; 2) \$270,000 for 3-month bonuses; 3) \$283,000 for 6-month bonuses; 4) and \$336,000 for 12-month bonuses, for a projected total of \$1,667,000 of bonus payments would be paid in SFY 2024.

903FA-51 - Additional General Funds & Federal Ceiling Increase for Afterschool and Summer Programs

To address the increased demand for child care for younger children and more structured afterschool environments for older youth, the TANF Program Office intends to procure community-based organizations' services to provide new or expand existing afterschool and summer programs for children grades K-12. For example, according to the Hawaii Afterschool Alliance, there are approximately 3,400 students on the waitlist for the A-Plus Program. Currently, 30 middle and intermediate schools provide the Uniting Peer Learning Integrating New Knowledge (UPLINK) afterschool program (about 60% of total).

DHS will direct these funds to 30 afterschool programs across the State - Oahu (18), Kauai (2), Maui (4), and Hawaii (6), at the cost of approximately \$200,000 per site, totaling \$6,000,000. We project that approximately 95% of the students will be eligible for federal TANF funded services, totaling \$5,700,000, while about 5% would be eligible for state-funded services, totaling \$300,000. The figures are estimates based on current service providers contracted to provide afterschool and youth development programs. The TANF Program Office will issue a Request for Information (RFI) to solicit new and expanded programming information. The RFI will solicit community input on academic support, age-appropriate extra-curricular activities, innovative programs, performance measures, programs that address the needs of working families whose incomes are at or below the current federal poverty level, and cost per child to operate an afterschool and summer programs.

903FA-55 - General Funding and Federal Fund Adjustment for Three (3) Defunded Permanent Positions from Central Services Office and Investigations Office

Office Assistant IV (Pos #16992)

The Office Assistant IV is a higher-level clerk that participates in and provides services as the lead clerk assigned to the Support Services Office (SSO). SSO staff supports the entire Oahu Statewide Branch by storing and retrieving closed case records for the processing centers, First-To-Work, and Child Care Licensing Programs. Although SSO staff does not provide direct services to clients, their purpose is to provide support services to the units. These are vital services that the units facilitate their client-oriented work. This office also receives and distributes mail for the BESSD Division on Oahu. In addition, the Office Assistant IV position is responsible for overseeing activities that are completed per procedures, trains and advises subordinates, identifies problem areas, and works with staff to evaluate and implement changes to improve services to the units. This position also monitors late deliveries and handles any incoming calls from the public, acting as the liaison between the courier service and the different offices and units within the Division to resolve any issues that need corrective action.

The SSO's Central Files Office (CFO) in Kapolei previously had three positions, but currently, there are only two positions left as a result of previous position cuts: one Office Assistant (OA) III (which is filled) and this Office Assistance IV position that was defunded and remains vacant.

Previously, two OA III and the OA IV processed all closed case records and received, sorted, and distributed mail for the Oahu Statewide Branch units. In 2014, BESSD implemented the Electronic Case Filing (ECF) to scan all paperwork for new and current clients. As cases are closed, the units send the closed cases to CFO to process for storage and destruction. In October 2014, BESSD contracted the services of Access Information Management to store the closed case records for the Oahu Statewide Branch units. With the high number of closed case records, the CFO quickly became backlogged with cases.

In July 2020, the Office Assistant IV position became vacant as the incumbent retired on June 30, 2020, leaving only one Office Assistant III to perform the duties for both positions. In July 2021, the CFO had more than 8,900 cases to process for storage and destruction. With only the Office Assistant III in the office, the CFO requests temporary assistance (from July to current) from the Support Services Supervisor, who oversees the CFO and helps with the backlog but can only help when available.

Eligibility Worker IV (Pos #s 1692 and 35534)

These positions in the Investigations Office (INVO) are critical to safeguarding the integrity of DHS public assistance programs and ensuring that benefits go to residents in need. Adjustment of the federal fund portion of the salary was also made to match the current salary schedule.

The Department assists many people with Financial Assistance, SNAP, Child Care, medical insurance, and other health care payments; fraud prevention efforts need to be sufficiently resourced. For example, during the COVID-19 pandemic, enrollment in public assistance programs increased within the SNAP, P-EBT, child care programs, and Medicaid. As a result, we, unfortunately, assume there will be fraud cases as there are many reports of in other pandemic relief programs such as unemployment insurance and payment protection programs.

INVO provides overall management to implement the Department's plans, policies, rules, and procedures to prevent, detect, investigate, report, and prosecute fraud and other crimes in DHS programs. INVO also provides investigative services to recover money owed to the Department due to overpayment or over-issuances in various programs; and locate persons (other than absent parents for purposes of Title IV-D of the Social Security Act) for various DHS programs. Recovered funds are returned to the State's general fund. Actively conducting investigations and enforcing the public assistance program policy rules is part of fraud prevention efforts.

Position #1692, part of the INVO Restitution Control Section, is responsible for enforcing the Department's public assistance programs as required by section 346-14, (HRS), and setting up and monitoring restitution processes. Position #35534, part of the INVO's Administrative Disqualification Section, is also responsible for enforcing the Department's public assistance programs as required by section 346-14, HRS, and pursuing and prepping cases for intentional program violations and hearings. Conducting investigations and enforcing the Department's public assistance programs rules deters fraud, and monies are recovered through restitution are returned to the State's general fund.

903FA-54 - Request to Delete Three (3) Temporary Positions for BES Project and transfer funding from Personal Service to Other Current Expenses (To OCE)

DHS requests the deletion of three temporary positions assigned to BESSD's IT modernization Benefit Eligibility Solution (BES) project and transfer of funds from personal service to other current expenses. These adjustments are necessary as the skills required to manage the integrated eligibility project of this magnitude are not available within the civil service pool of candidates. Without appropriate expertise, the project may be at risk of failure. The project management role and work are vital for the success of this fiscally- and time-sensitive project.

Over 500 staff regularly use BESSD's Hawaii Automated Welfare Information (HAWI) system; the BES system will eventually replace the 30-year-old HAWI technology. The BES project is phase II of the Department's IT modernization effort.

Like Medicaid's KOLEA system, the BES Project is the eligibility solution and client-facing portal to automate multiple social service assistance programs, including TANF, SNAP, and General Assistance. The BES project will use custom software development in Java, integrate with multiple Oracle applications and tools, and require interface development and integration with other DHS systems (i.e., KOLEA) and other state systems and solutions. The resulting solution will provide a client-facing self-service portal and an integrated SNAP/financial eligibility solution, rules-based, complete with integrated workload management and federal system interfaces.

DHS OIT Project Management Office team has all retired from State service. While assigned to the BES Project, the former Project Manager was in a civil service position, having a background similar to most mainframe IT professionals within the State. Unfortunately, the transition to cloud-based architecture, agile project strategies, micro-services, application programming interface integration, focusing on master data management disciplines as over-arching goals for the Department all combined to create a set of requirements and skills unavailable within classified service. These temporary and internal project management resources were not successful in leading the project and put an estimated \$50,000,000.00 project in jeopardy.

Federal funders approved BESSD's request to contract to obtain technical consultation services, lasting through the end of system implementation; as a result, BESSD procured services of the BES Project Manager that started on October 01, 2021. Per this request, the budgeted salaries of the temporary positions will be transferred from personal services to other current expenses to cover the contract expenditures for the technical consultation services.

903FA-53 - Additional General Funds & Federal Ceiling Increase for Tech Refresh Project⁵

This request will fund BESSD's tech refresh. BESSD's last tech refresh for all computers was in 2018. For the 2018 tech refresh, BESSD used its existing budget; however, due to the substantial budget cut to BESSD's budget SFY22, we no longer have general funds to cover this project. This budget request is split-funded, 53% general funds and 47% federal funds. The requested federal

⁵ This request has been fulfilled with ARPA funds and will be withdrawn by Governor's Message.

funds are currently available and are cost allocated among different federal programs, particularly from SNAP and TANF.

The Office of Enterprise Technology Services (ETS) recommends that agencies follow a 4-year replacement cycle to replace roughly 25% of the personal computers in the agency every fiscal year. The tech refresh requires: testing various brands of computers and peripherals, purchasing equipment, imaging all computers, and installing the new computer equipment (laptop, monitors, docking station, mouse, keyboard, intel processor). The refresh also includes e-wasting the old equipment, hiring a vendor to assist with the installation and e-waste, and training staff on the new equipment. The current devices are three years old; with the move to telework, there have been numerous issues with the camera monitor failing, tablets not turning on, docking stations, and more recently, laptop batteries needing replacement. The laptop battery warranty has expired, and all other warranties will expire in December 2021.

Our staff will continue to telework into the future and will need the most updated, reliable equipment. Significantly in June 2020, as part of the pandemic response, we launched our Public Assistance Information System (PAIS) website, allowing clients to submit applications, review eligibility, and upload documents. Since then, we have received 103,438 applications, 110,987 documents, and 12,522 eligibility reviews. While we still receive paper applications, the PAIS website significantly reduced the amount of paper received by the processing centers, making telework a viable option to maintain the same level of efficiency.

DIVISION OF VOCATIONAL REHABILITATION (DVR)

HMS 802 – Vocational Rehabilitation

Prog ID	Dept Pri	BUDGET REQUESTS		FY23		
		Description	MOF	FTE (P)	FTE (T)	\$ Amount
802GA-51	3	Fund 5.00 FTE Defunded Pos with Trade-off	A			(55,732)
802GA-51	3	Fund 5.00 FTE Defunded Pos with Trade-off	A			55,732
802GA-54	16	Add General Funds for MOE Requirements	A			315,162
802GA-52	17	Fund 6.00 FTE Defunded Pos with Trade-Off and Convert from Temp to Perm	A			(79,644)
802GA-52	17	Fund 6.00 FTE Defunded Pos with Trade-Off and Convert from Temp to Perm	A	1.98	(1.98)	79,644
802GA-52	17	Fund 6.00 FTE Defunded Pos with Trade-Off and Convert from Temp to Perm	N	4.02	(4.02)	
802GA-53	18	Convert 1.00 FTE Pos from Temp to Perm	A	0.33	(0.33)	
802GA-53	18	Convert 1.00 FTE Pos from Temp to Perm	N	0.67	(0.67)	

These budget requests will support DVR's ability to continue to serve the current and future caseloads of Hawaii's vulnerable students, youth, and adults, by providing timely and quality services to prepare for regaining, obtaining, and maintaining employment. Increasing funding to meet the State's federal MOE obligation, preserving the FTE count with requested conversions to permanent status to sustain continuity of services, and funding the identified positions through trade-offs will allow DVR to meet its mission and better serve Hawaii's residents with disabilities. The State will leverage available federal funds to deliver services and mitigate federal fiscal penalties by meeting the federal MOE.

For background, in July 2014, then-President Barack Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law. WIOA mandated a new 15% set-aside requirement for State Vocational Rehabilitation federal funds to provide five new services to students with disabilities, in addition to a focus on transition-aged youth, performance accountability for employment outcomes, and partnerships with WIOA stakeholders. Unfortunately, WIOA did not provide more federal funds to DVR to fulfill the new service requirements. Therefore, to meet the WIOA mandates, DVR requests approval of the additional general funds to meet the necessary state funds match and MOE requirements. Allowing positions to be funded with OCE trade-off funds and converting positions from temporary to permanent will allow DVR to continue meeting the needs of current and future students, youth, and adults with disabilities to obtain competitive integrated employment. As temporary positions are converted to permanent positions and filled, DVR will increase the types of services and number of consumers served through mandated partnerships with the Departments of Education, Labor, and Health.

Through the current COVID-19 pandemic, DVR achieved a significant accomplishment by eliminating all Category 1 Most Significantly Disabled (MSD) individuals (763) from the Order of Selection (OOS) deferred list in July 2020, ahead of the original projection date of September 30, 2020. Presently, DVR serves more than 4,100 participants with varying disabilities (visual, auditory/communicative, physical, cognitive, psychological, or psychosocial), including 1,025 students with disabilities (SWD). DVR prepared and refined its safety protocols and remote service delivery over 20 months. DVR anticipates that demand for services from the community will increase as confidence in technology and proper safety protocols gain momentum, with more applications for services among displaced workers with disabilities and SWD. Increasing remote access to services could mean a significant rise in caseload and a potential of 1,500 new DVR applicants statewide over the next 2-3 years to bring the total number of individuals served annually to more than 5,000 clients statewide. In addition, DVR continues to work with community partners, such as the American Job Centers, collaborating on unduplicated service provision for Hawaii's residents with disabilities seeking employment, advancement, or independent living services. DVR's request for funding aims to secure the state fund match and MOE requirements to sustain federal funding levels with these budget requests while meeting community needs. Sustained funding will support the staffing and financial resources needed to empower and assist Hawaii's disabled population in obtaining competitive integrated employment.

802GA-51 - Fund 5.00 FTE Defunded Pos with Trade-off

DVR requests to use \$55,732 from other current expenses (OCE) MOF A to restore funding for five (5) defunded positions. DVR will allocate federal dollars to contracts to replace the reduction of general funds as needed. This allocation is allowable under 2 CFR 200.306b. Descriptions of these positions are below.

1. Orientation & Mobility Therapist III, #15293

This position is in Ho'opono Services for the Blind Branch (SBB), Adjustment Section. It provides orientation and mobility (O&M) training to blind, visually impaired, or deaf-blind adults statewide, both in the residential training program and in the community. These services prepare the individual to secure, retain, regain, or advance in employment and promote independent living in the home and community. The O&M Therapist III workload is about 20 consumers per year, for approximately 12 months of training each. O&M instruction is hands-on training, often one-on-one for the proper usage of a white cane. DVR Ho'opono SBB uses "structured discovery training" to enhance skill development. This "structured discovery training" is intensive and results in more competent and able travelers. Ho'opono currently has 1 O&M instructor and needs 2 O&M instructors to address statewide community needs effectively. Ho'opono is one of only a few national programs certified to provide immersion training to meet specific criteria to qualify as a "structured discovery training" program. Part of the certification process is to have and maintain qualified O&M instructors. An additional O&M instructor will reinforce the support needed to serve individuals seeking independence and employment.

2. Secretary I, #17679

This position provides essential secretarial and administrative support for the Ho'opono SBB staff, Adjustment Section. This position answers incoming calls, screens calls, refers calls to appropriate staff, provides reception duties for in-person visits, maintains an activity calendar, assists with organization and scheduling of meetings and appointments, and arranges accessible meeting facilities and accommodations and travel planning. Other duties include timely processing payments for services rendered by contract providers or purchases associated with Individualized Plans for Employment (IPEs) and managing the branch's equipment inventory. The position also maintains allotment controls for fiscal accounts, develops and maintains allotment control of the section's budget, and reports deficits and transfers. In addition, this secretary assists the supervisor in managing expenditures, which is critical in the overall management of federal awards and state appropriations.

3. Social Service Aid (SSA) III, #118971

This SSA position assists the Vocational Rehabilitation Specialists (VRS) in the Deaf Services Section (DSS) for Oahu Branch to process applicants with orientation, application, eligibility determination, and assist eligible individuals into the vocational rehabilitation program. The SSA also monitors eligible individuals in training at the Hawaii School for the Deaf and the Blind (HSDB) and post-secondary educational institutions. Importantly, this SSA position supports the VRS counseling staff to implement authorized services identified in client IPEs. These services fulfill client goals to achieve competitive employment and require additional support for scheduling interpreters to implement IPE authorized services in the community. Services in

this section are particularly complex, as there are additional American Sign Language (ASL) proficiency requirements.

4. Vocational Rehabilitation Specialist (VRS) III, #12610

This position is in the Hilo office and provides services to individuals within the full range of disabilities from simple to complex, including a special assignment of deaf or hard of hearing cases, to assist them in achieving an employment outcome. This VRS conducts assessments to determine eligibility, priority for services, and service needs of each applicant referred for VR services. Additionally, this VRS assists individuals in developing an IPE and coordinates VR services among providers or directly provides services when indicated. VR services may include counseling, guidance, and placement as essential services per the IPE and aim to assist the individuals through a successful rehabilitation process to obtain and maintain competitive integrated employment. This VRS also develops and maintains cooperative relationships with individuals and community organizations, including referral sources, employers, community rehabilitation programs, and other service providers. Importantly, this additional resource will address the community's need for DVR services and the current Order of Selection (OOS) deferred/waitlist. This position needs to be funded and filled to provide the necessary support to DVR clients seeking competitive integrated employment on Hawaii island.

5. Vocational Rehabilitation Specialist III, #51851

This position is in the Kona office and performs the same functions as #4.

802GA-54 - Add General Funds for MOE Requirements

DVR requests an increase in general funds of \$315,162 to meet federal fund state match and maintenance of effort (MOE) obligations for the VR federal funding grant of \$12,951,536 and state match obligation for other independent living federal fund grants of \$1,346,789 for 2021-2022. Maintaining this funding will allow DVR to fulfill the current objectives of the Workforce and Innovation and Opportunity Act (WIOA) Unified State Plan for program years 2020-2023. Lastly, not meeting the state match and MOE requirements will result in MOE penalties and a decrease in federal funding to the State to provide services to Hawaii's disabled population at a critical time when demand for services is increasing.

802GA-52 - Fund 6.00 FTE Defunded Pos with Trade-Off and Convert from Temp to Perm

DVR also requests to restore the MOF A salaries of the six positions by reducing other current expenditures (OCE). DVR requests to convert six (6) temporary positions to permanent status. The temporary positions are difficult to fill and retain because of their temporary status. When an internal permanent position becomes available, the trend has been that individuals in the temporary positions apply for and are offered a permanent position, leaving the temporary position vacant and back in the recruitment process. The conversion will assist DVR to maintain continuity of services, avoid service interruptions, provide additional services needed by residents, accelerate rehabilitation timelines, and serve more consumers by eliminating the OOS deferred list

and the mandates of the WIOA. Lastly, the funding and staffing of these positions contribute to DVR's ability to meet federal grant award service, match, and MOE requirements.

802GA-53 - Convert 1.00 FTE Pos from Temp to Perm

DVR is requesting the conversion of one (1) temporary position to permanent status. The temporary position is difficult to fill and retain because of its temporary status. When an internal permanent position becomes available, the trend has been that individuals in the temporary positions apply for and are offered a permanent position, leaving the temporary position vacant and back in the recruitment process. Adding a permanent staff member allows DVR to serve more participants of the Order of Selection (OOS) waitlist and students with disabilities – under WIOA 15% set-aside requirement. The conversion will assist DVR in maintaining continuity of services, thus accelerating rehabilitation timeframes, serving more consumers by eliminating the OOS waitlist, and fulfilling the WIOA.

MED-QUEST DIVISION (MQD)

HMS 401 – Health Care Payments

Prog ID	Dept Pri	NON-DISCRETIONARY FUND REQUESTS		FY23		
		Description	MOF	FTE (P)	FTE (T)	\$ Amount
401PE-52	1	Reallocate Funds to FY23 for HCBS	A			9,948,756
401PE-53	2	Extending Postpartum Benefit to 12 Months	A			2,449,040
401PE-53	2	Extending Postpartum Benefit to 12 Months	N			3,448,465
401PE-51	3	Expansion of Adult Dental Benefit	A			3,466,328
401PE-51	3	Expansion of Adult Dental Benefit	N			6,728,754

401PE-52 - Reallocate Funds to FY23 for HCBS

Section 9817 of the American Rescue Plan Act (ARPA) provides states with a temporary ten percentage-point increase to the Federal Medicaid Assistance Percentage (FMAP) for certain Medicaid expenditures for home- and community-based services (HCBS) from April 1, 2021, to March 31, 2022. States must use funds equivalent to the amount of federal funds attributed to the increased FMAP to enhance, expand, or strengthen HCBS under the Medicaid program by March 31, 2024. States are required to use the federal funds attributed to the increase in FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS. If the State does not spend these funds per the federal requirements, the State must return the funds to the federal government. To qualify for the additional FMAP, states were required to submit a spending plan

to the Centers for Medicare and Medicaid Services (CMS) by July 12, 2021. MQD has projected the additional FMAP increase to be approximately \$13 million. This request accounts for the savings occurring during the current fiscal year and preserves the ability to spend these additional funds per federal requirements in the future fiscal years. However, the savings accrued during the current fiscal year will lapse to the general fund. This request reappropriates those funds to spend on the federally approved HCBS activities.

401PE-53 - Extending Postpartum Benefit to 12 Months

ARPA gave states the option to extend Medicaid postpartum coverage from two months to twelve months. This new option would take effect on April 1, 2022, and be in effect for five years. This request estimates the impact of continuing eligibility to women who would have otherwise lost coverage at the end of the current 2-month postpartum coverage period. DHS will implement the option as the State continues to claim the higher 90% match rate for women who would have been deemed eligible for the Low-Income Adult group had the State not taken up this option.

The evidence is that extending the postpartum coverage period to 12 months will improve health access and outcomes for women and children by providing stability and continuity of care with known and trusted providers. We recognize that the postpartum period extends well beyond 60 days. Extending the coverage also promotes access to preventive services such as contraception. CMS's Office of Minority Health describes the need for extended postpartum coverage in a recent newsletter stating, "[m]aintaining Medicaid and CHIP coverage for an extended period can help address persistent disparities that exist in pregnancy-related morbidity and mortality. One-third of maternal deaths occur between one week to a year after childbirth, and rates are especially high among Black women and American Indian/Alaska Native individuals. Expanded coverage helps to ensure access to the ongoing care people need during the postpartum period. It will also help individuals in the postpartum period manage chronic conditions like hypertension and diabetes and provide access to behavioral health services."

Based on historical data, we estimate approximately 30% of pregnant women lost Medicaid coverage after the end of the 2-month postpartum period, and the remaining retained coverage in the low-income adult category. On average, there are approximately 4,400 women in the pregnant women category annually.

401PE-51 - Expansion of Adult Dental Benefit

Hawaii is one of 16 states that provide no dental coverage or only emergency dental services for adults. Providing comprehensive dental benefits to Medicaid-enrolled reduces costly emergency department (ED) visits for dental conditions. Analysis suggests that providing dental care to pregnant women and patients with chronic conditions such as diabetes and heart disease can lead to health care cost savings. In addition, many low-income adults indicate the condition of their mouth and teeth affects their ability to interview for a job. In 2020, the American Dental Association's Health Policy Institute published a research brief estimating the cost of introducing Medicaid adult dental benefits in Hawaii. MQD worked with the Association and agreed with the report's estimates. For this request, the net per member per month (PMPM) amounts calculated

in this brief for a basic package consisting of diagnostic, preventive, and restorative services were applied to the current adult population across the State (approximately 266,000). We applied a blended FMAP rate of 66% due to the different FMAP rates for different adult populations.

HMS 902 – General Support for Health Care Payments

		BUDGET REQUESTS	FY23			
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
902IA-51	3	Trade-off Funding for 32 Defunded Positions (Reduce OCE)	A			(775,084)
902IA-51	3	Trade-off Funding for 32 Defunded Positions (Reduce OCE)	N			(80,262)
902IA-51	3	Trade-off Funding for 32 Defunded Positions (Add Personal Services)	A			775,084
902IA-51	3	Trade-off Funding for 32 Defunded Positions (Add Personal Services)	A			80,262
902IA-52	13	Add General Funds to KOLEA M&O	A			\$1,137,000

902IA-51 - Trade-off Funding for 32 Defunded Positions (Reduce OCE and Add Personal Services)

The pandemic has highlighted and exacerbated the need for these positions. These positions are necessary to the Med-QUEST Division (MQD) operations as we have had significant increases in Medicaid enrollment during the COVID-19 pandemic. The record number of applications and enrollments are largely due to a combination of people losing their employer-based health insurance and the continuous coverage requirements associated with the U.S. Department of Health and Human Services' declaration of a Public Health Emergency (PHE). Once the PHE ends, the ensuing unwinding will require a large volume of additional work for every part of MQD. In MQD's analysis, every position, except for three of the defunded positions, is directly tied in some way to the PHE unwinding. In addition, there are many new federal and state policy and program changes that require additional human resources to implement.

Many of these positions will be key to supporting the continued needs of MQD staff to work safely in the office or telework. In addition, MQD needs additional staff to maintain program and fiscal integrity to ensure that Medicaid funds are spent appropriately. Staff is also needed to support business process improvement and investment optimization that allow MQD to operate more efficiently with fewer resources in the medium to long term.

These positions are also critical to meeting our reporting requirements to the Centers for Medicare and Medicaid Services (CMS); we may face financial penalties if we do not submit our reports on time. In sum, the positions are of such criticality that we have begun the process of hiring by submitting B2s, initiating position redescrptions, and reorganization for the majority of them.

902IA-52 - Add General Funds to KOLEA M&O

This budget request supports the KOLEA system upkeep and business process alignment. It also provides annual software licensing costs, hosting services, and network upgrades.

Beginning in 2014, the Affordable Care Act (ACA) expanded the Medicaid program, allowing more people to qualify for assistance. In addition, ACA required a coordinated and simplified application process to allow consumers to apply for coverage. One of the primary goals of ACA was to create a simple eligibility and enrollment process that uses electronic data to ease the paperwork burden on applicants and state agencies while expediting an eligibility determination. Most states, including Hawaii, required new or considerably enhanced Medicaid enrollment information technology (IT) systems, resulting in the KOLEA system's development.

At the pandemic's start, KOLEA's value and prior investment met the needs of Hawaii's residents as the average weekly application spiked to 66% higher than the pre-pandemic average. Currently, our Medicaid enrollment has increased by approximately 31%. KOLEA has enabled timely, effective, and safe processing of applications with no backlog during this time of unprecedented increases to our applications statewide. Once the federal Public Health Emergency ends, the more than 400,000 QUEST enrollees will need to have their enrollment in the program redetermined. Many staffing and systems changes will be needed to accomplish this work while minimizing disruptions. We estimate that KOLEA resulted in approximately \$30 million annually in cost avoidance by linking with other systems by disenrolling or by not enrolling members.

SOCIAL SERVICES DIVISION (SSD)

HMS 301 – Child Protective Services

HMS 601 – Adult & Community Care Services

HMS 901 – General Support for Social Services

Budget requests 301SA-54, 601TA-51, and 901MA-51 are related to the transfer of FTE and salaries, so they are grouped in this section.

		BUDGET REQUESTS		FY23		
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
301SA-54	1	Transfer Out 11.00 Perm Pos. and Funding to HMS 901 (companion to 901MA-51)	A	(6.30)		(409,859)
301SA-54	1	Transfer Out 11.00 Perm Pos. and Funding to HMS 901 (companion to 901MA-51)	N	(4.70)		(550,400)
601TA-51	1	Transfer Out 5.0 Perm Pos. and Funding to HMS 901 (companion to 901MA-51)	A	(5.00)		(426,600)
901MA-51	1	Transfer In 16.00 Perm Pos. and Funding from HMS 301 and HMS 601 (companion to 301SA-54 and 601TA-51)	A	11.30		836,459

		BUDGET REQUESTS		FY23		
901MA-51	1	Transfer In 16.00 Perm Pos. and Funding from HMS 301 and HMS 601 (companion to 301SA-54 and 601TA-51)	N	4.70		550,400

301SA-54 - Transfer Out 11.00 Perm Pos. and Funding to HMS 901 (companion to 901MA-51)

601TA-51 - Transfer Out 5.0 Perm Pos. and Funding to HMS 901 (companion to 901MA-51)

901MA-51 - Transfer In 16.00 Perm Pos. and Funding from HMS 301 and HMS 601 (companion to 301SA-54 and 601TA-51)

The purpose of this request is to transfer these permanent positions and funding from the Adult Protection Community Services Branch (APCSB) and the Child Welfare Services Branch (CWSB) to the Social Services Division (SSD) Administration. By transferring these positions and funds, the Division will consolidate program development and planning support functions currently housed in APCSB and CWSB. This consolidation of these functions will aid in managing and supporting both the APCSB and the CWSB line staff in program development, offering clarification, rules design, and reconstituting the planning function. In addition, this request will align the funding to SSD's organizational plan and improve the ability to timely respond to required federal monitoring of contracts and activities to maximize federal fiscal support.

This request includes a Registered Nurse V position in the APCSB Program Development Office. The Registered Nurse V will develop policies from the medical and health perspective, as many referrals for harm (e.g., physical abuse, neglect, and self-harm) of a vulnerable adult require medical and health assessments.

The change in organizational structure will separate policy from practice. This change will allow the Division to focus and respond to time-sensitive deadlines; currently, responses to these demands by the branches lag due to multiple workloads, caseload demands, and conflicting priorities. SSD envisions more focused efforts by the Division on administrative functions and more focused practice efforts by the branch to increase the quality of services to children, families, and vulnerable adults.

HMS 301 – Child Protective Services

		BUDGET REQUESTS		FY23		
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
301SA-55	5	Trade-off OCE Funding to restore general fund salaries for 3.00 positions - reduce OCE	A			(68,536)
301SA-55	5	Trade-off OCE Funding to restore general fund salaries for 3.00 positions – reduce personal services	N			(1,696)
301SA-55	5	Trade-off OCE Funding to restore general fund salaries for 3.00 positions - add personal svcs	A			68,536

		BUDGET REQUESTS		FY23		
301SA-55	5	Trade-off OCE Funding to restore general fund salaries for 3.00 positions - add personal svcs	N			1,696
301SA-51	8	Add 1.00 Perm FTE for FFPSA SW V 92379K	B	0.50		25,286
301SA-51	8	Add 1.00 Perm FTE for FFPSA SW V 92379K	N	0.50		25,286
301SA-52	14	Add Funds for Child Protective Services, Personal Services Costs	A			4,897,157
301SA-53	15	Increase Special Fund Ceiling for SCASF	B			5,000,000

301SA-55 - Trade-off OCE Funding TO restore general fund salaries for 3.00 positions - reduce OCE

The Social Services Division (SSD) requests to use savings from a lease termination to restore 3.00 Social Services Aide positions. SSD consolidated the CWS Ewa office into the Kapolei offices at the Kakuhiewa Building and will use these savings to restore these positions' general fund salary portion.

The Social Services Aide (SSA) role is invaluable to children and families entering the foster care system. An SSA often assists during the removal of a child from their family home and finding placement outside of the family home. An SSA arranges and supervises the first contact with their parents after being placed in foster care. An SSA schedules all medical, dental, and therapeutic appointments for foster children who may have severe dental and medical needs at the time of entry into the foster system. An SSA also transports children in foster care and accompanies them to various appointments. Over 50% of children that enter our system require multiple services to address physical and emotional trauma because of abuse or neglect. Nearly 1,500 children are under the care and custody of CWSB at any one time, and the children CWSB serves require adequate numbers of SSAs to meet the children's safety and well-being needs.

Restoring the funding for these three SSA positions is pivotal to ensuring successful operations and services of CWSB. Without these positions, there will be insufficient staffing, which will increase delays in meeting statutory requirements and submitting court reports. The lack of adequate staff capacity leads to staff burnout, lower morale in the workplace, and more workers having to take leave due to stress-related reasons. With the workforce stretched thin, complaints regarding poor work conditions result in increased complaints to Human Resources, the union, and others. From a client perspective, exhaustion leads to poor decisions or delays in services, resulting in other problems, including potential lawsuits against the State or federal fiscal penalties. Most importantly, restoring funding for these positions will allow CWS to attend to the safety and well-being of children in care who have already suffered abuse or neglect and the trauma of being separated from their families.

301SA-51 - Add 1.00 Perm FTE for FFPSA SW V 92379K

SSD requests to add 1.00 Permanent FTE FFPSA Program Manager position to manage, organize, and oversee all aspects of the planning, development, implementation, and evaluation of Hawaii's Family First plan.

The Family First Prevention Services Act (FFPSA) became law as a part of the Bipartisan Budget Act on February 9, 2018. This act reforms the federal child welfare financing streams, Title IV-E and Title IV-B of the Social Security Act, to provide services to families and children at risk of entering the child welfare system. This law aims to prevent children from entering foster care by allowing federal reimbursement for mental health services, substance use treatment, and in-home parenting skills training. It also seeks to improve the well-being of children already in foster care by incentivizing states to reduce placement of children in congregate care.

On August 11, 2021, the federal Administration of Families and Children (ACF) approved Hawaii's Family First Hawaii Title IV-E Prevention Plan with an effective date of January 1, 2021, and implementation of some prevention services on October 1, 2021. When the prevention plan was approved, Hawaii was one of only 16 states that received federal approval to implement its Family First Services plan and the first State from Region 9 to be approved.

This FFPSA Program Manager position will manage, organize, and oversee all aspects of the planning, development, implementation, and evaluation of Hawaii's Family First Services. Duties include setting priorities; developing and establishing a program management plan; scheduling work assignments, plans for implementation, communication, training, evaluation, procurement, IT modifications, and reporting. In addition, the FFPSA Program Manager will liaison with the Purchase of Service and Grants Management Staff to monitor contracted providers; ensure all related requirements are in place. Notably, numerous federal requirements require oversight such as an approved Title IV-E Prevention Plan, compliance with eligibility criteria, evaluation, and training plan, candidacy definitions, timely procurement of evidence-based trauma-informed services, qualified residential treatment programs (QRTP), submission of federal reports, financial claims, communications, and IT modifications; and directs all internal and external work related to Hawaii's Family First programs.

This position is necessary for Hawaii to leverage available federal Title-IVE prevention reimbursement funds and reinvest those funds in other substance abuse, prevention, and therapeutic services.

301SA-52 – Add Funds for Child Protective Services, Personal Services Costs

This request stabilizes CWSB's personal services costs and makes funds available for other current expenses more predictable. CWSB has a total of 398.50 permanent authorized positions. Most of these positions' salaries are split-funded - 60% general funds and 40% federal funds. However, CWSB needs to upfront the entire salaries using general funds before the program can submit the claim for reimbursement to the federal government. We examined three years of actual federal reimbursements received from the federal government to calculate this request; we found reimbursement equal to 15.6% instead of 40% reimbursement. Therefore, to balance the

program's base budget for personal services, additional general funds are needed to cover the shortfall of federal reimbursements.

Because of the shortfall in federal reimbursements, the program has been short in payroll for several years. For the program to pay the employees' salaries on time, the program relied on transfer funds from the other current expenses budget to fund the payroll shortfall. When CWSB transfers funds from the other current expenses to payroll, this impacts the ability of CWSB to timely pay the contracted providers and vendors for services rendered. As a result, CWSB defers payments to the next fiscal year and consistently operates in a budget deficit.

In SFY2022, with the State's general revenue shortfall, CWSB relied on additional funds from the TANF program to meet its needs. However, DHS anticipates that TANF funds will no longer be available to CWSB in light of the current Congressional debate on TANF reauthorization, which may prohibit the spending of TANF on child care or child welfare services.

301SA-53 - Increase Special Fund Ceiling for SCASF

DHS projects that Hawaii's Family First Prevention Services Act (FFPSA) plan or Family First Hawaii (FFH) will require nearly \$5,000,000 of State, non-federal funds to operate. Therefore, DHS requests an increase of the Spouse & Child Abuse Special Fund (SCASF) ceiling to \$5,000,000 so CWSB may have a source of state funds for FFH. FFPSA requires states first to expend state funds or non-federal funds on services to claim federal reimbursement and removes income requirements.

For background, Act 84, SLH 2019, added federal IV-E reimbursements received in the fiscal year after the funds were expended to be a fund source to SCASF and established a \$3 million ceiling. In 2019, DHS requested a \$5,000,000 ceiling based on a 3-year average of nearly \$5,000,000 of federal IV-E reimbursements DHS returned to the general fund. In general, reimbursements received after the fiscal year-end in which the funds are expended are returned to the State's general fund. In 2020, DHS requested a budget adjustment of the SCASF ceiling to \$3,000,000 to match the statutory change made in Act 84, SLH 2019. However, with the impact of COVID-19, the Legislature did not adjust the item. In 2021, DHS renewed its request to raise the SCASF ceiling to \$5,000,000 in administration measures SB1137 and HB983 that are both pending.

As discussed above, in August 2021, ACF approved Hawaii's FFH plan. Using SCASF to fund FFH services reduces the impact on state general funds for new child abuse and prevention services. Importantly, if Hawaii expends \$5,000,000 of SCASF on evidence-based services approved by ACF, Hawaii could potentially receive up to 50% federal reimbursement.

Without access to the State, non-federal funds from SCASF, Hawaii will be unable to implement or expand FFH, providing more prevention services to Hawaii's children and families. Further, Hawaii will not leverage or maximize Title IV-E federal reimbursement opportunities made available to Hawaii through FFPSA.

HMS 601 – Adult & Community Care Services

		BUDGET REQUESTS	FY23			
Prog ID	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
601TA-52	6	Trade-off OCE Funding to restore general fund salaries for 1.00 positions - reduce OCE	A			(31,086) (29,874)
601TA-52	6	Trade-off OCE Funding to restore general fund salaries for 1.00 positions – reduce OCE	N			(1,212)
(601TA-52)	6	Trade-off OCE Funding to restore general fund salaries for 1.00 positions - add personal svcs	A			31,086 29,874
601TA-52	6	Trade-off OCE Funding to restore general fund salaries for 1.00 positions - add personal svcs	N			1,212

601TA-52 - Trade-off OCE Funding to restore general fund salaries for 1.00 positions - reduce OCE

NOTE: Due to a cost element summary error in Form B for Form A 601TA-52, the amount of general funds transferred from other current expenses to personal services is \$1,212 more than required. DHS requests that the amounts in the Governor's Decisions for FY23 be adjusted by - \$1,212 in personal services and by \$1,212 in other current expenses to correct the request to the actual amounts needed.

601TA-52 Trade off other current expenses for general fund salary for 1 permanent Adult Protective Services Position											
			FY 23 Request - Approved			FY 23 Request - Corrected			FY Request - Adjustment Needed		
			FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)
A. Personal Services			0.00	0.00	32,298	0.00	0.00	31,086	0.00	0.00	(1,212)
B. Other Current Expenses					(32,298)			(31,086)	0.00	0.00	1,212
C. Equipment					0			0	0.00	0.00	0
L. Current Lease Payments					0			0	0.00	0.00	0
M. Motor Vehicles					0			0	0.00	0.00	0
									0	0	0
TOTAL REQUEST			0.00	0.00	0	0.00	0.00	0	0.00	0.00	0
By MOF:											
A			0.00	0.00	0	0.00	0.00	0	0.00	0.00	0
N			0.00	0.00	0	0.00	0.00	0	0.00	0.00	0

Staff members of the Adult Intake Unit are the first responders from APCS and are the first to make face-to-face contact with vulnerable adults or their family members. To be responsive to the public and provide timely services to vulnerable adults in crisis, APCS must have sufficient staffing to respond, including this position.

This position is a social worker in the Adult Intake Unit; it is 50% federally funded. To meet the state fund portion of the salary, APCS changed the compensation schedule of one of its contracts

with the University of Hawaii from fixed cost to cost reimbursements, resulting in an anticipated saving. APCS will use these savings to fund the general fund portion of the position's salary of \$29,874.

This critical position is a front-line social worker who takes reports of harm to vulnerable adults, assesses eligibility, and assigns cases. This social worker position is also responsible for providing information and crisis intervention to community members, including mandated reporters such as law enforcement, financial institutions, and hospitals. Without this position, calls will not be answered promptly, resulting in delays in investigator response times.

Due to the pandemic and the "silver tsunami," we anticipate that there will be an increase in the number and complexity of reports as the State "opens up" from the pandemic conditions and the visibility of vulnerable adults increase. In addition, we anticipate more reports as many providers are not regularly seeing their vulnerable clients, and protective family members have been unable to visit and check in on their loved ones.

DHS GENERAL ADMINISTRATION⁶

Prog ID	Dept Pri	BUDGET REQUESTS			FY23	
		Description	MOF	FTE (P)	FTE (T)	\$ Amount
904AA-52	1	Add 3.00 Perm FTEs for OIT Project Management Office Positions	A	1.95		224,909
904AA-52	1	Add 3.00 Perm FTEs for OIT Project Management Office Positions	N	1.05		195,380
904AA-57	4	Transfer-In Pre-Audit Clerk I 47413 from HMS 501 to HMS 904	A	1.00		34,020
904AA-55	4	Add 1.00 Perm FTE HR-RES HRS IV 92343K and Associated Costs for Background Checks	A	1.00		34,700
904AA-54	6	Fund OIT Information Technology Positions	A			328,278
904AA-53	7	Fund OIT Administration Positions	A			111,069
904AA-59	9	Fund FMO Account Clerk IV 36257	A			39,540
904AA-58	11	Fund FMO Office Assistant III 29900	A			33,120
904AA-56	12	Fund HR-RSS HRA V 22877	A			39,540
904AA-51	26	Correct -2.00 Perm FTE Error	A	2.00		
904AA-60	30	Add funds for continuity response for the impact of the COVID-19 pandemic	A			300,000

904AA-52 - Add 3.00 Perm FTEs for OIT Project Management Office Positions

⁶ DHS will submit through a Governor's Message a request to convert the temporary Office Assistant III position 117103 in Director's office into a permanent position.

This request is the Department's top priority for the supplemental budget. These three (3) project management office positions were initially part of the DHS IT Modernization Special Project - the driver of the eligibility systems of Med-QUEST (KOLEA), BESSD (BES Project), and SSD (CCWIS). Permanent staff in the project management office are needed to lead the IT Modernization Project to replace the Department's thirty-year plus mainframe systems with modern technology. Once completed, the modern IT systems will serve Hawaii's residents who rely upon programs administered by the Med-QUEST Division (MQD), the Benefit, Employment, and Support Services Division (BESSD), and the Social Services Division more comprehensively and efficiently.

DHS IT Modernization is ongoing to enable continuous improvement across the DHS enterprise. DHS needs an adequately staffed and funded project management office to ensure DHS meets federal matching requirements, monitor state and federal funds associated with the modernization projects, and maximize federal matching funds for Maintenance and Operations (M&O) required to maintain DHS IT systems. Without these positions and salaries, the DHS may fall out of compliance with federal funders and risk lapsing more than \$37 million needed for federal matching funds intended for phase 3 to overhaul and modernize the child welfare information system and continued development BES.

Pos No. 121315 - Info Tech Implementation Manager is essential to develop overall project plans, including project governance and decision-making structure. Further responsibilities include identifying and validating functional performance requirements, including workflows, tracing matrix detailing technology support needs, developing procurement strategies, assessing the impact on and implementing changes to existing policies, procedures, business processes, and organization structure, and implementing communications and change management and training initiatives.

Pos No. 121414 - Asst Info-Tech Implementation Manager is essential to assist the Info-Tech Implementation Manager in developing and managing the overall project and its components.

Pos No. 122450 - Resource Manager is essential to work with project managers to ensure adequate resources are available and directed at the various projects for smooth integration and to identify risks associated with the interdependencies between the projects.

904AA-57 - Transfer-In Pre-Audit Clerk I 47413 from HMS 501 to HMS 904

DHS is requesting to transfer position 47413, Pre-Audit Clerk, from HMS 503 to HMS 904-FMO to reflect the current organizational structure accurately. This position was established in HMS 501 in 1993 and was reflected organizationally in FMO. The incumbent in this position has continuously physically resided within FMO, which has supervisory control over this position and is one of three positions currently providing payroll services to all of DHS (except HPHA) and, therefore, performs a critical function in FMO. This transfer will be a trade-off with a companion transfer out request for HMS 503.

904AA-55 - Add 1.00 Perm FTE HR-RES HRS IV 92343K and Associated Costs for Background Checks

DHS is requesting one new full-time Human Resources Specialist IV position to conduct comprehensive employment background checks. Approximately 650 positions require background checks to access federal tax information (FTI), of which 150 background checks are required for pre-employment and re-certification annually. In addition, in this session, the administration proposes a bill to authorize comprehensive background checks for the Social Services Division (SSD) new hires and employees to provide direct client services for children, young adults, and vulnerable adults receiving prevention or protective services from SSD. If the measure passes, this will require additional background checks of 480 SSD employees.

Without this position, DHS recruitment and examination activities will be delayed and negatively impacted, adversely impacting operations and performance measures.

904AA-54 - Fund Eight (8) OIT Information Technology Positions

We request the restoration of funding for eight (8) key positions to bring in individuals with talent, skill sets, and experience to support DHS IT infrastructure and staff. By restoring these positions, we will continue the vital IT transformation within the DHS and improve the new solutions implemented as our pandemic response. It is difficult to recruit highly skilled IT staff when competing with private, federal, and other state and county employers. Additionally, when we use contract services, the cost is 3 to 5 times higher with less continuity than staff performing the work.

This skilled team will support new technology:

- Technical and business analysts that work with business users on requirements, user testing, and user training
- Cloud infrastructure, Cloud applications, Cloud security
- Web applications, software developers, Web application security
- Data integration and data analytics specialists

The eight (8) OIT information technology positions for this budget request are listed below:

1. Pos 17861 – Information Technology Band B
2. Pos 25461 – Office Assistant IV
3. Pos 26957 - Information Technology Band B
4. Pos 37432 - Information Technology Band B
5. Pos 51806 - Information Technology Band
6. Pos 51809 - Information Technology Band A
7. Pos 28230 - Information Technology Band
8. Pos 46592 - Computer Operator II

904AA-53 - Fund Three (3) OIT Administration Positions

Pos No. 23672 - Administrative Officer V works directly with the PMO team (DHS request # 904AA-52) to ensure the optimum mix of cost, schedule, performance, and system supportability throughout the life cycle (design, development, testing and evaluation, production, and disposition) of each program. The Administrative Officer V will analyze alternative problem

solutions and present a case for the recommended solutions with a detailed analysis of risks and return on investment. Additionally, Administrative Officer V oversees the day-to-day management of the IT procurement, IT contracts and vendor management, and document preparation for the accounts payable processes for IT-related services, supplies, and equipment.

Pos No. 28783 - Secretary I provides a broad range of administrative and secretarial support services to managerial and professional staff in the DHS Office of Information Technology (OIT). OIT supports all of DHS's IT systems, programs, data, customer services, and subject matter expertise.

Pos No. 42191 - Office Assistant III also assists Secretary I, Administrative Officer V, the Enterprise Officer, and other management and professional staff in performing a broad range of administrative and secretarial support services. The OA III is primarily responsible to support procurement and accounts payable processes for IT-related services, supplies, and equipment.

904AA-59 - Fund FMO Account Clerk IV 36257

DHS is requesting to restore the salary for an Account Clerk IV, position 36257, defunded by Act 9, SLH 2020.

This position is vital for performing EBT/Hana EBT reconciliation, recording EBT transactions, TANF overpayment collections, fund reconciliation, and federal grant drawdowns. The impact of this unfunded vacant position has resulted in overdrawn accounts, requiring immediate corrective actions to resume program operations, impacting program operations as funding is interrupted until the overdraw situation is corrected.

904AA-58 - Fund FMO Office Assistant III 29900

DHS is requesting to restore the salary for an Office Assistant III, position 29900, defunded by Act 9, SLH 2020.

DHS will redescribe this position to start a new procurement audit function in the Property & Procurement (PP) section of FMO. Annual audits of selected programs within DHS are necessary and will add significantly to the workload of the PP section, requiring additional staffing. This audit will cover all methods of procurement and review program policies, training, and procedures related to their procurement activity. Post audit, this program will provide consultative services to programs in addressing any issues identified by the audit.

904AA-56 - Fund HR-RSS HRA V 22877

DHS is requesting restoration of the salary for a Human Resources Assistant (HRA) V position, Records and Support Services Staff (RSS), to process the full range of human resources transactions and pay-related documents. In addition, the position will assist assigned programs with the interpretation of rules, regulations, and collective bargaining contract provisions as they relate to transactions activities.

RSS consists of one Human Resources Specialist supervisory position and four HRA positions to service approximately 1,900 filled positions department-wide or about 450 - 500 employees per HR Assistant. This HRA position has been vacant since December 31, 2019, and the 2020 legislature defunded the position. The individual workload is not manageable with the number of vacancies. It is imperative this position is funded and filled so that the unit can prevent delays and meet the workload demands of the Department.

904AA-51 – Correct –2.00 Perm FTE Error

The House Committee on Finance (FIN) informed the Department of Human Services (DHS) of a legislative error in HB200 HD1 SD1 CD1 (2021), sequence number 2001-001 for FB 21-23. The error affected HMS 904, wherein 2.00 MOF A permanent full-time equivalents (FTEs) were arbitrarily reduced when there were no associated HMS 904 positions against which a reduction could be applied. This error created an imbalance with actual FTEs. For DHS to match the program appropriation FTE totals for FB 21-23, we added two HMS 904 budget detail records: 92231K (-1.00 A perm FTE) and 92232K (-1.00 A perm FTE), as reflected in Act 88, SLH 2021. FIN advised the DHS to add 2.00 A Perm FTEs in HMS 904 for Supplemental FY 23 to correct the error so the Committees can resolve this issue. Therefore, this request adds 2.00 A perm FTEs to correct the error and rebalance the position ceiling.

904AA-60 - Add funds for continuity response for the impact of the COVID-19 pandemic

The breakdown of the \$300,000 is below:

- 150,000 KN95 masks (25masks per box = 6,000 boxes @ \$30/box) = \$180,000
- 12,000 12 oz hand sanitizers (4 12oz/pack = 3,000 packs @ \$29/pack) = \$87,000
- Remaining \$33,000 would be for disinfectant

Throughout the pandemic, staff were required to be in offices to maintain essential functions and programs such as child protective and adult protective services, child care licensing, homeless services, and contracted providers' continued in-person services in the office and the community. The Department will require additional funds to provide a ready supply of Personal Protective Equipment (PPE) and rapid testing supplies to ensure services continue and are compliant with safety measures. In addition, DHS has also facilitated the Emergency Support Function 6 (ESF 6), which needs enhanced strategic planning, training, and investment in available technical solutions given emergency management incidents. DHS is also the primary agency responsible for the State's Emergency Repatriation Plan.

DHS OVERALL

Federal Fund Adjustment Requests

		BUDGET REQUESTS		FY23		
Prog ID/Org	Dept Pri	Description	MOF	FTE (P)	FTE (T)	\$ Amount
222RA-FF	1	Increase Federal Fund Ceiling	N			10,196,861
238GB-FF	1	Increase Federal Fund Ceiling	N			511,041
303WP-FF	1	Increase Federal Fund Ceiling	N			3,239,986
901MA-FF	1	Increase Federal Fund Ceiling	N			731,752

238GB-FF: Additional federal fund ceiling is being requested based on a comparison of federal fund appropriations under Act 88, SLH 2021 for FY 23, and currently anticipated federal funds for FY 23. This request will align the budget details with authorized increased hiring, overtime, and workloads.

Form FF Reconciliation

Additional federal fund ceiling is being requested based on a comparison of federal fund appropriations under Act 88, SLH 2021, and anticipated federal fund requirements for FY23.

Thank you for the opportunity to provide testimony on the Department of Human Services supplemental budget requests.



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**TESTIMONY OF
THE STATE FOUNDATION ON CULTURE AND THE ARTS
TO THE COMMITTEE ON FINANCE
Thursday March 10, 2022/Conference Room 308 via Videoconference 1:30p.m.
HB 1600
RELATING TO THE STATE BUDGET**

Chair Luke and members of the Committee, I am Jonathan Johnson, Executive Director of the State Foundation on Culture and the Arts (SFCA), and we are grateful for the opportunity to testify in **SUPPORT** of HB1600.

SFCA's supplemental budget request is to establish two positions and convert one position from Temporary to Permanent. This is **NOT** a request for position funding. All position requests and respective Collective Bargaining will be supported by SFCA funds available in MOF B (Special) and MOF N (Federal).

BUDGET REQUESTS	DETAIL
Add two (2) Positions	<ul style="list-style-type: none"> • Deputy Director EM5 • Arts Program Specialist IV SR22
Convert one (1) Position from Temporary to Permanent	<ul style="list-style-type: none"> • Arts Program Specialist III

Internal operational demands on the Executive Director (ED) and Art in Public Places Manager (Arts Program Specialist IV) limit the time and energy that can be devoted to the external, mission-driven goals of the agency. SFCA's request to add the Deputy Director and Museum Director positions and convert the Arts Program Specialist from Temporary to Permanent would sustain agency reach statewide, especially to underserved and rural areas.

Request: Add new Deputy Director EM5 (MOF B 75% and MOF N 25%): The ability of the agency to achieve it's goals are limited by the demands of running the agency's internal operations. The Executive Director needs to play a larger, more visible leadership role in Hawaii. The SFCA Commission's Administrative Committee recommends adding a Deputy Director to the organization to enhance the agencies ability to achieve the vision of SFCA's strategic plan.

Request: Add new Arts Program Specialist IV SR22 (MOF B 100%): The Hawaii State Art Museum (HiSAM) is growing in its role in Hawaii. There is no Museum Director to develop the vision, oversee museum operations, create, manage and coordinate the museum's thematic exhibitions, or develop public programs for interpretation and engagement. The Art in Public Places Manager has taken on the responsibility of the Museum Director yet needs to focus on management and operational demands of the statewide Art in Public Places Program. In addition to HiSAM, this position would serve as the supervisor of the Designated Programs section of SFCA. This section lacks a supervisor position, therefore, all section staff report directly to the ED. Serving as both the HiSAM Director and Designated Programs Section Head would increase the SFCA's efficiency and accountability.

Request: Conversion from Temporary to Permanent: Arts Program Specialist III #122671 (MOF B 100%): Converting Position #122671 from Temporary to Permanent would support the SFCA's ability to retain a qualified employee in the position. If the position remains Temporary, staff retention is difficult as the continuation of the position is uncertain. A permanent project manager would enable SFCA to be more responsive in meeting the demand for projects in new State construction, education services and access to programming, particularly for underserved areas of the state.

The State Foundation on Culture and the Arts is a multi-faceted State Agency providing support for statewide culture and arts programming and outreach to residents and visitors. SFCA's Table 14 of more than 140 active contracts is reflective of SFCA's robust efforts in supporting Hawaii's economy and community. Adding the requested positions would provide the internal support necessary for SFCA work in the cultural economy. When we invest in our culture economy, we invest in the economic stability of our State.

Thank you for the opportunity to submit testimony on this matter.

HB-1600

Submitted on: 3/9/2022 9:33:19 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
KIRC Commissioner Saumalu Mataafa	Kaho'olawe Island Reserve Commission	Support	Written Testimony Only

Comments:

Aloha Chair Luke, Vice-Chair Yamashita, and members of the House Committee on Finance,

I respectfully urge you to please **support** the Governor's \$100,000 funding request to the Kaho'olawe Island Reserve Commission and the funding request to add a Cultural Resource Specialist II for KIRC; and that the funding be provided to the DLNR in account LNR906

Thank you,

Saumalu Mataafa

Kaho'olawe Island Reserve Commissioner

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



WILLIAM J. AILA, JR.
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
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TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON FINANCE
HEARING ON MARCH 10, 2022 AT 1:30PM IN CR 308

IN SUPPORT OF

HB 1600, RELATING TO THE STATE BUDGET

March 10, 2022

Aloha Chair Luke, Vice-Chair Yamashita and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1600, the Governor's Supplemental Budget request, which includes funding for our two (2) programs, HHL 602 – Planning and Development for Hawaiian Homesteads and HHL 625 – Administrative and Operating Support. The Governor's Supplemental Budget request for FY 2023 includes \$14,045,226 in general funds to cover the department's existing personnel, administrative and operating costs and an additional \$5 million for the statewide loan capitalization program. The budget bill also includes \$35 million in CIP funding for FY 2023.

The Hawaiian Homes Commission approved the "Sufficient Sums" budget request, which DHHL submitted to the Governor and the Legislature as detailed in our budget testimony that can be reviewed at: https://www.capitol.hawaii.gov/session2022/testimony/Info_Testimony_WAM-HWN_01-12-22_HHL.pdf. While DHHL's obligation to make this request is clear, the budget included in the Governor's Supplemental Budget request is an appropriate base line given our current staffing levels and funding.

We are most appreciative of the support given by the Legislature to the Hawaiian homes program. Thank you for your consideration of our testimony.

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON FINANCE

**MARCH 10, 2022
1:30 P.M.
CONFERENCE ROOM 308**

**HOUSE BILL NO. 1600
RELATING TO THE STATE BUDGET**

Chairperson Luke and Members of the Committee:

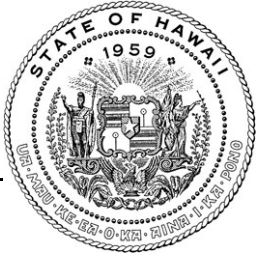
Thank you for the opportunity to present testimony on House Bill 1600. This bill amends Act 88, Session Laws of Hawaii 2021 and other appropriations and makes additional appropriations for fiscal biennium 2021-2023. The Department supports this bill.

We respectfully request that budget items that are in the Executive Budget request be considered for this bill. Operating requests include changing the means of financing of positions in the Plant Industry Division from special to general funds. Conversion of these positions will provide some relief to the Pest Inspection, Quarantine and Eradication special fund and increase the fund's solvency. Furthermore, we respectfully request funding for essential unfunded positions and expenditure of funds obtained from a settlement of a pesticides use violation for the creation of a pesticides disposal program as a condition for receipt of the settlement funds.

Important capital improvement program requests include funds for the New Animal Quarantine Station, the Royal Kunia Agricultural Park, and Agricultural Infrastructure Improvements on Oahu.

Thank you again for the opportunity to testify on this measure.





DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR
MIKE MCCARTNEY
DIRECTOR
CHUNG I. CHANG
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON FINANCE

Thursday, March 10, 2022

1:30 PM

State Capitol, Conference Room 308

In consideration of
HB1600
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Yamashita and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) **SUPPORTS** HB1600, specifically as it relates to DBEDT's executive budget.

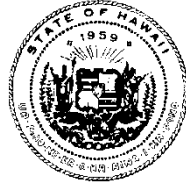
Since the State was faced with the economic crisis of dealing with the pandemic, our department pivoted and undertook new programs to help alleviate some of the hardships that businesses as well as residents experienced. At the same time, we also had to deal with difficult budget cuts. While the State has not fully recovered from the crisis, we believe the state is on its path to economic stability. Therefore, we would like to ask for your favorable consideration of the following additional budget adjustment:

- Governor's Message #7, BED 144/PL - \$44,496 in General Funds for FY23 to restore funding to the Secretary III position (Position #121006) for the Land Use Division, within the Office of Planning and Sustainable Development. The position is the only clerical position in LUD and was defunded during the 2020 Legislative Session due to budget cuts in response to the COVID-19 pandemic.

DBEDT believes that by working together with the Legislature, community and stakeholders that we can provide opportunities for Hawaii to be globally competitive in the new digital economy.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON FINANCE

Thursday, March 10, 2022
1:30 PM – Videoconference – Room 308, Hawaii State Capitol

In consideration of
HB 1600
RELATING TO THE STATE BUDGET

Honorable Chair Luke, and Members of the House Committee on Finance, thank you for the opportunity to provide testimony concerning House Bill (HB) 1600, relating to the state budget.

The Hawaii Public Housing Authority (HPHA) **supports** the enactment of HB 1600, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Program ID - HMS220

I. CIP Appropriation (\$10,000,000) for Public Housing Development, Improvements, and Renovations Statewide

Almost all of the HPHA's construction projects are rehabilitation or modernization projects as opposed to new construction. Modernization and renovation projects are much more complex and filled with a high likelihood of unforeseen conditions than new construction.

As you may know, the HPHA is mandated by Federal law to keep its inventory of public housing units in safe, decent, and sanitary condition. Additionally, the U.S. Department of Housing and Urban Development (HUD) provides federal funding to the HPHA based on occupied units. The Governor's Supplemental Budget CIP request for the HPHA will be used towards construction projects that will go towards health and safety issues such as site improvements, ADA compliance, and interior major modernization. The HPHA follows the federally mandated

Physical Needs Assessment of its properties which enables the HPHA to better assess the capital needs of its public housing portfolio and tracks the status of all CIP projects.

Over the past fiscal year, the HPHA completed 15 Design and Construction projects (capitalized) to public housing properties across the State for a total of **\$18,100,232**:

08/24/2020 – **Waipahu I** – Structural Assessment; Des: \$15,971 CFP
08/24/2020 – **Waipahu II** – Structural Assessment; Des: \$15,971 CFP
09/05/2020 – **Salt Lake Apartments** – Major Modernization Ph II; Des: \$94,935 CIP;
Const: \$7,869,905 (\$5,384,375 CIP, \$2,485,530 CFP)
10/21/2020 – **Hale Laulima** – ADA Modifications; Des: \$0; Const: \$123,400 CIP
11/06/2020 – **Punchbowl Homes** – Call for Aid Upgrade; Des: \$134,425 CIP;
Const: \$2,004,248 CFP
12/08/2020 – **AMP 38 (Kaua`i)** – Emergency Proclamation Vacant Units Repairs; Des: In-House;
Const: \$1,522,016 AMP Federal Operating Funds
01/12/2021 – **Hui O Hanamaulu** – AMP 38 Infrastructure Improvements; Des: \$87,317 CIP;
Const: \$556,250 CIP
01/12/2021 – **Hale Nana Kai O Kea** – AMP 38 Infrastructure Improvements; Des: \$130,757 CIP;
Const: \$365,075 CIP
01/12/2021 – **Hale Ho`olulu** – AMP 38 Infrastructure Improvements; Des: \$30,124 CIP;
Const: \$31,140 CIP
01/26/2021 – **Hale Aloha O Puna** – Emergency Proclamation Vacant Units Repairs;
Des: In-House; Const: \$361,891 AMP Federal Operating Funds
03/12/2021 – **15 Vacant Units Various O`ahu Sites** – Emergency Proclamation Vacant Units
Repairs; Des: In-House; Const: \$1,078,263 AMP Federal Operating Funds
03/29/2021 – **34 Vacant Units Various O`ahu Sites** – Emergency Proclamation Vacant Units
Repairs; Des: In-House; Const: \$2,311,167 AMP Federal Operating Funds
05/04/2021 – **Lanakila Homes** – Burnt Unit Repairs; Des: In-House; Const: \$391,464 CIP
05/25/2021 – **Makamae** – Ventilation System Upgrade; Des: \$8,000 CIP; Const: \$95,476 CIP
05/25/2021 – **Kalanihua** – Ventilation System Upgrade; Des: \$7,725 CIP; Const: \$63,716 CIP

We are aware that these are extremely tough times and humbly request any additional funding that could be used to address the backlog of repairs, the possibility of repairing vacant units, and assisting some of Hawaii's neediest residents.

Program ID - HMS222

I. Increase Federal Fund Ceiling

For Program ID HMS222, the HPHA is requesting a federal fund ceiling increase for FY23 based on the Department of Budget and Finance/Office of Federal Awards Management method of comparing the following:

1. Federal fund appropriations under Act 88, SLH 2021; and

2. FFs that were finalized in the DataMart/FAMS Form FF Budget Execution workflow.

The requested ceiling increase is needed due to the anticipated grant award being more than the appropriation.

Program ID	MOF	Act 088/21 FY23 Auth. Appropriation/Allocation	Amount of Increase Requested	Total FY 23 Expenditure Ceiling Required
HMS222	N	42,933,231	3,833,904	46,767,135

II. Position Requests

- 2.00 N-funded permanent Public Housing Specialist II
- 1.00 N-funded permanent Office Assistant III
- 3.00 N-funded permanent Housing Quality Standards Inspector II

The HPHA recently received an additional 182 Emergency Housing Vouchers through the American Rescue Plan Act of 2021. The HPHA’s goal is to build upon the momentum it achieved during the last fiscal year when 846 newly qualified households were enrolled in the Section 8 program which also brought approximately \$12 M in additional funding.

The HPHA anticipates additional Congressional funding and a growing demand for hundreds of Section 8 Program Vouchers due to the economic uncertainties caused by the pandemic. Additional staff will be needed to properly distribute caseloads, minimize delays to the processing of new applications, and reduce overtime.

III. Add General Funds (\$500,000) to Maintain the Current Rent Supplement Subsidies for the State Rent Supplement Program

The RSP is a State funded program that was originally set up to assist middle-income families, who were not threatened by poverty, but were not economically sound to afford the high cost of living in Hawaii. The program was originally designed to assist teachers, policemen, and firemen. The program was later extended to include the general-public and has a maximum rental subsidy of \$500. This program is the most impactful and cost-effective program in homelessness prevention. As of November 2021, the Rent Supplement Program is helping 224 participating households remain housed.

The RSP program is facing a deficit of approximately \$500,000 for the upcoming fiscal year. The HPHA hopes that the Legislature can provide the funding needed to continue assisting the current families who are using this financial support to avoid homelessness.

Program ID - HMS 229

I. Position Conversions in the Construction Management Branch

1. 15.00 N-Funded Positions to W-Funded Positions
2. 2.00 W-Funded Positions from Temp to Perm
3. 1.00 N-Funded Position to W-Funded Position and change from Temp to Perm

The HPHA's position conversion requests will enhance the program effectiveness and efficiency of the Construction Management Branch and its many functions.

The conversion of 15.00 federally funded positions to revolving funded positions will more accurately reflect the workload of the branch's positions. All positions within the branch work on projects which involve both Federal and State funds.

The conversion of temporary positions to permanent positions will help the HPHA in its recruitment efforts and enable it to better compete with the private sector and other public sector agencies recruiting for similar positions.

Additional funds are also requested to replace old and outdated office equipment.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony. We thank you very much for your dedicated support.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 10, 2021

The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
House Committee on Finance
The Thirty-First Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Luke, Representative Cullen, and Members of the Committee:

SUBJECT: HB 1600 - RELATING TO THE STATE BUDGET

The State Council on Developmental Disabilities (DD) **STRONGLY SUPPORTS HB 1600** relating to the specific budget item noted below. The purpose of this measure is to adjust and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

1. HTH 905 – Developmental Disabilities Council
Page 39, Item No 24.

HTH 905	FY 2022	FY 2023
	2.50 *	2.50 *
HTH	246,563 A	246,563 A
	5.00 *	5.00 *
HTH	514,000 N	527,570 N

The appropriation amount in HB 1600 provides the Council with its current staffing and fiscal resources to implement its 2022-2026 State Plan activities in the areas of community supports; health and children and youth; public awareness, education and training; transition and employment; and self-advocacy and self-determination. Activities include policy development, implementation and analysis; informing and educating policymakers about developmental disabilities; establishing networks and coalitions on specific issues and concerns relating to developmental disabilities; conducting legislative advocacy training; providing leadership training;

HB1600– RELATING TO THE STATE BUDGET

March 10, 2021

Page 2 of 2

demonstrating new approaches to services and supports; fostering interagency collaboration and coordination; coordinating and sponsoring the annual Day at the Capitol, transition events, and neighbor island legislative forums, etc.

The Council respectfully ask for your favorable support of the above budget item. Thank you for the opportunity to submit testimony **strongly supporting the above-mentioned budget item in HB 1600.**

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator

HB-1600

Submitted on: 3/9/2022 11:11:44 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Warren Takenaka	Hawaii Department of Agriculture	Comments	Remotely Via Zoom

Comments:

I am available to answer questions on behalf of the Department of Agriculture.

HB-1600

Submitted on: 3/9/2022 11:19:04 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Brian Kau	Dept of Ag - Ag Resource Mgt Divisionn	Comments	Remotely Via Zoom

Comments:

Will be available for questions, if necessary.

DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR



ANNE E. PERREIRA-EUSTAQUIO
DIRECTOR

JOANN A. VIDINHAR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
www.labor.hawaii.gov

March 10, 2022

To: The Honorable Sylvia Luke, Chair,
The Honorable Kyle T. Yamashita, Vice Chair, and
Members of the House Committee on Finance

Date: Thursday, March 10, 2022
Time: 1:30 p.m.
Place: Conference Room 308, State Capitol

From: Anne Perreira-Eustaquio, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 1600 RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Yamashita, and Members of the Committee,

My name is Anne E. Perreira-Eustaquio, and I am the Director of the Department of Labor and Industrial Relations. I am testifying in strong support of the DLIR's budget requests contained in HB1600.

The DLIR is respectfully requesting restoration of the funding for two Elevator Inspector positions. The restoration will assist the Boiler and Elevator Branch in continuing to work through the backlog in the inspections of elevators and kindred equipment. The DLIR is also respectfully requesting approval of various housekeeping items that will help enable the department to continue to improve services to the community.

Thank you for the opportunity to provide testimony on this vital matter.

DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



ISAAC W. CHOY
DIRECTOR OF TAXATION

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

To: The Honorable Sylvia Luke, Chair;
The Honorable Kyle T. Yamashita, Vice Chair;
and Members of the House Committee on Finance

From: Isaac W. Choy, Director
Department of Taxation

Date: Thursday, March 10, 2022
Time: 1:30 P.M.
Place: Via Video Conference, State Capitol

Re: H.B. 1600, Relating to the State Budget

The Department of Taxation (Department) supports H.B. 1600 and offers the following comments for the committee's consideration.

Upon further review of the Department's submitted budget request, the following are the thirty-five (35) vacant positions that we would like to delete in order to make our budget more accurate.

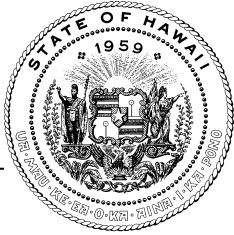
TAX100 EO, reduce one (1) unfunded permanent position in the Oahu Collection Branch, Compliance Division, Tax Clerk: position number 120764.

TAX105 BA, reduce thirty-three (33) unfunded temporary positions in the Document Processing Branch of the Tax Services & Processing Division.

- Eighteen (18) Office Assistant I: position numbers 4339, 26967, 29037, 29038, 29039, 34130, 34132, 34135, 34136, 34138, 34139, 37149, 37150, 37151, 37156, 37160, 49948, and 49949.
- Twelve (12) Office Assistant II: position numbers 35025, 35026, 35027, 37574, 37579, 37586, 49956, 49958, 49959, 49960, 49961, and 49966.
- One (1) Management Analyst I: position number 49952.
- Two (2) Management Analyst II: position numbers 49128 and 49951.

TAX107 AD, reduce one (1) unfunded permanent position in the Tax Research & Planning Office, Office Assistant IV: position number 3697.

Please contact Min Meng, Administrative Services Officer at 587-1500, should you have any questions. Thank you for the opportunity to testify on this important measure.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

(808) 587-3807
energy.hawaii.gov

Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON FINANCE

Thursday, March 10, 2022
1:30 PM
State Capitol, Conference Room 308 & Videoconference

**SUPPORT
HB 1600
RELATING TO THE STATE BUDGET.**

Chair Luke, Vice Chair Yamashita, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports HB 1600, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

The Hawaii State Energy Office – BED120's fiscal year (FY) 23 supplemental budget requests address HSEO's top priorities as the critical path to a resilient clean energy economy while recognizing the critical need to continue supporting the State's economic recovery. HSEO staffing has been cut significantly from 33 positions in FY19 to 22 positions in FY22— about a 30% reduction. To enable HSEO to fulfill its mission on behalf of residents, HSEO is requesting:

Mission-critical positions and funding.

- Positions and funds to retain the expertise of four temporary positions, currently federally or grant funded, created and filled to help carry out critical legislatively mandated activities and programs. These include a Data Science Specialist, Energy Analyst, Energy Assurance Specialist, and Transportation Energy Specialist.
- Funds for two existing unfunded positions. These include an Energy Analyst and Energy Program Specialist.

- Positions and funds for four new positions to rebuild capacity in support of the State’s critical energy priorities. These include an Energy Grants Specialist, Regulatory Assistant, Energy Economics Specialist, and Energy Jobs Development Specialist.

Access to additional funding sources.

- Energy Security Special Fund (ESSF) expenditure ceiling for the purpose of providing local matching funds to qualify for federal grants; to address gaps in the office’s programmatic needs, including emergency response for energy; and to fulfill its obligation of transferring central service expenses and departmental administrative expenses to the general fund.
- Volkswagen Environmental Mitigation Trust expenditure ceiling increase to include non-administrative expenditures which would create more transparency in the budget.
- Funds for an online “data lake” to serve as a single source repository for energy-related data, and other data that have been identified as the necessary raw material to fuel a data-driven approach to analyzing, formulating, and recommending policies and plans to achieve the State’s energy goals.

To position HSEO to effectively manage an estimated \$6.5 million in energy-related federal formula funding and to compete for the billions of dollars in energy-related federal competitive programs for Hawaii under the Infrastructure Investment and Jobs Act, HSEO respectfully requests your favorable consideration of these requests.

Thank you for the opportunity to testify.



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

Date: 03/10/2022
Time: 01:30 PM
Location: Room 308
Committee: House Finance

Department: Education

Person Testifying: Keith T. Hayashi, Interim Superintendent of Education

Title of Bill: HB 1600 RELATING TO THE STATE BUDGET.

Purpose of Bill: Adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Department's Position:

The Hawaii State Department of Education (Department) supports HB 1600 as introduced, which adjusts and requests appropriations for Fiscal Biennium 2021-23 funding requirements for operations and capital improvement projects (CIP) of Executive Branch agencies and programs. The proposed budget, if approved, will go a long way towards providing a sound school finance system by promoting predictability and stability for education revenues and expenditures.

For nearly two years, the State has faced economic challenges due to the fallout from the COVID-19 pandemic. Drastic cuts were made to the State budget and to virtually every government service, including K-12 education.

The positive growth predicted by the Council on Revenues presents an opportunity to restore and stabilize the Department's base budget and to advance education. Restoring and stabilizing the base budget will allow the Department to move forward with its plans to respond to students' learning loss and social emotional needs.

The Department's operating budget requests for Fiscal Year 2023 – most notably our general fund requests totaling more than \$270 million – were developed around five priorities or focus areas:

1. Rebuild the Department's foundation by restoring resources lost during the pandemic;
2. Restore stability and assurances by reverting position funding back to permanent general funding;
3. Address pre-existing shortfalls as well as new shortfalls;

4. Advance education to address essential operations, student success, professional development, and workforce development; and
5. Ensure the Department's resources are categorized correctly through housekeeping.

The table below summarizes the general fund operating requests by the five priorities or focus areas and by EDN.

EDN	#1 Rebuild Foundation	#2 Restore Stability	#3 Shortfalls	#4 Advancing Education & #5 Housekeeping	Total*
100	\$35,707,233	\$629,719	\$42,743,059	\$76,590,140	\$155,670,151
150	\$4,431,663	\$488,846	\$288,857	\$2,428,751	\$7,638,117
200	\$1,731,083	\$4,985,526	\$343,370	\$3,616,890	\$10,676,869
300	\$2,337,306	\$4,176,199	\$6,968,970	\$6,704,899	\$20,187,374
400	\$55,877,341	\$812,004	\$1,746,855	\$16,510,502	\$74,946,702
450**	-	-	-	\$1,000,000	\$1,000,000
500	\$115,374	-	\$52,548		\$167,922
Total	\$100,200,000	\$11,092,294	\$52,143,659	\$106,851,182	\$270,287,135

*General funds only

**EDN 450 relates to the School Facilities Authority (SFA), which is administratively attached to the Department

Fully funding priorities #1, #2, and #3 is essential to allow the Department to move forward with new initiatives, which the fourth priority represents. The first three priorities totaling \$163.4 million represents the bulk of the \$270 million request total - basically to restore and stabilize the Department's general fund base budget. Without a stable base, beginning new initiatives is akin to adding a second story to a home with an unstable foundation.

Priorities #1, #2, and #3 work hand-in-hand with federal education stabilization resources from the federal Elementary and Secondary School Emergency Relief Fund (ESSER). These three priorities focus on rebuilding and restoring the Department's general fund appropriation to pre-pandemic levels, while federal ESSER funding focuses on rebuilding and restoring academic progress and students' social-emotional well-being through education acceleration programs, classroom improvements, and supports.

Together, the first three priorities and ESSER funding complement each other to allow the Department to get back on track in implementing programs to advance education for all students. After setting a solid foundation, we can move on to the fourth priority to advance education. The fourth priority, totaling \$106.9 million, includes \$78.3 million in one-time funding requests for various repairs, maintenance, equipment, and essential school operating needs.

The Department remains open to discussion with the Legislature on how best to support schools and advance education. With the Maintenance of Effort (MOE) requirements associated with

federal ESSER funds, the Department has concerns that appropriating funds for new education programs and initiatives that the Department cannot expend and implement will not help us meet the MOE requirements. As such, we look forward to collaborating with the Legislature to determine the general fund support for our public schools.

Capital Improvement Program (CIP) Budget

The measure also provides \$200,000,000 in general obligation (G.O.) bond funds for the Department's CIP for FY 2023. Additionally, it includes \$40,000,000 in G.O. bond funds for the SFA. This funding includes:

- \$28,850,000 in Lump Sum - Compliance
- \$6,400,000 in Lump Sum - Instructional
- \$29,600,000 in Lump Sum - Support
- \$90,000,000 in Lump Sum - Deferred Maintenance
- \$15,150,000 in Lump Sum - Health & Safety
- \$25,000,000 in Lump Sum - Project Completion
- \$5,000,000 for Lump Sum - Office of Information Technology Services, Bells & Paging Replacements
- \$40,000,000 for Lump Sum - West Oahu Teacher Housing (SFA)

The requested CIP budget will allow the Department to address its most critical needs, such as:

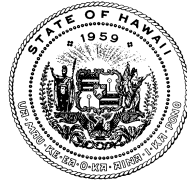
- Provide improvements at existing campuses for special education and support facilities,
- Continue to address compliance with federal Title IX gender equity and the Americans with Disabilities Act requirements,
- Address immediate health and safety needs and support ongoing CIP projects, and
- Provide funding for deferred maintenance projects.

The CIP budget request also includes project completion funds to cover supplemental consultant services, equipment costs for new facilities, and unanticipated cost expenses. In addition, the request includes funding for bells and paging system replacements that are a critical part of supporting school operations.

For budget requests related to EDN 450 and EDN 700, the Department defers to the SFA and Executive Office on Early Learning, respectively. Included in the budget for EDN 450 are \$1 million and 4.00 permanent positions.

As our budget makes its way through the legislative process, we look forward to working with the Legislature to shape the future of quality education for our students in Hawaii's public schools. The Department appreciates the continued support provided to our students, schools, and school communities as we emerge from a very difficult time and work towards restoring our foundation and advancing public education.

Thank you for the opportunity to testify in support of this measure.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

Testimony in SUPPORT of HB1600
RELATING TO RELATING TO THE STATE BUDGET.

REP. SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: March 10, 2022

Room Number: Videoconference/308

1 **Fiscal Implications:** Sufficient appropriations are required for the Department of Health to
2 implement statutory obligations. Insufficient funding will jeopardize public health at large and
3 for vulnerable populations.

4 **Department Testimony:** The Department of Health (DOH) supports HB1600, in particular
5 where priorities identified in the Governor's Supplemental Budget Request have been funded at
6 requested levels.

7 General priorities for DOH include:

- 8 • Restoration of positions and funding eliminated due to the COVID-19 pandemic
9 economic uncertainty
- 10 • Funding to meet existing and emerging public health emergencies, including the ongoing
11 pandemic, Red Hill Bulk Fuel Storage Facility monitoring, and strengthening department
12 infrastructure to apply lessons learned from these crises
- 13 • Resources to address disparities and inequities revealed or exacerbated by recent events,
14 including long-term threats like climate change and health care access

15 Specific examples by administration include:

16 General Administration

- 17 • FY-23 Restore funding for Administrative Specialist IV #121429 (\$55,200 A)

- 1 • OR-22 Restore funds for operations in the vital records programs used to procure basic
2 supplies such as security paper, postage, printer toner, etc. (\$241,405 A)
- 3 • OR-71 Add funds to replace unsupported and deteriorating computer system that stores
4 and issues vital records such as birth, marriage, and death certificates (\$750,000 A)
- 5 • OR-79 Add positions and funds for the Human Resources Office (3.0 FTE, \$63,930 A)
- 6 • OR-80 Add funds and 8.0 FTE Public Health Educator III, 6.0 FTE Public Health
7 Educator IV, and 4.0 FTE Program Specialist V and funds for the Office of Public Health
8 Preparedness for the Office of Public Health Preparedness (18.0 FTE, \$627,840 A)
- 9 • FY-65 Add funds for the Office Assistant III position #35272 for the Kauai District
10 Health Office (\$33,120 A).

11 Behavioral Health Administration

- 12 • OR-1 Additional operating funds for the Hawaii State Hospital forensic building
13 (\$3,487,633 A)
- 14 • OR-3 Increase the FTE from 0.5 to 1.0 for position #122752 Program Specialist IV to
15 continue to administer the US Food and Drug Administration contract
- 16 • OR-12 Re-appropriate funds in FY23 for one-time lapsing Section 9817 ARPA Funds to
17 address federal requirement to supplement, not supplant, existing state funds (\$9,668,664
18 A)
- 19 • UP-11 Transfer special funds to various programs to fund six unfunded permanent
20 positions (-6.00/\$0 A; 6.00/\$0 B)

21 Environmental Health Administration

- 22 • OR-32 Change MOF from special funds to general funds for 2.00 permanent
23 Environmental Health Specialists for asbestos and lead regulation to avoid reduction-in-
24 force (2.00 perm/\$157,332 A; -2.00 perm/\$0 B).
- 25 • OR-41 Add 1.0 permanent Environmental Engineer VI position and funds for program
26 development and technical support for the Clean Air Branch (1.0 perm/\$85,248 B)

- 1 • OR-38 UP-10, FY-18, UP-15, FY-42, FY-43, FY-45, TO-26, and TO-27 Add funds and
2 transfer funds to provide budgeted salaries for 2.00 Vector Control positions on Kauai,
3 1.00 Food Safety position on Maui, 4.00 positions for Clean Air, 4.00 for Solid and
4 Hazardous Waste, 1.00 for Clean Water, and 3.00 for State Laboratories. Funding the
5 salaries for these essential positions will enable the programs to fill vacancies and retain
6 incumbents to accomplish required workload.
- 7 • OR-35 Restoration of funds to pay for electricity for the State Laboratory Division
8 (\$150,000 A)
- 9 • OR-36 Establish a DUI laboratory for state drug and alcohol toxicology testing (2.00
10 temp/\$102,101 B). DOH supports legislation required to implement Act 196, SLH2021,
11 enabling the creation of the State drug and alcohol toxicology testing laboratory.

12 Health Resources Administration

13 OR-6 Request to fully fund Disease Outbreak Division Chief and Deputy positions (\$36,040 A)
14 It is imperative to increase budget allocation to fully cover competitive salaries for the State
15 Epidemiologist (DOCD Division Chief) and Deputy State Epidemiologist (Deputy DOCD
16 Division Chief). These core public health positions study disease in populations, track the causes
17 and consequences of infectious diseases and provide critical information for program and policy
18 decisions. Historic salaries are not competitive and resulted in multiple year vacancies in critical
19 DOCD leadership positions needed for developing and implementing strategies to strengthen and
20 sustain the Division and Department. Inability to raise the budgeted salary would ultimately
21 result in DOCD being unable to fill other vacancies that are budgeted under general funds.

22 OR-29 Request to fund 3.00 positions and operational expenses for the Office of Medical
23 Cannabis Control and Regulation (\$516,612 A) to ensure that products dispensed by medical
24 cannabis licensees do not pose a health risk to patients and for public and patient education to
25 prevent unintentional intoxication of children, impaired driving, and risks of cannabis use.

26

1 Capital Improvement Projects

2 In FY23, CIP funds are being requested for the following projects at Kalaupapa:

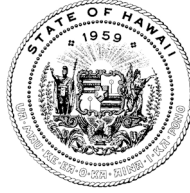
- 3 • \$7,809,000 in construction funds is requested to close the second landfill at Kalaupapa.
4 Design is already funded and in progress.
- 5 • \$945,000 in construction funds for the re-roofing of a warehouse facility and care facility
6 currently in use.
- 7 • \$580,000 in design funds for the closure and removal of underground storage tanks.

8 The Executive Supplemental requests also include trade-off transfer requests which consist of
9 housekeeping adjustments to reduce negative personal services adjustment budget lines and other
10 housekeeping requests to fold in statutorily exempt positions and align the budget to previously
11 acknowledged reorganizations. Federal fund adjustment requests are also being submitted to
12 align the federal budget ceiling with updated actual and anticipated federal fund awards.

13 The DOH continues to address the health of our State through a combination of population
14 health management and strategic partnerships to address the needs of our most vulnerable
15 populations. We look forward to advancing Hawaii's health agenda through the leveraging of
16 resources and capitalizing on health care reform options which support accessible, affordable,
17 and quality health care.

18 Thank you for the opportunity to testify.

19



OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

P.O. BOX 119, HONOLULU, HI 96810-0119
Ph: (808) 586-6000 | Fax: (808) 586-1922
ETS.HAWAII.GOV

Testimony of
DOUGLAS MURDOCK
Chief Information Officer
Enterprise Technology Services

Before the

HOUSE COMMITTEE ON FINANCE
MARCH 8, 2022

HOUSE BILL No.1600
RELATING TO THE STATE BUDGET

Dear Chair Luke, Vice Chair Yamashita and members of the committee:

The Office of Enterprise Technology Services (ETS) supports this measure which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs. ETS supports the operation and CIP budgets set forth in the bill for our operation appropriations (Item 19) and CIP (Item 8):

Operating Appropriation Item 19:

			2021		2022	
19.	INFORMATION TECH & COMMUNICATION SVCS					
	ENT TECH SVCS - OPER & INFRASTRUCTURE MNTNCE					
		AGS131				
			96.00	*	[96.00	*]
				**	103.00	*
			13.00	**	13.00	**
	OPERATING	AGS	33,306,351	A	[33,278,873	A]
		AGS		A	35,971,098	A
			12.00	*	12.00	*
			1.00	**	1.00	**
		AGS	2,511,566	B	2,511,566	B
			33.00	*	33.00	*
		AGS	6,312,584	U	6,312,584	U
	INVESTMENT: CAPITAL	AGS	5,700,000	C		[C]
		AGS		C	27,000,000	C

In addition to the amount above, GM7 requested an additional general fund appropriation of \$1,789,000 in FY 23 for the Enterprise Financial System Modernization Project. The funds are for other current expenses to shorten the time required to modernize and improve the design, development, and implementation of the modernization of the financial system. The amount includes \$300,000 for independent verification and validation (IV&V). IV&V has been key driver in our successful modernization projects. Also included is \$1,370,000 to purchase test automation software to reduce the cycle time for system testing and reduce impact on staff;

Finally, the amount includes \$80,000 for staff training and \$39,000 for staff equipment. We respectfully ask the committee to add the amount from GM7.

We also support Item 8, Capital Improvement Project Appropriation for ETS:

8.00	<u>DATA CENTERS, RENOVATIONS, REPLACEMENTS, AND/OR NEW, STATEWIDE PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPMENT FOR COSTS RELATED TO FULL REPLACEMENT OF ETS DATA CENTER IN THE KALANIMOKU BUILDING AND OTHER DATA CENTER NEEDS, STATEWIDE.</u>	Y106		
	<u>PLANS</u> <u>LAND ACQUISITION</u> <u>DESIGN</u> <u>CONSTRUCTION</u> <u>EQUIPMENT</u> <u>TOTAL FUNDING</u>		1 1 500 24,497 1 25,000	AGS C C

Our current data center in Kalanimoku cannot be upgraded to modern data center standards. A new data center would allow us to close the Kalanimoku data center and provide a centralized data center for ETS and other departments.

Thank you for this opportunity to provide testimony on this bill.

HB-1600

Submitted on: 3/9/2022 12:10:02 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Takeshima	Hawaii Department of Agriculture	Support	Remotely Via Zoom

Comments:

I am available to answer questions on behalf of the Department of Agriculture.

HB-1600

Submitted on: 3/9/2022 12:25:30 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
James J. Nakatani	Agribusiness Development Corporation	Comments	Remotely Via Zoom

Comments:

I am available to answer any questions that the Chair or Committee members may have for me.

Thank you.

HB-1600

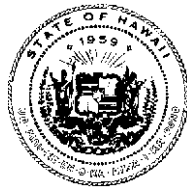
Submitted on: 3/9/2022 12:34:01 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Helmuth Rogg	Hawaii Department of Agriculture	Comments	Remotely Via Zoom

Comments:

Available for questions only for DOA



**STATE OF HAWAII
HAWAII CORRECTIONAL SYSTEM OVERSIGHT COMMISSION**

March 19 , 2022

TO: Honorable Representative Sylvia Luke
House Committee on Finance

FROM: Mark Patterson, Chair, Hawaii Correctional System Oversight
Commission.

SUBJECT: SB 1600, – RELATING TO THE STATE BUDGET

POSITION: Comments of the request of the Department of Public Safety for additional planning funds for the redevelopment of the Oahu Community Correctional Center. (ref: p 526 of the Executive Budget)

OUR RESPONSIBILITIES: As you are aware, the Hawaii Corrections System Oversight Commission was created by Act 179 SLH 2019 as a means of providing “independent oversight of the State’s correctional system.” The Commission is specifically empowered by Act 179 to:

- (1) Oversee the State’s correctional system and have jurisdiction over investigating complaints at correctional facilities and facilitating a correctional system transition to a rehabilitative and therapeutic model;
- (2) Establish maximum inmate population limits for each correctional facility and formulate policies and procedures to prevent the inmate population from exceeding the capacity of each correctional facility;
- (3) Work with the Department of Public Safety in monitoring and reviewing the comprehensive offender reentry system;
- (4) Ensure that the comprehensive offender reentry system under Chapter 353H is working properly to provide programs and services that result in the timely release of inmates on parole

NEED TO PAUSE THE PLANNING OF THE NEW OCCC: The Commission believes that the current OCCC needs to be replaced. Nevertheless, in December 2020, the Commission recommended that the planning for the redevelopment of the OCCC be paused, and that the Department of Public Safety convene a broad-based group of members of the community to review practices, services and programs that could be developed or improved

to safely reduce the population of the proposed new facility. We noted at that time that prior to the onset of the COVID pandemic, the new facility was projected to cost more than \$500,000,000.

In December 2021, the Commission reiterated its position. This position was communicated to the Committee on Finance prior to the opening of this Legislative session. We noted, among other things:

- An updated population forecast commission by the Department indicated that the projected population of OCCC could be reduced if certain reforms were implemented.
- The plans call for 400 additional transitional beds at the new OCCC. However, the Department's two minimum security facilities – the Waiawa Correctional Facility and the Kulani Correctional Facility – are significantly underutilized.
- The Department had opted not to convene a community advisory group that could help with identifying programs, services and practices that could reduce the capacity of the new facility.

WHY SOUND PLANNING IS CRITICAL: Currently a new residential building is being constructed at the Women's Community Correctional Center. This addition of 176 beds will allow PSD to move women inmates from OCCC to WCCC. The current capacity of WCCC is 260 beds. When the new building is opened, WCCC will have a total capacity of 436. On March 7, 2022, There were 202 women held in WCCC and 101 at OCCC, or a total of 303. It is highly likely that there will be significant excess capacity at WCCC.

However, PSD is requesting over 100 new permanent positions to operate the WCCC when it opens. (See Executive Budget, pages 957-959.) These new positions will cost millions of dollars annually, although the facility is likely to have excess capacity. In addition, the Commission has been closely following the package of bills supported by the Women's Prison Project. If passed, these bills will probably lower the population of women inmates even more.

The Commission does not have a position on the request for additional resources to operate the expanded WCCC. We do believe, however, that it presents an important illustration of the cost of incomplete planning of correctional facilities.

TESTIMONY OF
JAMES P. GRIFFIN, Ph.D.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
HOUSE COMMITTEE ON
FINANCE

March 10, 2022
1:30 p.m.

Chair Luke and Members of the Committee:

MEASURE: H.B. No. 1600

TITLE: RELATING TO THE STATE BUDGET.

DESCRIPTION: Adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

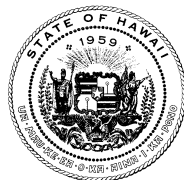
POSITION:

The Public Utilities Commission (“Commission”) supports this measure and offers the following comments for consideration.

COMMENTS:

The Commission supports the line item on page 67 of this measure that would preserve the established operating budget and position counts for the Public Utilities Commission Special Fund. It is imperative that the Commission and the Consumer Advocate maintain a sufficient level of funding to ensure the continued protection of the public interest and provision of essential utility services.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

HOUSE COMMITTEE ON FINANCE
Thursday, March 10, 2022
1:30 pm
Via Videoconference

By Stacey A. Aldrich
State Librarian

H.B. 1600 RELATING TO THE STATE BUDGET

To: Chair Sylvia Luke, Chair
Vice Chair Kyle T. Yamashita
Members of the House Committee on Finance

The Hawaii State Public Library System (HSPLS) appreciates the opportunity to provide testimony on HB1600, relating to the State Budget.

HSPLS strongly supports H.B.1600 as it provides support for the HSPLS operating and capital improvement project budgets for fiscal biennium 2021-2023.

Specifically, H.B.1600 includes amendments to Act 88, Session Laws of Hawaii 2021, for EDN407 which includes the following:

- \$130,000 to increase student helper hours
- \$1,000,000 for additional security (security contract, external security cameras)
- \$100,000 to purchase a new van and retrofit existing vans with lifts
- \$5,000,000 in CIP funds for health and safety projects
- \$28,000,000 in CIP funds for Pearl City Public Library

HSPLS continues to have 69 permanent positions that are unfunded. Many of these positions are critical to the ongoing operation of a statewide public library system, including critical regional branch manager positions on neighbor islands. In order to maintain services in all communities, HSPLS filled some of the most critical unfunded permanent positions using some of the existing student helper funds; the remaining student helper funds provide student helper hires at 8 libraries with the highest circulation. The requested \$130,000 would allow us to pay for additional student helper hours at these same 8 libraries. Ideally, at some point, we hope to have funding restored to our vacant permanent positions, rather than relying on temporary student helper hires to support the core public service hours.

The additional \$1,000,000 is requested in anticipation of an expected increase in the cost of our security services contract (approximately \$200,000), and for the installation of exterior security cameras at 11 libraries statewide (approximately \$800,000). During the pandemic, there has

been an increase in vandalism and other undesirable behaviors outside some of our library buildings. The additional funding would allow us to install exterior cameras at the following libraries: Hilo, Kailua-Kona, Kahului, Kihei, Pearl City, McCully, Liliha, Waikiki/Library for the Blind and Print Disabled, Ewa Beach and Princeville.

The \$100,000 request for a new van also includes approximately \$40,000 to retrofit existing vans with lifts to make it easier for our delivery drivers to lift heavy boxes in/out of their delivery vans.

For CIP funding, HSPLS respectfully requests health and safety lump sum funding to allow us to complete previously initiated projects and to start new ones. Many of our public libraries are 60+ years old and in need of major and minor repairs and renovations. The requested funding will ensure that we can continue to make improvements to our buildings, including making improvements for energy efficiency.

The \$28,000,000 request for CIP funding for Pearl City Public Library includes improvements to the current library (e.g., a/c replacement, structural improvements, parking lot expansion and improvements) and the design and construction of a new programming space (Community Library Learning Center) on an area adjacent to the current library parking lot. Improvements to the Pearl City Public Library will allow HSPLS to better utilize the existing library space and expand programming desired by the community. The pandemic has highlighted the fact that libraries there are few access points within the community where individuals have access to resources, such as computers and printers, as well as identify resources for individuals to expand their knowledge and training at no cost.

Thank you for the opportunity to provide comments on this Bill and your continued support of the Hawaii State Public Library System.



Hawai'i Convention Center
1801 Kalākāua Avenue, Honolulu, Hawai'i 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
kahua pa'a web hawaii-tourism-authority.org

David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

Statement of
JOHN DE FRIES

Hawai'i Tourism Authority
before the
COMMITTEE ON FINANCE

March 10, 2022
1:30 p.m.
State Capitol
via videoconference

In consideration of
HOUSE BILL NO. 1600
RELATING TO THE STATE BUDGET

Aloha Chair Luke, Vice Chair Yamashita, and members of the Committee on Finance.

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer testimony in **support** of HB1600, specifically the areas funding our work to strategically manage Hawai'i tourism in a sustainable manner consistent with economic goals, cultural values, preservation of natural resources, community desires and visitor industry needs.

Understanding the significance of tourism's impact as the largest single source of private capital for Hawai'i's economy and a driver of diversification, HTA has shifted the focus of its purpose from primarily marketing travel to Hawai'i to that of being a more streamlined destination management organization. This includes kuleana to protect and support Hawai'i's natural environment, host culture, and community spirit – the qualities that collectively define Hawai'i's unmatched global brand. In support of that, our in-market efforts to reach potential visitors have transitioned from marketing to branding and visitor education.

Our work in destination management is a collaborative effort with community organizations, government agencies, and the visitor industry. In addition to our strategic plan, our work is guided by the community-generated Destination Management Action Plans. The hard work of DMAP steering committee members in each county resulted in clear roadmaps to address kama'āina concerns, mitigating negative impacts and amplifying positive impacts of visitor activity. While many of the specific actions are outside of the jurisdiction or expertise of HTA, we are working

March 10, 2022

closely with and seeking ways to formalize our partnerships with other governmental agencies. We also support many community organizations through our Community Enrichment, Kūkulu Ola, and Aloha 'Āina programs that fund programs and events that enhance community, Hawaiian culture, and natural resources respectively.

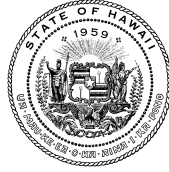
The centerpiece of all of our work is the vision of Mālama Ku'u Home (caring for my beloved home), which strives to achieve a regenerative tourism model that is responsive and sensitive to community needs. HB1600 provides us with \$60 million in operating funds including 25 positions to continue this work.

The management of the Hawai'i Convention Center is also part of HTA's kuleana. In the 24 years since the center opened, it has hosted meetings of world leaders, sports tournaments, and important gatherings for kama'āina – all while catalyzing nearly \$10 billion in economic activity for the State of Hawai'i.

HB1600 sets an expenditure ceiling for the Convention Center Enterprise Special Fund (CCESF) of \$28.5 million, and contains our request for \$64 million in capital improvement funds to support critical repairs to the center's rooftop deck. This project has been deferred many years. The rooftop deck in its current condition, is causing damage to the building with every heavy rain, causing meeting spaces to be taken out of service to dry and repair the damage. While our board and investigative committee continue to consider options for the center's future, this urgent roof repair project is necessary to ensure the safety of users and staff, and to ensure that it remains a first-class meetings facility.

We appreciate the opportunity to provide this testimony in **support** of HB1600. Mahalo.

DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
CURT T. OTAGURO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

COMMITTEE ON FINANCE

HOUSE BILL NO. 1600

MARCH 10, 2022, 1:30 PM
VIA TELECONFERENCE, STATE CAPITOL

RELATING TO THE STATE BUDGET

Chair Luke, Vice Chair Yamashita and members of the Committee. The Department of Accounting and General Services (DAGS) is in support of House Bill (H.B.) 1600, Relating to the State Budget, as it pertains to the Department.

H.B. 1600 adjusts and requests appropriations for the supplemental operating and capital improvement budgets of the Executive Branch for FB 2021-23 and includes appropriations from other departmental budget acts deemed necessary for program operations and capital improvements.

We respectfully request this Committee's favorable consideration of our requests for resources in support of our goal to provide quality and consistency in the delivery of essential support services to other State departments and agencies, which include funding for consultants and annual maintenance contracts for the new Enterprise Financial System, insurance premium cost increases, restoration of abolished positions, and the realignment of resources for efficiency and accountability in our operating budget. Adjustments of \$36M in funding are also requested in our capital improvements budget.

Thank you for your consideration of our comments in support of H.B. 1600.



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

547 Queen Street, Honolulu, Hawaii 96813
Telephone: (808) 594-0300 Fax: (808) 587-0299
Web site: <http://dbedt.hawaii.gov/hcda/>

DAVID Y. IGE
GOVERNOR

SUSAN TODANI
CHAIRPERSON

CRAIG K. NAKAMOTO
INTERIM EXECUTIVE DIRECTOR

Statement of
CRAIG NAKAMOTO
Interim Executive Director
Hawaii Community Development Authority
before the

HOUSE COMMITTEE ON FINANCE

Thursday, March 10, 2022
1:30 P.M.

Via Videoconference, State Capitol, Conference Room 308

In consideration of

HB 1600
RELATING TO THE STATE BUDGET.

Aloha, Chair Luke, Vice Chair Yamashita, and members of the Committee.

The Hawaii Community Development Authority (HCDA) **supports HB 1600 with amendments** for clarity and housekeeping.

Act 9, of Special Session 2021 amended HCDA's statute renaming the "revolving funds" to "special Funds". Thus, we suggest the following amendment for clarity:

1. On page 12, item no. 23 Hawaii Community Development Authority BED150 under FISCAL YEAR 2021-2022, MOF please make the following change:

Replace "W" with "B".

This measure provides operating expenses that ensure HCDA can continue to improve its districts by implementing HRS 206E.

The HCDA has considerable experience in implementing infrastructure improvements and facilitating development and welcomes the opportunity to use its development expertise in facilitating CIP projects in its districts.

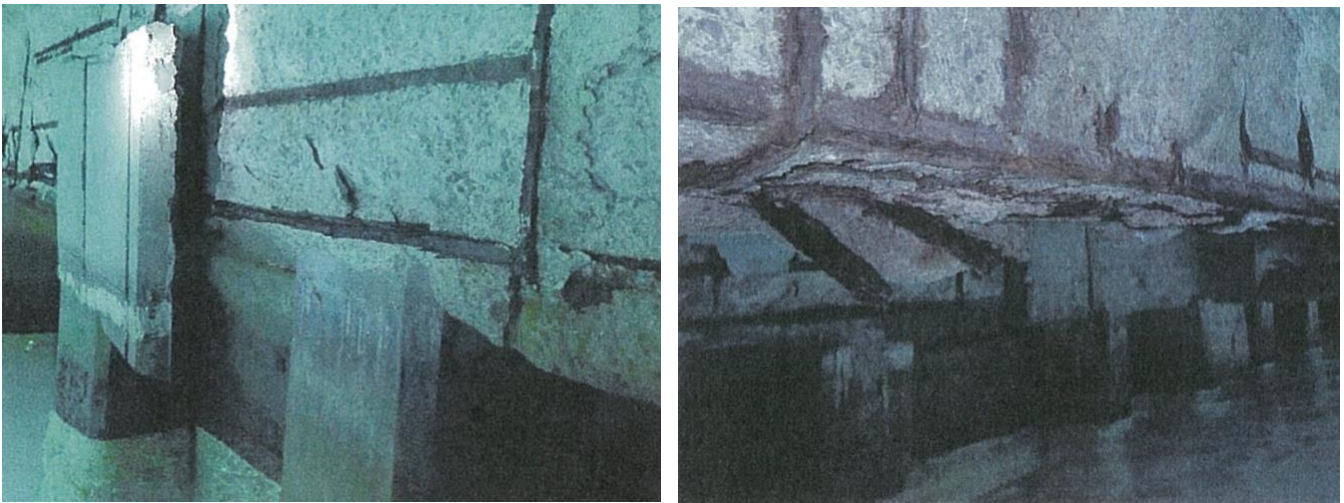
Thank you for supporting CIP item no. 34. Repair of the Fisherman's Warf Bulkhead - Kewalo Basin Harbor Project.

This project is a matter of public safety, and has the support of the Ala Moana-Kakaako Neighborhood Board.

The older portion of the deck is 94 years old, while the newer section is 50 years old and has reached the end of its useful life. Repairs were needed in 2012, but have been deferred due to costs, and now have become critical.

The deterioration has increased significantly and is visibly apparent on the surface, not just below the dock. Barricades had to be put up to block access by vehicles that used to load and unload large commercial and private vessels that don't fit in any other part of the harbor. Signs currently restrict pedestrian access.

This loading dock also serves as an earth retaining wall for the land below the location of the former Fisherman's Wharf.



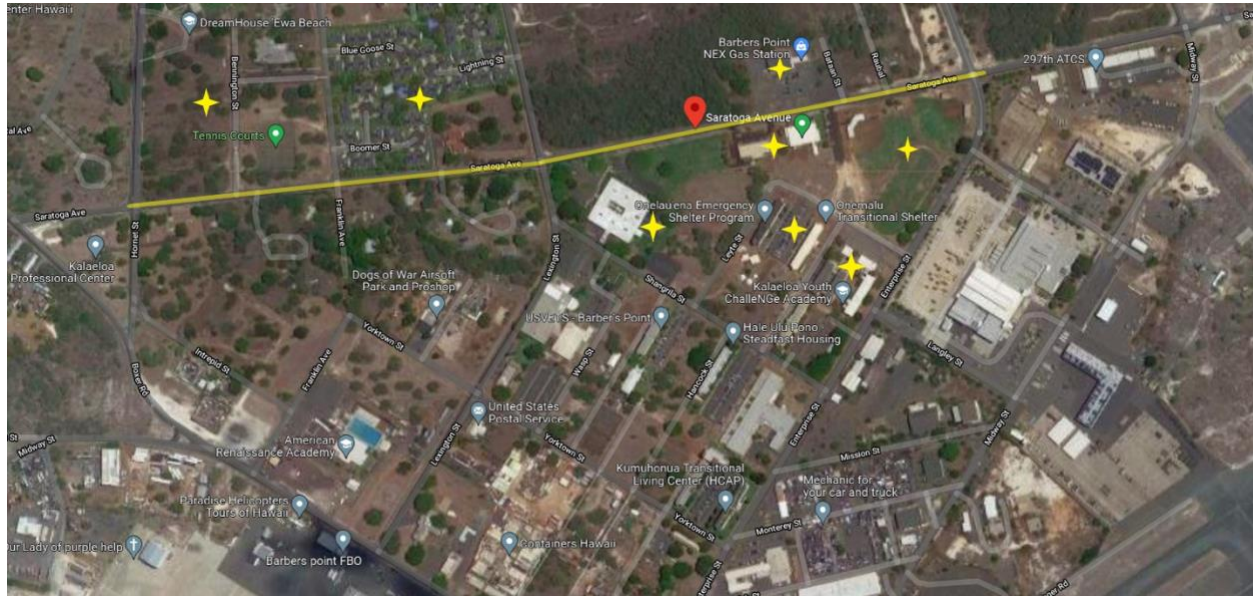
2017 Photos of the bulkhead, Diamond Head of the Fisherman's Wharf. Left: Exposed and corroding reinforcing steel with a remaining portion of a previous repair area shown hanging. Right: Damage along the bulkhead shows extensive beam spalling and fractured reinforcing steel and shear stirrups.

Thank you for supporting CIP item no. 35. Saratoga Avenue Electrical and Communication Infrastructure Improvements.

Kalaeloa has struggled with unreliable utilities for years and there is effectively a moratorium on new electrical connections. A new electrical system that meets HECO standards would provide reliable power to over 2,000 residents, more than 100 small businesses, landowners, and homeland security agencies in the immediate area.

In addition, HCDA plans to promulgate rules that will enable the agency to seek repayment of a portion of the infrastructure improvement costs from landowners and system users via assessment.

These improvements will enable new connections and far greater capacity. They will also support economic growth such as new residential and commercial development in the district.



Proposed Saratoga Avenue Electrical Corridor, nearby businesses and tenants.

The wishes of the community are a top priority as we work to improve the districts. Thus, the support of the neighborhood boards is so meaningful. In the attached resolutions, they show their support for these CIP requests for repairs and improvements.

Thank you for the opportunity to testify in support of this measure.

Enc: Neighborhood Board 11 Repair Fisherman's Wharf Bulkhead Resolution
Neighborhood Board 34 Saratoga Ave Improvements Resolution



ALA MOANA-KAKA'AKO NEIGHBORHOOD BOARD NO. 11

NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BOULEVARD, SUITE 160 • HONOLULU, HAWAII, 96817
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET <http://www.honolulu.gov/nco>

RESOLUTION SUPPORTING REPAIR OF THE
FISHERMAN'S WHARF BULKHEAD

WHEREAS, Hawaii Community Development Authority (HCDA) staff presented information about the condition of the bulkhead, or loading dock between the Fisherman's Wharf property and the waters of Kewalo Basin Harbor, in Kaka'ako as follows:

- (i) The condition of the bulkhead has deteriorated and has created a health and safety issue due to deep deterioration,
- (ii) The deterioration had increased significantly and is visibly apparent from the surface, not just underwater. Access is now restricted over the entire deck,
- (iii) The older portion of the deck is almost 100 years old, built in 1924 to support the tuna packing operations that used to be located in the Kewalo Basin,
- (iv) In 1968, the deck was extended, this newer section is over 50 years old and has essentially reached the end of its useful life,
- (v) Repairs were made on the older portion in the 80s, but there are no records or visible evidence of repairs to the newer, 50-year-old portion. The need for repairs has now become critical, and
- (vi) Without repairs the bulkhead will continue to deteriorate; and

WHEREAS, the state budget includes an appropriation for the plans, design and construction for replacement of wharf concrete deck including repair of concrete spalling, bulkhead beams, pile caps, and piles that have been deemed unsafe, at an estimated cost of \$25,000,000 (the "Project");

WHEREAS, the Project will also support economic growth, including jobs and support small business in the area as well as other opportunities; and

WHEREAS upon completion, the loading dock would be available to fully service vessels in Kewalo Basin and pedestrians could once again use the deck and the nearby areas; and

BE IT RESOLVED that the Ala Moana-Kaka'ako Neighborhood Board No. 11 supports the HCDA's request to the Hawaii State Legislature to appropriate CIP funds in the amount of \$25,000,000 for the Repair of the Fisherman's Wharf Bulkhead – Kewalo Basin Harbor, Kaka'ako, Oahu to the Department of Business, Economic Development & Tourism - Hawaii Community Development Authority (BED150) for the Project; and

BE IT FURTHER RESOLVED that copies of this Resolution Supporting Repair of the Fisherman's Wharf Bulkhead – Kewalo Basin Harbor, Kaka'ako, Oahu be transmitted to: Hawaii State Legislature, the Governor of the State of Hawaii, Mayor of the City and County of Honolulu, Council Members, Department of Business, Economic Development & Tourism, Hawaii Community Development Authority, and all Neighborhood Boards.

ADOPTED by the Ala Moana-Kaka'ako Neighborhood Board No. 11 at its regular meeting on Tuesday, February 22, 2022, by a unanimous vote of 10-0-0.

RYAN TAM, Chair



MAKAKILO/KAPOLEI/HONOKAI HALE NEIGHBORHOOD BOARD NO. 34

c/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BLVD SUITE 160 • HONOLULU, HAWAII, 96817
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET: <http://www.honolulu.gov>

RESOLUTION

SUPPORTING THE APPROPRIATION OF SUFFICIENT FUNDS FOR THE SARATOGA AVENUE ELECTRICAL AND COMMUNICATION INFRASTRUCTURE IMPROVEMENTS

WHEREAS, the current electrical infrastructure in Kalaeloa community development district (KCDD) is owned and managed by the US Navy; and

WHEREAS, the KCDD has struggled with unreliable utilities for years that is an impediment to further community development in the KCDD; and

WHEREAS, the state budget includes an appropriation for an electrical and communications infrastructure corridor to be constructed, with a 12kV underground electrical distribution line built to HECO standards, on Saratoga Avenue from Enterprise Avenue to Hornet Avenue, at a cost of \$12,125,000 (the "Project"); and

WHEREAS the Project will provide reliable power to residents, businesses, and landowners in that downtown area of KCDD; and

WHEREAS, the Project will also support economic growth, including additional housing and commercial development resulting in additional jobs and opportunities; and

BE IT RESOLVED that the Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 supports the appropriation of sufficient funds for the Saratoga Avenue Electrical and Communication Infrastructure Improvements; and

BE IT RESOLVED FURTHER RESOLVED that Neighborhood Board No. 34 supports the intent of S.B. 2176 (2022) and H.B. 1600 (2022), and requests that the Hawaii State Legislature appropriate CIP funds in the amount of at least \$12,125,000 for the Saratoga Avenue Electrical and Communication Infrastructure Improvements to the Department of Business, Economic Development & Tourism - Hawaii Community Development Authority (BED150) for the Project; and

BE IT FURTHER RESOLVED that copies of this resolution be transmitted to the Governor, Senate President, Speaker of the House, Mayor of the City and County of Honolulu, Honolulu Council Members, Director of the Department of Business, Economic Development & Tourism, Executive Director of the Hawaii Community Development Authority, and all Neighborhood Boards.

Adopted by Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 at its February 26, 2022 Regular Board Meeting, 7-0-0.



DAVID Y. IGE
GOVERNOR



KENNETH S. HARA
MAJOR GENERAL
ADJUTANT GENERAL

STEPHEN F. LOGAN
COLONEL
DEPUTY ADJUTANT GENERAL

STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE ADJUTANT GENERAL
3949 DIAMOND HEAD ROAD
HONOLULU, HAWAII 96816-4495

TESTIMONY ON HOUSE BILL 1600
RELATING TO THE STATE BUDGET

PRESENTATION TO:
THE HOUSE COMMITTEE ON FINANCE

BY

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

March 9, 2022

Chair Sylvia Luke, Vice Chair Kyle T. Yamashita, and Members of the House Committee on Finance.

I am Major General Kenneth Hara, Adjutant General, Director of the Hawaii Emergency Management Agency, and Director of Homeland Security.

The Department of Defense (DOD) provides written testimony in **SUPPORT** of House Bill 1600 with comments.

The Department of Defense would like to thank House Finance for supporting DODs Executive budget request. Highlights in DODs request include:

1. \$7.23M state match to secure \$24.7M in Federal Hazard Mitigation funds. HI-EMA is the state's lead agency for emergency preparedness, response, recovery, and mitigation programs to protect the citizens, property, and the environment. HI-EMA can access federal funding available for Hazard Mitigation and Emergency Operations Center (EOC) projects with the 25% state match.

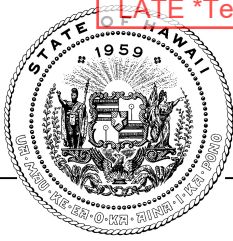
2. \$21.4M in various Capital Improvement Projects, of which \$12.2M are in Bond funds and the remaining requests of \$9.2M are in federal funding.

3. \$34.5M in General Funds. DOD anticipates this will bring in \$109.7M of federal funds.

4. Adding 58 project positions, most of which are federally funded, to the DODs budget. Currently, DOD has a total of 475 positions. (253 Permanent and 222 Temporary); however, we have an additional 58 project positions that are accounted for outside of our budget. We request long-term project positions be added and accounted for in the normal budget to assist the department in accounting for personnel and better represent the Department's position count.

5. \$5M to reinstate the Major Disaster Fund (MDF). The MDF is required for DOD to immediately respond to natural and man-made emergencies. Without this fund, the department's response time will be dependent on our ability to secure a funding solution before responding to the emergency.

Thank you for the opportunity to support HB1600. If you have any questions or need additional information to our response, please contact our Administrative Services Officer Rusty Spray at (808) 369-3458 or at rusty.spray@hawaii.gov.



LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846
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Statement of
MARY ALICE EVANS
Director, Office of Planning and Sustainable Development
before the
HOUSE COMMITTEE ON FINANCE
Thursday, March 10, 2022
1:30 PM
State Capitol, Conference Room 308

in consideration of
HB 1600
RELATING TO THE STATE BUDGET.

Chair Luke, Vice Chair Yamashita, and Members of the House on Finance.

The Office of Planning and Sustainable Development (OPSD) supports HB 1600 which appropriates funds for the Office of Planning and Sustainable Development in operating budget of the Executive Branch for fiscal year 2022-2023.

Highlights of our fiscal year 2022-2023 supplemental budget includes the following:

- Add \$62,136 for funding for Planner V, position transferred from DOH, Office of Environmental Quality Control (OEQC) now known as the Environmental Review Program (ERP).
- Add \$273,572 for 4 positions for the Statewide Sustainability Program, including a salary adjustment for the existing Statewide Sustainability Coordinator.
- Restore \$83,076 for funding the vacant Special Plans Branch Manager position which the incumbent has exercised her return rights to.

In addition, the Office of Planning and Sustainable Development humbly request the following:

- Restore \$44,496 funding for the Secretary III position which is included in GM7.
- Restore \$1,000,000 in the CIP Budget that was reduced from \$2,000,000.

Thank you for the opportunity to testify on this measure.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2022**

ON THE FOLLOWING MEASURE:

H.B. NO. 1600, RELATING TO THE STATE BUDGET.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Thursday, March 10, 2022 **TIME:** 1:30 p.m.

LOCATION: State Capitol, Room 308, Via Videoconference

TESTIFIER(S): Holly T. Shikada, Attorney General,
Randall S. Nishiyama, Deputy Attorney General, or
David T. Moore, Administrative Services Manager

Chair Luke and Members of the Committee:

The Department of the Attorney General (Department) supports House Bill No. 1600, in particular, we support those appropriations that are designated as our portion of the State Budget to support the continuing operations of our Department. This bill adjusts and requests appropriations for the fiscal biennium 2021-2023 to fund the operations of the Department. We have some significant budget requests that are designed to enhance the performance of the Department by enabling us to recruit and maintain qualified staff. The Department offers the following specific comments to support and clarify the bill.

One of our most important budget requests is for general funding for Deputy Attorney General salary increases. These funds are necessary to allow our Department to be competitive with City and County attorney positions.

We are also seeking restoration of general funding for our Administrative Services Manager. The Administrative Services Manager position is established by statute (section 28-7.5, Hawaii Revised Statutes) and is a crucial, executive level position that manages the Fiscal, Budgeting, Human Resources, and Information Technology functions within the Department. Among other administrative tasks and functions, the Administrative Services Manager also serves as the delegated Chief Procurement, Records, and Safety Officer and manages the building operations and facility management for the thirteen Department offices located on Oahu, Maui, Kauai

and the Big Island. Restoring funding to this position will allow the Attorney General to continue to delegate all administrative authority and non-legal related responsibilities for the Department to the Administrative Services Manager.

We are also seeking funding from general funds for a Deputy Attorney General in the Appellate Division. Our Appellate Division has taken lead on the most significant cases handled by our department, including during the COVID 19 pandemic. Although they are appellate specialists, their expertise is sought on myriad issues, which has increased their duties from only case work. Appellate casework is also extremely time-consuming and labor-intensive. Bringing on another deputy will increase the Division's capacity to handle high-stakes appeals as well as its bandwidth to participate actively in a larger number of complex cases.

We are also seeking general funding for a Supervising Deputy Attorney General and Legal Secretary in the Health Division. Our Health Division needs a Supervising Deputy Attorney General. Every other Division has one, and in particular, the obligations of the Health Division require a dedicated Supervisor. In 2018, the Department separated the Health and Human Services Division to address the increased workloads. The Health Division has twelve Deputy Attorneys General focusing on: 1) environmental health involving hazardous waste, clean air, clean water and wastewater; 2) behavioral health involving mental health, alcohol and drug abuse, developmental disabilities and the Hawaii State Hospital; and 3) health resources involving chronic disease prevention and health promotion, disease outbreak and disease investigation and immunization, emergency medical services, services for children and mothers, and licensing of healthcare facilities. The work that the Health Division has done to support the Department of Health and other Departments during this pandemic justifies both the supervisory position as well as the legal secretary request, which is reflective of the increased workload.

We are also seeking general funding for two Deputy Attorneys General in the Legislative Division. Our department reorganized the Legislative Division to provide more support to the Governor's office and the executive departments. These Deputy Attorneys General also advise the legislature. To provide these services to our clients,

the Legislative Division has taken on additional responsibilities, including coordinating legislative review for our department, expanding its responsiveness to Legislator's requests, transitioning to paperless testimony and assisting in automating the Governor's report process, providing training in the legislative process, improving the process of reports provided to the legislature, and Administrative rule review and consultation.

We are also seeking general funding for an Assistant Supervising Deputy Attorney General for the Criminal Justice Division. The Criminal Justice Division currently is the largest legal division with fifteen Deputy Attorneys General, thirteen Investigators and eighteen support positions dealing not only with the prosecution of criminals, but also the responsibilities of the Internet Crimes Against Children Taskforce, Medicaid Fraud Unit, Tobacco Enforcement and Electronic Smoking Device Retailer Registration. This position also will assist with the changes anticipated to state law enforcement, including integration of critical aspects of the Complex Litigation Fraud and Compliance Unit into the Criminal Justice Division. The Legislature is also seeking positions to stand up two additional units to our Criminal Justice Division: the Special Investigations and Prosecutions Unit (SIPU) and the Human Trafficking Unit (HTU). These units are necessary to combat fraud and corruption, as well as the human trafficking cases that are becoming more prevalent. An Assistant Supervising Deputy Attorney General is essential to assist with the supervision of this rather large division.

We are also seeking general funding for a Public Information Officer (PIO). This position was included in the 2020 budget and has only become more important as the State has responded to the pandemic. The Department is one of the few that does not have a dedicated PIO and yet we are called upon regularly to assist with public messaging on behalf of the State. Presently, the Special Assistant to the Attorney General handles these duties, but as they properly constitute a full-time position, it is an overwhelming obligation. The need to frame for the public issues that are in litigation and/or implicate a host of legal concerns has only expanded, and the ATG PIO participates in the public media matters for nearly every department, including the Governor's office. Not only does the Department work with other PIOs across the State,

we work on myriad actions with the attorneys general of other states, resulting in numerous publications on multistate congressional letters and litigation. It is also important that the Department has the ability to communicate regularly with the public and with media, and it currently does not have that bandwidth.

We are also seeking general funding for two Human Services Professionals and one Office Assistant in our Victim/Witness staffing. Last session, the Legislature cut \$950,000 in funding to the counties for Career Criminal and Victim Witness assistance. As a result, the counties will no longer provide these services to the State. To address this very significant gap in services to victims of crimes, this request establishes those services within the Criminal Justice Division at a fraction of the amount provided previously to the counties. No criminal justice division should be without a victim/witness coordinator.

We are also seeking general funding to establish the Special Investigation and Prosecution Unit. This would be two deputies, one Legal Assistant and three Forensic Analysts. This unit is another aspect of the permanent integration of the Complex Litigation Fraud and Compliance Unit (CLFCU) into the Department, and specifically, the Criminal Justice Division. It also aligns with the Governor's priorities concerning the consolidation and reorganization of statewide law enforcement. The Criminal Justice Division presently has the Medicaid Fraud Control Unit, Tobacco Enforcement Unit, and the Internet Crimes Against Children Unit, which have both investigators and prosecutors. The creation of the Special Investigation and Prosecution Unit will assume the "Fraud" responsibilities of CLFCU and will investigate and prosecute criminal cases against fraud and integrity crimes concerning the State.

We are also seeking general funding for a Deputy in our Public Safety Division. The duties of the Department's Public Safety Division are varied and complex. They involve active litigation, advice and counsel on personnel matters and also assistance addressing homelessness issues as well as concerns about the Department of Public Safety's facilities and services. Presently, there is a backlog on longstanding projects that would enhance the Division's operations, including review and overhaul of administrative rules and other initiatives.

We are also seeking Interdepartmental funds for additional deputies to support and service the Department of Human Services. The client agency has requested four additional Deputies using a combination of general and federal funds. The positions will provide advice and counsel as well as representation in litigation to the Department of Human Services, primarily its Social Services, Benefits, Employment and Support Services and Vocational Rehabilitation Divisions.

We are also seeking Trust Funds for a Legal Assistant to aide our Commerce and Economic Development division with various opioid matters. Our department has successfully litigated a number of opioid-related matters. In the last three years alone, we have recovered nearly \$2 million from a McKinsey settlement, \$13 million from a J&J settlement (to be paid over 11 years), and approximately \$63.4 million from an opioids distributor settlement (to be paid over 18 years). And, we have active cases continuing against Purdue, Mallinckrodt and Insys. All of this money requires coordination with the counties and across executive departments to ensure distribution consistent with the legal requirements tied to the recovery. This Legal Assistant is needed to aid in the additional workload related to these opioid cases, which will be funded by the funds collected in this matter.

We are also seeking general funding for an Administrator and Office Assistant for the Law Enforcement Standards Board. The Law Enforcement Standards Board was attached to our Department by the Legislature. It is designed to create uniform law enforcement standards for all law enforcement entities (police, sheriffs, DOCARE/Harbors/DOTAX enforcement officers, AG Investigators), establish a certification process that includes the ability to challenge certification decisions, and support the training needed to ensure compliance with the standards. The Board cannot initiate efforts to accomplish these tasks without staff and resources, and because it is attached to our department, the budget request necessary to fulfill its mandate must come through us.

We are also seeking federal funds for Special Agents to service the Internet Crimes Against Children (ICAC) Task Force. The latest federal grant provided for adding two special agents.

We are also seeking funding for the continued operations of our various public services and programs, including the Hawaii Criminal Justice Data Center, the Child Support Enforcement Agency, and the Crime Prevention and Justice Assistance Division.

Finally, as a point of clarification, Governor's Message No. 7 (2022) reflects that we requested a general fund appropriation for fiscal year 2022-2023 of \$1,635,000 for the Career Criminal Program and the Victim Witness Program. We request that this amount be allocated between the programs and distributed among the counties as follows:

Career Criminal Program	
City and County of Honolulu	\$653,360
County of Hawaii	324,512
County of Maui	144,736
County of Kauai	111, 314
Total	\$1,233,922

Victim Witness Program	
City and County of Honolulu	\$205,626
County of Hawaii	93,371
County of Maui	64,864
County of Kauai	37,217
Total	\$401,078

We respectfully ask the Committee to pass this bill with the recommended amendments.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129

March 10, 2022

TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

House Bill 1600 – Relating to the State Budget

The Disability and Communication Access Board (DCAB) requests to restore and fund the HTH 520, Position No. 101851, Communication Access (CA) Specialist.

The position was filled since 1987 and became vacant in January 2020 due to a hiring freeze imposed during the COVID-19 pandemic. The loss of the position came at the most critical time for people with communication disabilities primarily the deaf, hard of hearing, blind and deaf-blind community who received limited or no access to COVID-19 pandemic information. The only brief access to COVID-19 information was through the Governor or Mayor press conferences with a sign language interpreter and/or live captioning or by other media formats.

The DCAB CA Specialist administers the Hawaii Administrative Rules Chapter 11-218 "Communication Access Services for Persons who are Deaf, Hard of Hearing and Deaf-Blind" to test and issue a state credential, Hawaii State Sign Language Interpreter Credential (HSSLC). In addition, the CA Specialist oversees the Continuing Education program for sign language interpreters to maintain the HSSLC credential. The CA Specialist ensures that Hawaii's sign language interpreters meet the definition of a qualified interpreter under the Americans with Disabilities Act (ADA) for all entities including public accommodations.

The CA Specialist ensures that oral and written communications are accessible, whether presented in person or via virtual public meetings, in documents and on websites, using American Sign Language, captioning, audio-description or alternate formats. Using virtual platforms for remote public meetings has been a challenge for people who are blind or with low vision to access shared screen information, understand overlapping conversations, and receive audio-description of the meeting or video.

The uniqueness of the position is the title, Communication Access Specialist and it was established and created for people with communication disabilities. This underserved population deserves their position back for DCAB to continue the work for improved programs and services that includes training for the state and other entities to be in compliance with local, state, and federal laws relating to people with disabilities.

We respectfully request the position and its funding be restored.

Thank you for the opportunity to provide testimony.

Respectfully submitted,

Kristine Pagano
for KIRBY L. SHAW
Executive Director



ALA MOANA-KAKA'AKO NEIGHBORHOOD BOARD NO. 11

NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BOULEVARD, SUITE 160 • HONOLULU, HAWAII, 96817
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET <http://www.honolulu.gov/nco>

February 9, 2022

Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair
House Committee on Finance
Hawaii State Legislature
415 South Beretania St.
Honolulu, HI 96813

Dear Chair Luke, Vice-Chair Yamashita, and Committee Members,

Re: H.B. No. 1600 Relating to the State Budget
Capital Project No. KA01E
Repair of the Fisherman's Wharf Bulkhead – Kewalo Basin Harbor, Kaka'ako, 'Oahu

The Ala Moana-Kaka'ako Neighborhood Board No. 11 passed a unanimous resolution at its February 22, 2022 regular meeting that supports the Hawaii Community Development Authority (HCDA) request to appropriate Capital Improvement Project funds to repair the Fisherman's Wharf Bulkhead at the Kewalo Basin Harbor on 'Oahu.

A copy of the adopted resolution is enclosed. If you have any further questions, please contact our Neighborhood Board Assistant, Mr. Spencer Johnson at Spencer.Johnson@honolulu.gov.

Mahalo for your consideration and support of the community in this matter.

Sincerely Yours,

A handwritten signature in black ink, appearing to read "Ryan Tam", with a long horizontal flourish extending to the right.

Ryan Tam
Chair, Ala Moana-Kaka'ako Neighborhood Board No. 11

Enclosure



ALA MOANA-KAKA'AKO NEIGHBORHOOD BOARD NO. 11

NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BOULEVARD, SUITE 160 • HONOLULU, HAWAII, 96817
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET <http://www.honolulu.gov/nco>

RESOLUTION SUPPORTING REPAIR OF THE
FISHERMAN'S WHARF BULKHEAD

WHEREAS, Hawaii Community Development Authority (HCDA) staff presented information about the condition of the bulkhead, or loading dock between the Fisherman's Wharf property and the waters of Kewalo Basin Harbor, in Kaka'ako as follows:

- (i) The condition of the bulkhead has deteriorated and has created a health and safety issue due to deep deterioration,
- (ii) The deterioration had increased significantly and is visibly apparent from the surface, not just underwater. Access is now restricted over the entire deck,
- (iii) The older portion of the deck is almost 100 years old, built in 1924 to support the tuna packing operations that used to be located in the Kewalo Basin,
- (iv) In 1968, the deck was extended, this newer section is over 50 years old and has essentially reached the end of its useful life,
- (v) Repairs were made on the older portion in the 80s, but there are no records or visible evidence of repairs to the newer, 50-year-old portion. The need for repairs has now become critical, and
- (vi) Without repairs the bulkhead will continue to deteriorate; and

WHEREAS, the state budget includes an appropriation for the plans, design and construction for replacement of wharf concrete deck including repair of concrete spalling, bulkhead beams, pile caps, and piles that have been deemed unsafe, at an estimated cost of \$25,000,000 (the "Project");

WHEREAS, the Project will also support economic growth, including jobs and support small business in the area as well as other opportunities; and

WHEREAS upon completion, the loading dock would be available to fully service vessels in Kewalo Basin and pedestrians could once again use the deck and the nearby areas; and

BE IT RESOLVED that the Ala Moana-Kaka'ako Neighborhood Board No. 11 supports the HCDA's request to the Hawaii State Legislature to appropriate CIP funds in the amount of \$25,000,000 for the Repair of the Fisherman's Wharf Bulkhead – Kewalo Basin Harbor, Kaka'ako, Oahu to the Department of Business, Economic Development & Tourism - Hawaii Community Development Authority (BED150) for the Project; and

BE IT FURTHER RESOLVED that copies of this Resolution Supporting Repair of the Fisherman's Wharf Bulkhead – Kewalo Basin Harbor, Kaka'ako, Oahu be transmitted to: Hawaii State Legislature, the Governor of the State of Hawaii, Mayor of the City and County of Honolulu, Council Members, Department of Business, Economic Development & Tourism, Hawaii Community Development Authority, and all Neighborhood Boards.

ADOPTED by the Ala Moana-Kaka'ako Neighborhood Board No. 11 at its regular meeting on Tuesday, February 22, 2022, by a unanimous vote of 10-0-0.

RYAN TAM, Chair

DEPARTMENT OF THE PROSECUTING ATTORNEY
CITY AND COUNTY OF HONOLULU

ALII PLACE
1060 RICHARDS STREET • HONOLULU, HAWAII 96813
PHONE: (808) 768-7400 • FAX: (808) 768-7515

STEVEN S. ALM
PROSECUTING ATTORNEY



THOMAS J. BRADY
FIRST DEPUTY
PROSECUTING ATTORNEY

THE HONORABLE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE
Thirty-first State Legislature
Regular Session of 2022
State of Hawai'i

March 10, 2022

RE: H.B. 1600; RELATING TO THE STATE BUDGET.

Chair Luke, Vice-Chair Yamashita and members of the House Committee on Finance, the Department of the Prosecuting Attorney of the City and County of Honolulu ("Department") submits the following **comments** regarding H.B. 1600. The Department respectfully asks that funding be added for the Department's Career Criminal Prosecution program and Victim Witness Assistance program, as explained further below.

Currently, the Department is greatly in need of an additional **\$1,025,082**, to maintain its current level of coverage for both the Career Criminal Prosecution ("CCP") Unit (\$653,360 needed) and Victim Witness Kokua Services ("VWKS") Unit (\$371,722 needed), in the next fiscal year. This would account for the difference between actual costs, and costs covered by funding from the Department of the Attorney General, the City and County of Honolulu, and federal grants. Notably, the Governor's Message to the Legislature, dated February 23, 2022, also requested funding for these programs, in the amount of \$1,635,000; we believe that amount may actually be intended for statewide application, to fund these programs in all four counties.¹

Pursuant to legislation passed in 1979, and codified as Sections 845-1, 845-2, and 845-3, of the Hawai'i Revised Statutes, the CCP program was created because a disproportionate amount of serious crimes are committed by a relatively small number of multiple- and repeat-felony offenders, commonly known as "career criminals." To address this ongoing problem, the State created the Career Criminal Prosecution program, which it originally funded annually. In the past,

¹ See Gov.Msg.No.7 (Feb. 23, 2022), page 2, second paragraph, which states:

Legal Services (ATG 100/AA)

Add \$1,635,00 in general funds for FY 23 for the City and County of Honolulu's Career Criminal and Victim Witness programs.

the Department's CCP Unit was periodically scaled back, when there was insufficient funding to maintain full staffing. Money spent on the CCP Unit is an efficient use of resources, as it provides citizens with swift and effective justice, reducing heavy caseloads and long court delays.

VWKS is also crucial to the effective prosecution of cases—and proper, trauma-informed communication with crime victims—as these specifically trained and qualified advocates assist in guiding victims, witnesses and/or surviving family members through the criminal justice system, before, during, and after criminal prosecution of a case. Historically, the Legislature has supported the Victim Witness Assistance Program—of which VWKS is the Oahu-component—since 1983. In 1986, the Legislature enacted HRS §28-111, which established the Victim Witness Assistance program on a statewide basis. While the statute established this program within the Department of the Attorney General, all direct services are provided by each county's prosecuting attorney, in order to provide the most up-to-date information, assistance, and support services to the crime victims and witnesses in their respective counties.

Adequate funding is necessary for our Department to be able to maintain the current level of service for these vital programs. With your support—and additional funding in the amount of **\$1,025,082**—the Department will continue to have the tools necessary to most-effectively protect our public from career criminals, and assist victims of crime through the many challenges they face in the criminal justice process.

Thank you for the opportunity to testify on this matter.

KELDEN B.A. WALTJEN
PROSECUTING ATTORNEY

STEPHEN L. FRYE
FIRST DEPUTY
PROSECUTING ATTORNEY



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OFFICE OF THE PROSECUTING ATTORNEY

COMMENTS REGARDING HOUSE BILL 1600

A BILL FOR AN ACT RELATING TO THE STATE BUDGET.

HOUSE COMMITTEE ON FINANCE
Representative Sylvia Luke, Chair
Representative Kyle Yamashita, Vice Chair

Thursday, March 10, 2022, 1:30 p.m.
Via Video Conference & Conference Room 308

Chair Luke, Vice-Chair Yamashita and members of the House Committee on Finance, the Office of the Prosecuting Attorney, County of Hawai'i submits the following comments regarding H.B. 1600. Our Office respectfully requests that funding be added for the Career Criminal Prosecution Unit ("CCP").

The Governor's Message to the Legislature, dated February 23, 2022, requested funding in the amount of \$1,635,000 for the City and County of Honolulu's Career Criminal and Victim Witness programs; however, we believe that amount may actually be intended to be distributed among all four counties.

In Hawai'i County, violent crime trends and property offenses continue to rise as a result of the COVID-19 pandemic, influx of illegal narcotics and prohibited ownership/possession of illegal firearms and weapons. As a result, crime has become one of the most prevalent challenges our community faces.

The CCP program finds its origins in HRS 845-1, which provides in relevant part, "[T]he legislature finds that a disproportionate amount of serious crime is committed against the people by a relatively small number of multiple and repeat felony offenders, commonly known as career criminals. In enacting this chapter, the legislature intends to support increased efforts by prosecuting attorneys' offices to prosecute career criminals through organizational and operational techniques . . ."

HRS 845-2 further clarifies, "There shall be established a career criminal prosecution program, whose purpose shall be the investigation and prosecution of those persons identified as habitual or career criminals. The office of the attorney general shall administer the program, and develop a plan of financial and technical assistance for prosecuting attorneys' offices . . ."

Since the establishment of the CCP program, our Office has used this financial assistance, to fund positions dedicated to the prosecution of habitual or career criminals. By focusing on these offenders, our Office has been able to address recurring and ongoing criminal activity and prioritize public safety. Having this funding is critical to retain staff with the skills and experience necessary to effectively manage CCP.

Our Office is in need of an additional \$510,603.00 to maintain its CCP positions in the upcoming fiscal year. This accounts for the salaries of two deputy prosecuting attorneys, two legal assistants, three legal clerks, and one investigator.

The Office of the Prosecuting Attorney, County of Hawai'i remains committed to the pursuit of justice with integrity and commitment. Thank you for the opportunity to testify on this matter.



MAKAKILO/KAPOLEI/HONOKAI HALE NEIGHBORHOOD BOARD NO. 34

c/o NEIGHBORHOOD COMMISSION ♦ 530 SOUTH KING STREET ROOM 406 ♦ HONOLULU, HAWAII, 96813
PHONE (808) 768-3710 ♦ FAX (808) 768-3711 ♦ INTERNET: <http://www.honolulu.gov>

LETTER OF SUPPORT

March 10, 2022

House of Representatives
Committee on Finance
Via Videoconference
Conference Room 308
State Capitol
415 South Beretania Street

Re: HB1600 Relating to the State Budget

Aloha Chair Luke, Vice Chair Yamashita, and members of the Finance Committee:

The Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 expresses our **SUPPORT** for the appropriation for an electrical and communications infrastructure corridor to be constructed in Kalaeloa, with a 12kV underground electrical distribution line built to HECO standards, on Saratoga Avenue from Enterprise Avenue to Hornet Avenue, at a cost of \$12,125,000 ("Kalaeloa Energy Corridor Project").

The Board at its February 26, 2022 regular meeting passed by unanimous consent the RESOLUTION - SUPPORTING THE APPROPRIATION OF SUFFICIENT FUNDS FOR THE SARATOGA AVENUE ELECTRICAL AND COMMUNICATION INFRASTRUCTURE IMPROVEMENTS.

Two presentations were made by the Hawaii Community Development Authority to the neighborhood board during our January and February meetings on the Kalaeloa Energy Corridor Project. No concerns were raised by the community-at-large at any of the Board's meetings. The neighborhood board does not take a position on any other appropriation request in HB1600. Mahalo.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony Makana Paris".

Anthony Makana Paris
Chair





MAKAKILO/KAPOLEI/HONOKAI HALE NEIGHBORHOOD BOARD NO. 34

c/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BLVD SUITE 160 • HONOLULU, HAWAII, 96817
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET: <http://www.honolulu.gov>

RESOLUTION

SUPPORTING THE APPROPRIATION OF SUFFICIENT FUNDS FOR THE SARATOGA AVENUE ELECTRICAL AND COMMUNICATION INFRASTRUCTURE IMPROVEMENTS

WHEREAS, the current electrical infrastructure in Kalaeloa community development district (KCDD) is owned and managed by the US Navy; and

WHEREAS, the KCDD has struggled with unreliable utilities for years that is an impediment to further community development in the KCDD; and

WHEREAS, the state budget includes an appropriation for an electrical and communications infrastructure corridor to be constructed, with a 12kV underground electrical distribution line built to HECO standards, on Saratoga Avenue from Enterprise Avenue to Hornet Avenue, at a cost of \$12,125,000 (the "Project"); and

WHEREAS the Project will provide reliable power to residents, businesses, and landowners in that downtown area of KCDD; and

WHEREAS, the Project will also support economic growth, including additional housing and commercial development resulting in additional jobs and opportunities; and

BE IT RESOLVED that the Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 supports the appropriation of sufficient funds for the Saratoga Avenue Electrical and Communication Infrastructure Improvements; and

BE IT RESOLVED FURTHER RESOLVED that Neighborhood Board No. 34 supports the intent of S.B. 2176 (2022) and H.B. 1600 (2022), and requests that the Hawaii State Legislature appropriate CIP funds in the amount of at least \$12,125,000 for the Saratoga Avenue Electrical and Communication Infrastructure Improvements to the Department of Business, Economic Development & Tourism - Hawaii Community Development Authority (BED150) for the Project; and

BE IT FURTHER RESOLVED that copies of this resolution be transmitted to the Governor, Senate President, Speaker of the House, Mayor of the City and County of Honolulu, Honolulu Council Members, Director of the Department of Business, Economic Development & Tourism, Executive Director of the Hawaii Community Development Authority, and all Neighborhood Boards.

Adopted by Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34 at its February 26, 2022 Regular Board Meeting, 7-0-0.





March 8, 2022

Representative Sylvia Luke, Chair & Members
House Committee on Finance
State Capitol
Honolulu, Hawaii 96813

BOARD OF DIRECTORS

Chairperson

Michael W. Beasley, Esq.

Re: Support of HB1600 Relating to Education

Dear Chair Luke and members of the Finance Committee,

BOARD MEMBERS

Ethan Cooper
Alvin Pauole
Herb Lee, Jr.

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full **SUPPORT** of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic.

ADMINISTRATION

President & CEO

Herb Lee Jr.

Chief Financial Officer

Louis F. Perez II

General Counsel

Ethan Cooper

This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods.

Pacific American Foundation
C/O Bay View Golf Park
45-285 Kāne'ohe, Bay Drive,
#102 Kāne'ohe, HI 96744

Phone: (808) 664-3027

www.thepaf.org

I respectfully ask you to please **PASS** HB1600 with the funding being provided to DLNR in account LNR906 for the KIRC.

Sincerely,

A handwritten signature in black ink, appearing to read "Herb Lee, Jr.", written over a printed name and title.

Herb Lee, Jr.
President & CEO



Hawaiian Humane Society
People for animals. Animals for people.

2700 Waiialae Avenue Honolulu, Hawaii 96826
808.356.2200 • HawaiianHumane.org

Date: March 9, 2022

To: Chair Rep. Sylvia Luke
Vice Chair Rep. Kyle T. Yamashita
and Members of the Committee on Finance

Submitted By: Stephanie Kendrick, Director of Community Engagement
Hawaiian Humane Society, 808-356-2217

RE: Testimony in support of HB 1600: Relating to the State Budget
Thursday, March 10, 2022, 1:30 p.m., Via Videoconference

Aloha Chair Luke, Vice Chair Yamashita and Committee Members,

On behalf of the Hawaiian Humane Society, thank you for considering our support for House Bill 1600, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs. Hawaiian Humane promotes non-lethal responses to conservation concerns. The Department of Land and Natural resources has several budget requests for ungulate-proof and predator-proof fencing designed to protect endangered plant and animal species. We are in strong support of these projects.

DLNR CIP requests in House Bill 1600 include:

- **\$40,000** for a rare plant fence to prevent the extinction of critically endangered species in Kuia Natural Area Reserve, Kauai
- **\$200,000** for ungulate proof fencing to protect palila critical habitat on Mauna Kea, Hawai'i Island
- **\$300,000** for tree snail predator proof fencing in Pu'u Ali'i Moloka'i
- **\$150,000** for tree snail predator proof fencing in West Maui
- **\$150,000** for tree snail predator proof fencing in the Ko'olau mountains, O'ahu
- **\$160,000** for predator proof fencing to protect silversword and 'ua'u on Maunakea, Hawai'i Island

We urge the committee to approve funding for these projects and give DLNR the tools it needs for the humane management of our natural resources. Mahalo for your consideration.



Committee on Finance
Representative Sylvia Luke, Chair
Representative Kyle Yamashita, Vice Chair

March 10, 2022

Dear Chair Luke, Vice Chair Yamashita, and Members of the Committee,

We would like to **support HB 1600**.

As a Coalition supporting quality public education in Hawai'i, we advocate for restoring full funding for our public education system.

Specifically, we believe that priority should be given to full funding of EDN 100 (school-based budgeting) and EDN 150 (special education), which are resources at the school level to support quality teaching and learning.

Students have suffered academically, socially and emotionally from disruptions resulting from the pandemic, with the greatest impact on our high-needs students. The chart below shows first quarter 2021-2022 school year English Language Arts (ELA) and mathematics universal screener information for elementary and middle schools. Only 35% of our elementary and middle school students are on grade level or above in ELA, and only 26% in math.

Fall 2021-2022 1 st Quarter Universal Screener Data for Elementary and Middle Schools	Two or More Grade Levels Below	One Grade Level Below	On or Above Grade Level
English Language Arts	35%	30%	35%
Math	34%	40%	26%

[Board of Education Student Achievement Committee Meeting, November 18, 2021](#)

We advocate allocating sufficient funding to schools so that they can provide appropriate supports for all students, but particularly for our high-needs students. We believe that curriculum instruction assessment, differentiated instruction, and social-emotional learning (SEL) supports must be prioritized. This translates to maintaining **quality instruction in the classroom**. We also ask for **more granular financial transparency, particularly for school-based budgeting**. Stakeholders should know specifically how our school budgets are impacting our student outcomes.

Thank you for this opportunity to testify.

Sincerely,

Cheri Nakamura
HE'E Coalition Director

HE'E Coalition Members and Participants

Academy 21

Alliance for Place Based Learning

American Civil Liberties Union

Atherton YMCA

*Castle Complex Community Council

*Education Institute of Hawai'i

*Faith Action for Community Equity

Fresh Leadership LLC

Girl Scouts Hawai'i

Harold K.L. Castle Foundation

*HawaiiKidsCAN

*Hawai'i Afterschool Alliance

*Hawai'i Appleseed Center for Law and
Economic Justice

*Hawai'i Association of School Psychologists

Hawai'i Athletic League of Scholars

*Hawai'i Children's Action Network

Hawai'i Nutrition and Physical Activity Coalition

* Hawai'i State PTSA

Hawai'i State Student Council

Hawai'i State Teachers Association

Hawai'i P-20

Hawai'i 3Rs

Head Start Collaboration Office

It's All About Kids

*INPEACE

Joint Venture Education Forum

Junior Achievement of Hawaii

Kamehameha Schools

Kanu Hawai'i

*Kaua'i Ho'okele Council

Keiki to Career Kaua'i

Kupu A'e

*Leaders for the Next Generation

Learning First

McREL's Pacific Center for Changing the Odds

Native Hawaiian Education Council

Our Public School

*Pacific Resources for Education and Learning

*Parents and Children Together

*Parents for Public Schools Hawai'i

Punahou School PUEO Program

Special Education Provider Alliance

*Teach for America

The Learning Coalition

US PACOM

University of Hawai'i College of Education

YMCA of Honolulu

*Youth Service Hawai'i

Voting Members () Voting member organizations
vote on action items while individual and non-voting
participants may collaborate on all efforts within the
coalition.*

HB-1600

Submitted on: 3/9/2022 9:01:12 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Manuel Kuloloio	Ke Kai O Kuloloi'a	Support	Remotely Via Zoom

Comments:

Aloha Hawai'i House Committee on Finance: Chair Sylvia Luke, Vice Chair Kyle Yamashita, Representatives Branco, Eli, Holt, Ilagan, Kobayashi, Marten, Nishimoto, Perruso, Sayama, Tam, Todd, Wildberger, and McDermott:

I write seeking your unanimous **support for HB1600** RELATING TO THE STATE BUDGET **with funding being provided to the Department of Land and Natural Resources (DLNR) in account LNR906 for the Kaho'olawe Island Reserve Commission (KIRC)**. This request by the Governor reinstates the funding previously awarded to the KIRC (\$100,000) and adds a KIRC Cultural Resource Specialist II position **to replace funding and positions eliminated during the COVID-19 pandemic**. This supports the uncommon mission and continuing work of the KIRC to protect, to preserve, to restore, and to meaningfully and safely use Kaho'olawe and surrounding 2 miles of Kanaloa for ancestral and traditional knowledge continuum and for cultural, educational, and scientific opportunities and purposes.

The Ku-ula shrine at Haki'oawa thanks you. The Kamohi'o Bay shrine of *wana* (sea urchin) carved and *pohaku* images and *kapa* [on exhibit at the Bishop Museum] thanks you. The adze quarry of Pu'u Mo'iwi thanks you. The petroglyphs at Ahupu Iki thanks you. The *palupalu o Kanaloa* of Ale'ale, Pu'u Koa'e and Kaho'olawe li'ilili'i thanks you. The *limu lipoa* of Honokanaenae thanks you. The *nai'a* and *kohola* playing and resting in Honokanai'a Bay thanks you. The *honu* of Keanakeiki thanks you. The falling *kupe'e* of Honoko'a thanks you. The sands of Ki'i thanks you. The beached whale carcass and *iwi kohola* of Kanapou Bay thanks you. The storied navigational places of Kealaikahiki and Moa'ula 'Iki thanks you. The prehistoric basalt adze of Kaho'olawe found on Napuka Atoll in the Tuamotu Archipelago thanks you. Lae 'O Kaka, where the recovery of warshot torpedoes by Uncle John Kelly of Kupikipikio (BlackPoint) "was considered extremely important in order that cause of failure might be determined" by US Navy Admiral Lockwood and Admiral Momsen for United States Pacific Fleet Admiral Chester W. Nimitz, thanks you. *Ka Lae o Kamohoali'i thanks you.*

E ka I! E ka Ahu! E ka Mahi! E ka Palena! E ka Paia! a me ka Luahine! E o'u poki'i mai na kupuna. Ke poe na-na i na-i i ka aina, a i kukulu i ke Aupu-ni o na Kamehameha. Mai ka pa-ana laau mua ana i ka wai o Keomo a ka hui lokahi ana o na mokupuni i ke Kai o Ku-loloia.

David Kalakaua, December 28, 1872 campaign broadside

(T.C. Heuck Collection, Hawai'i State Archives)

WE thank you for your unwavering declaration, determination, and dedication to perpetuate this special tasking of the Kaho'olawe Island Reserve Commission and for your over 28+ years of commitment to bring this sacred and special place in Kanaloa Kaho'olawe HOME to the people of Hawaii, where Title and Access Control now resides in the hands of the State of Hawaii, where cultural and environmental management stewardship is perfected, where healing of land, sea, and military relationships from the destructive bombardment and Unexploded Ordnance (UXO) legacy of the United States Navy and invited RIMPAC nations is In-Process.

Me Ke Aloha Maluhia,

Aloha Ke Akua,

Manuel Wayne Makahiapo DeCosta Kuloloio

Kuloloi'a 'Ohana, Honua'ula, Maui, Hawai'i



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 1600: RELATING TO THE STATE BUDGET

TO: House Committee on Finance

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i

Hearing: Thursday, March 10, 2022; 1:30 PM via videoconference

Chair Luke, Vice Chair Yamashita, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **support of HB 1600, on issues of housing assistance, homeless services and affordable rental housing.** I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners In Care (PIC).

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 75 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

We support the following sections of this bill:

Page 44: Increased funding for rental assistance (HMS 222): While we must continue to create new rental housing, rental assistance is the solution for the immediate housing needs of our residents. With this, rents that are out of reach become possible for many working families and elders. Rental assistance can prevent homelessness and help struggling families to remain in Hawaii by lowering their overall cost of living.

Page 44: Steady funding for homeless services (HMS 224): These funds will enable a range of proven, successful homeless services to remain stable. We appreciate the legislature's support for these critical services. **We also urge that it is now time to put these vital services into the base budget going forward.** Reliable ongoing funding is needed to continue to move the homeless off our streets and into permanent housing.

Page 210: \$25 million cash infusion for the Rental Housing Revolving Fund (RHRF) statewide.

If Hawai'i is to end homelessness, it must create more affordable rental units to prevent homelessness and enable our local families to remain in Hawai'i. New affordable rentals are needed in each county to help struggling households that are being priced out of market rentals. The Rental Housing Revolving Fund has a proven track record to work with its partner developers to create this housing. We also support other bills now being considered by the legislature that would increase funding to the RHRF. We urge your support to add funding in the budget for the RHRF to serve the most vulnerable in our State, with incomes of 60% AMI or below, as well as to support new income averaging options for Low Income Housing Tax Credit projects in order to address the housing needs of the 61% to 80% AMI households.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or alohabettylou@hotmail.com if you have any questions.

CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
Phone (808) 373-0356 • bettylou.larson@CatholicCharitiesHawaii.org



Hawai'i Afterschool Alliance

1776 University Avenue, WA1-102
Honolulu, HI 96822

House Committee on Finance
Representative Sylvia Luke, Chair
Representative Kyle Yamashita, Vice Chair



RE: HB1600 Relating to State Budget

Dear Chair Luke, Vice Chair Yamashita, and members of the Committee,

The Hawai'i Afterschool Alliance request your support for the following budget requests:

1. Increase funding for the Department of Education's **Resources for Enrichment, Athletics, Culture, and Health (REACH) program** (SB2564) to match the federal dollars that the State receives for the Nita M. Lowey 21st Century Community Learning Centers. Increasing REACH funding from \$500,000 (current funding) to \$6,123,398 will help to expand afterschool to 6,000 more students who are in need of academic tutoring, enrichment, and social-emotional supports to succeed in school. See our [afterschool fact sheet](#) for more information.
2. We support the Department of Human Services' request for \$6,000,000 for **afterschool and summer programs**. The [America After 3PM 2020 report](#) found that for every child in an afterschool program, 2 are waiting to get in, meaning that an all-time high of 74,000 children and youth would be enrolled in a program if one were available to them. While the REACH funding (as noted above) will support middle school students, this additional funding can support elementary and high school students who need academic and social-emotional support in non-school based afterschool and summer programs.
3. Appropriate \$130,000 to establish one FTE permanent **Summer Learning Coordinator** position in the DOE (SB2818). The DOE needs more capacity to take a leadership role in coordinating all summer programs and providing support to schools. This coordinator position will be able to focus on equity, address gaps in services, and better connect families and students to programs.
4. Appropriate \$1,200,000 for the **Full-Service Community Schools Pilot Grant Program** (HB1941) that would fund 5 community schools for the first of a two year pilot program. Community schools are needed more than ever as schools look to efficiently and effectively utilize resources to advance the well-being of children and their families.

Thank you for the opportunity to testify.

Sincerely,

Paula Adams
Executive Director
Hawai'i Afterschool Alliance
hawaiiafterschool@gmail.com
www.hawaiiafterschoolalliance.org



Hunt Development Group, LLC
737 Bishop Street, Suite 2750
Honolulu, Hawai'i 96813
Office: 808-585-7900

Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair
House Committee on Finance

**RE: HB 1600 – Relating to the State Budget – IN SUPPORT
March 10, 2022; 1:30 p.m.**

Chair Luke, Vice Chair Yamashita, and members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 1600, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

Hunt Companies is in strong support of Item No. 35 for BED 150, \$12,125,000 for the capital improvement of Saratoga Avenue to the Hawaii Community Development Authority (HCDA).

In connection with our 535-acre portion of HCDA's 3,700-acre Kalaeloa Master Plan, Hunt Companies has succeeded in working with Gentry Homes to bring the first 389 new for-sale homes for local families to Kalaeloa, as well as begun construction on the new, 98,000 square foot state-of-the-art VA ALOHA medical clinic.

These were made possible, in part, by Hunt Companies taking on the long-needed upgrades to the infrastructure and operations of the water utility in Kalaeloa, followed by launching more than \$35 million of roadway and utility infrastructure that provide benefit to the entire region.

There is much more to be done in terms of roadways, regional connections, utilities, and additional water and power infrastructure to make Kalaeloa the vibrant new addition for West Oahu families that is envisioned by HCDA's Master Plan, and this capital improvement appropriation to bring electrical down Saratoga Avenue is a vital initial step to that dream becoming reality.

We appreciate your efforts to help spur much needed infrastructure to support community development in Kalaeloa.

Steven W. Colón
President – Hawaii Division

HB-1600

Submitted on: 3/9/2022 9:54:09 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Melinda Caroll	When We Shine Foundation	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Mahalo Nui,

Melinda Caroll



HOUSE COMMITTEE ON FINANCE
March 10, 2022 – 1:30 p.m. – Via Videoconference

RE: HB 1600 – Relating to the State Budget – Support

Aloha Chair Luke, Vice Chair Yamashita and Members of the Committee:

The Local Food Coalition **supports** HB 1600, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

The Coalition specifically supports the budget request for the University of Hawai'i at Mānoa (UOH100), which includes the College of Tropical Agriculture and Human Resources (CTAHR).

CTAHR was severely impacted by budget cuts, which resulted in a faculty and staff reduction of 15-20%. The University and CTAHR are at high enrollment levels historically and the college has been identified as a critical component by the University. Restoring funds will help CTAHR rebuild.

With the average age of a farmer in Hawaii being approximately 60 years old, it is important that we develop the next generation of farmers. CTAHR is key to developing and training those interested in the noble profession of agriculture. CTAHR provides valuable programs and services, such as its GoFarm Hawaii program and extension services, whose extension agents provide technical expertise to farmers across the state.

The Local Food Coalition is an organization comprising of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawaii's food supply.

Thank you for the opportunity to submit testimony in support of CTAHR and the University of Hawai'i at Mānoa's budget request.

Kendall Matsuyoshi
808-544-8345
kmatsuyoshi@wik.com

Hawai'i Aquaculture &
Aquaponics Association
Hawai'i Cattlemen's Council
Hawai'i Farm Bureau
Federation
Hawai'i Farmers' Union
United
Hawai'i Food Industry
Association
Hawai'i Food
Manufacturers Association
Kohala Center
Land Use Research
Foundation of Hawai'i
Maui Farm to School
Network (Maui F2SN)
Ulupono Initiative
College of Tropical
Agriculture and Human
Resources - University of
Hawai'i at Manoa

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 for HB 1600: RELATING TO THE STATE BUDGET

TO: House Committee on Finance
FROM: Partners In Care (PIC)
Hearing: **Thursday, March 10, 2022: 1:30 PM; via videoconference**

Chair Luke, Vice Chair Yamashita, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony on HB 1600, the State Budget. We urge your continued prioritization of funding for affordable rental production to prevent homelessness and give hope to the people of Hawai'i. **We also strongly support other bills now moving in the legislature which would increase the amount of funding to the Rental Housing Revolving Fund for rental units to help the most needy (60% AMI and below households).**

We cannot afford to stop investing in affordable housing development. 60% of Hawaii's families pay more than one-third of their income on rent. Hit hard by the pandemic, many remain in financial jeopardy. Growing homelessness is a real concern. Building affordable rentals builds resiliency for the future, as well as bringing hope to Hawaii's families. The Rental Housing Revolving Fund (RHRF) is the major pathway for the State to promote the development of affordable rental units. RHRF has built thousands of units, yet 20,000 rentals are still needed by 2025 for Hawaii's lower income families (making \$61,000/year or less).

PIC urges your support for a strong allocation to the RHRF to increase its capacity to fund thousands of units of additional housing, with additional funds.

Partners In Care is also very concerned about increasing homelessness for elders. Vulnerable elders with physical disabilities often come into emergency shelters. Besides continuing to be the most vulnerable to the COVID-19 pandemic, elders face significant health trauma from homelessness. **Studies predict almost a 300% increase in elderly homelessness over the next 10 years.** Even worse, these projections were prior to the pandemic which has hit older workers hard.

Housing is healthcare—and can prevent much more expensive institutionalization for Hawai'i seniors. Partners In Care urges your strong support for funding for affordable rentals. Besides the important economic impact, this funding will provide hope to our struggling families, elders and disabled persons.

We stand in strong SUPPORT of the following sections of this measure: HMS 222 (page 44), HMS 224 (page 44) and \$25million for the RHRF (page 210)

Mahalo

HALE MOILIILI LP
1100 ALAKEA STREET, 27TH FLOOR
HONOLULU, HAWAII 96813

March 9, 2022

The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair
and Members of the House Committee on Finance
Hawaii State Capitol
415 South Beretania Street, Room 210
Honolulu, Hawaii 96813

RE: HB 1600 Relating to the State Budget
Hearing: March 10, 2022 at 1:30 PM
State Capitol, House Conference Room 308 Via Videoconference

Dear Chair Luke, Vice Chair Yamashita and Committee Members:

Stanford Carr Development, LLC is a principal of Hale Moiliili LP which is the developer of a planned affordable rental housing project for native Hawaiian beneficiaries on Department of Hawaiian Home Lands (DHHL) property located at 820 Isenberg Street, Honolulu, Hawaii.

We are writing to respectfully request an appropriation to the Hawaii Housing Finance and Development Corporation (HHFDC), Rental Housing Revolving Fund (RHRF) in the amount of \$41.5 million to support redevelopment of the DHHL Isenberg Street project.

Hale Moiliili LP has submitted the required Consolidated Application to the HHFDC for RHRF monies in addition to 4% non-competitive Low Income Housing Tax Credits, and Hula Mae Multi-Family Private Activity Bonds. This appropriation is needed to provide the necessary equity-gap financing to the DHHL project, demonstrate the State's priority for native Hawaiian housing, and preserve the precious RHRF monies in the coffers of HHFDC for other private projects.

By way of background, 820 Isenberg Street is a parcel of approximately two acres of land situated on the *makai* edge of the "Old Stadium" Park in Mo`ili`ili, which is the site of the former Bowl-O-Drome bowling alley that is currently shuttered. As the landowner, DHHL offered this parcel for redevelopment through a competitive Request for Proposal process (reference RFP-20-HHL-003-Isenberg) and selected Stanford Carr Development, LLC as successful Offeror to redevelop the site for affordable rental housing. Subsequently, Hale Moiliili LP was formed to oversee the redevelopment. As planned, the rental project will consist of 278 affordable apartment units that will be set aside exclusively for native Hawaiian beneficiaries who earn from 30% to 100% of the area median income ("AMI").

The dedicated funds within the RHRF are critical because it will supply the anticipated equity-gap financing to the project's capital stack while leveraging the State's non-competitive 4% Low

March 9, 2022

Income Housing Tax Credits and Hula Mae Multi-Family private activity bonds. This combination of financing tools will be utilized to build much needed affordable housing not only for households earning up to 60% of the AMI, but also for those earning 70% to 100% of the AMI - an income group for which there are limited direct government subsidies. As with other loans funded through the RHRF, the principal and interest will be paid from the net operating income of the project, amortized over the course of the ground lease.

This project is a template for other parcels of land within DHHL's portfolio which, while unsuitable for single-family homesteading, may offer prime opportunities for the development of desperately needed affordable rental units. It is being implemented at a time when the negative impact of high housing costs on native Hawaiians is painfully evident, and when the State is in an excellent position to make meaningful progress in addressing their rental housing needs.

I believe this project represents the seed of a tree which will eventually bear abundant fruit for current and future generations of native Hawaiian beneficiaries. Accordingly, I am respectfully asking for your support in "watering this tree" by supporting an appropriation of \$41.5 million into the RHRF to provide an infusion of funds to support the DHHL Isenberg Street rental housing project.

Thank you for the opportunity to submit testimony on this important measure.

Sincerely,



By: Stanford S. Carr
Its Manager

CC: William Aila, Chair Hawaiian Homes Commission
Darrell Ing, Project Manager DHHL



March 10, 2022 at 1:30 pm
Via Videoconference

House Committee on Finance

To: Chair Sylvia Luke
Vice Chair Kyle T. Yamashita

From: Paige Heckathorn Choy
Associate Vice President, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 1600, Relating to the State Budget

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

Thank you for the opportunity to testify in **support** of the request by the Department of Commerce and Consumer Affairs (DCCA) to increase capacity at the Professional and Vocational Licensing office. An increase in staff is critical for healthcare organizations and clinicians across the state to ensure that patient care is not delayed or interrupted. We are concerned that, without additional staff, it will be difficult to quickly and efficiently approve licenses for key medical providers such as physicians and nurses to care for patients in Hawaii.

We understand and appreciate that staff at DCCA are working around the clock to process licenses and believe that these additional positions will be well used to keep up with the volume of license applications coming from all professions, including critical medical professions. Despite the number of patients with COVID in our hospitals dropping, there are still record numbers of patients being treated in those facilities every day. These positions will help to ensure a strong clinical workforce to care for Hawaii residents needing life-sustaining care.

Thank you for the opportunity to provide support for this request.



Hawai'i
Children's Action Network Speaks!
Building a unified voice for Hawai'i's children

To: Representative Luke, Chair
Representative Yamashita, Vice Chair
House Committee on Finance

Re: **HB 1600, relating to state budget**
1:30 PM, March 10, 2022

Chair Luke, Vice Chair Yamashita, and committee members,

On behalf of HCAN Speaks!, thank you for the opportunity to **testify in support of HB 1600, relating to the state budget**. As illustrated in the recently published [Hawai'i's Children's Budget](#), over the last 15 years we've seen a decrease in state funding programs that serve children and families. After such a lengthy period of reduced support, now is the time to make the commitment to children through our state's fiscal policy.

EDN 612- Request amendments

The State Public Charter School Commission's Early Learning program's budget is nested in EDN 612. We request their budget be restored to the same funding proportions as the FY 20 budget.

EDN 700- Include 2 FTEs as requested in HB 1939

The 2 FTE positions would increase the Executive Office on Early Learning's capacity to achieve the Legislature's ambitious goal of increasing access to early learning programs and to fulfill the Office's statutory obligations to administer the EOEL Public Prekindergarten Program and coordinate a high-quality early learning system. The positions would aide in fiscal/budget related matters and the creation and implementation of contracts related to expanding early learning programs and services.

HMS 302- Support intent but request amendments

The Child Care Programs Office (CCPO) is requesting 25 positions to move the state's two child care subsidy programs into BESSD. **We disagree with DHS' decision to move subsidy programs in-house when the urgent need is for 12 positions created but not funded in Act 46 (2020)**. We acknowledge the lengthy processing times for the Child Care Connect Hawai'i subsidy but do not believe moving the program in-house will result in a better experience for families or child care providers. Instead, we implore the Department to address issues related to availability of information, required documents, and to create a plan to improve the overall subsidy application process.

Act 46 (2020) created but did not fund 12 positions within CCPO to assist with:

- Expending money in the Preschool Grant Program Special Fund to private entities for the operating costs of new preschools or expansion of existing preschools at private entity's place of business

- Providing operational and financial support to assist service providers with obtaining accreditation
- Expanding the Preschool Open Doors program eligibility to three-year olds (including but not limited to drafting new administrative rules)

We would also like to note that the 25 positions requested are a net loss for personnel currently contracted to process subsidy applications and that the issues related to processing reflect Child Care Connection Hawai'i and not Preschool Open Doors.

HMS 305- Restore 2021 cuts to Preschool Open Doors

The Preschool Open Doors subsidy program provides child care subsidy to children who do not qualify for other child care subsidy programs. In 2020, the program's funding was cut by almost \$7M, which decreased the number of children from around 1,440 to just over 600. Restoration of funding for this program is critical to serve children and families who otherwise may not be able to afford tuition at early learning programs.

HMS 401-Support

We support the Department's budget request to extend post-partum eligibility through the American Rescue Plan Act option and to restore dental benefits for adults on Medicaid. The amount requested for the restoration of benefits is not sufficient to address the need and we request that the program be funded at a more comprehensive level.

HMS 903- Support

We support the budget requests in HMS 903 to address TANF related programs.

HTH 560-Support

- Requests \$3,601,533 to continue federally mandated Early Intervention Services
- Requests 5 FTEs to meet federally mandated Early Intervention Services

Early Intervention Services (EIS) contracts provide services to a child who has a delay in development or is at-risk of developing a delay. EIS services cover 5 domain areas: physical, cognitive, communication, social or emotional, and adaptive. In fiscal year 2019, service providers saw over 1,700 children across the state. Children who participate in EIS have shown to make positive progress in all of the domain areas and families benefit from understanding their role and rights to assist their child. EIS are critical to help children and families integrate into future environments, including academic, community and employment. Without these services, children will not reach their full potential.

Thank you,

Kathleen Algire

Director of Early Learning and Health Policy

COMMUNITY ALLIANCE ON PRISONS

P.O. Box 37158, Honolulu, HI 96837-0158

Phone/E-Mail: (808) 927-1214 / kat.caphi@gmail.com



COMMITTEE ON FINANCE

Representative Sylvia Luke, Chair

Representative Kyle Yamashita, Vice Chair

Thursday, March 10, 2022

1:30 PM

COMMENTS & SUGGESTIONS - HB 1600

Aloha Chair Luke, Vice Chair Yamashita and Members of the Committee!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai`i for more than two decades. This testimony is respectfully offered on behalf of the more than 4,008 Hawai`i individuals living behind bars¹ under the “care and custody” of the Department of Public Safety on any given day. We are always mindful that 1,110 of Hawai`i’s imprisoned people are serving their sentences abroad -- thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons is commenting on this measure because the entire process to relocate OCCC has been planned in the dark with absolutely no community input. This is NOT the way that one of the largest public works projects in Hawai`i should be developed.

Jurisdictions are realizing that community buy-in is crucial and the only way to actually achieve that is through REAL community engagement. To date the only ‘community’ who has been spoken to is the `Aiea Neighborhood Board, where the high-priced consultants present mind-numbing power points to the board.

One of the consultants has been sporadically attending the Hawai`i Systems Correctional Oversight Commission meeting where questions never seem to be answered. For \$10.4 million of spent taxpayer money during the pandemic - this is shameful. It is obvious that the consultants know little to nothing about our criminal legal system so they are planning old-style punishment chambers, which are in direct opposition to what the community and the legislature has been promoting - rehabilitation and reentry.

Now the Governor is requesting \$15 million more on this ill-conceived, top-down, old-fashioned jail that he admits will cost at least \$1 BILLION!

Community Alliance on Prisons does not dispute that OCCC is overcrowded. We wonder, however, why the legislature doesn’t connect the dots to realize that Hawai`i’s punitive punishment policies and inadequate maintenance have led to Hawai`i’s ‘third-world’ OCCC.

¹ Department of Public Safety, Weekly Population Report, March 7, 2022.

<https://dps.hawaii.gov/wp-content/uploads/2022/03/Pop-Reports-Weekly-2022-03-97.pdf>

As of the March 7th population report, Hawai'i currently has 4,008 people incarcerated statewide – 90% are male (3,609) and 10% are female (399). Forty-five percent (45%) of the statewide population are pretrial detainees (931); four hundred and seventy (470) are parole violators and four hundred and six (406) are probation violators. The majority of parole and probation violators are incarcerated for technical violations. At \$219 a day, this is a huge expense for 1,807 people who are pretrial detainees, parole and probation violators - \$395,733 a day and \$2,770,131 a week!

Hawai'i could be spending this hard-earned taxpayer money for alternatives that work. Jail is the gateway to prison and when people cannot pay bail, they are jailed and that oftentimes leads to prison.

We respectfully beseech the committee to NOT ALLOW THIS \$15 MILLION allocation. The community, formerly incarcerated persons, families, advocates MUST be part of the DELIBERATIVE process.

Here is some research on why engaging the community is vital:

WHY COMMUNITY ENGAGEMENT MATTERS

<https://aese.psu.edu/research/centers/cccd/engagement-toolbox/engagement/why-community-engagement-matters>

Citizens are 'engaged' when they play a meaningful role in the deliberations, discussions, decision-making and/or implementation of projects or programs affecting them. Accordingly, organizational and government leaders need to broaden the way they see their responsibilities to include roles as facilitator, supporter, collaborator, and empower of citizens and stakeholders. This change requires letting go of some of the traditional reins of power and trusting that citizens can and will effectively engage in the issues. The result is a partnership(s) that is nearly always healthy for a community and can more effectively address the issue or problem.

CITIZENS AT THE CENTER, A new approach to civic engagement, The Case Foundation

<http://www.politicipublice.ro/uploads/citizens-at-the-center.pdf>.

Citizen-Centered Approaches Are:

- Focused primarily on culture change, rather than short-term outcomes, issues, or victories, although the latter can be a foundation through which communities achieve a sense of efficacy to move forward toward other efforts collectively.
- Representative of a cross-section of the entire community, rather than parts of it.
- Concerned with the deliberative process to identify public problems or concerns – no matter how messy or complex it can be – as equally as important to civic engagement as the tactics employed to address these problems and concerns.
- Cognizant of the importance of helping people form and promote their own decisions, build capacities for self-government, and promote open-ended civic processes.

Advancing citizen-centered approaches requires a **shift in focus** from “What we are going to do to encourage civic engagement, how, with whom, where and for how long?” to:

- What opportunities can we provide for people to convene with others who are concerned about issues in their communities, schools, or workplaces to deliberate about problems and issues; define these for themselves; and decide what they will do about them?
- Do we see people as consumers of our services and activities, or as citizens?

- To what extent can we help people feel more empowered to carry out what they plan to do about public problems in ways that they believe are most appropriate for them and their communities?
- How can we facilitate citizen-driven and citizen-centered engagement so that it becomes deeply embedded in the day-to-day functioning of communities and people in those communities are able to solve the problems of everyday life?
- Are we asking people to “plug into” already existing initiatives or decide for themselves what to do?

COMMUNITY ENGAGEMENT MATTERS (NOW MORE THAN EVER), Stanford SOCIAL INNOVATION Review

https://ssir.org/articles/entry/community_engagement_matters_now_more_than_ever

Data-driven and evidence-based practices present new opportunities for public and social sector leaders to increase impact while reducing inefficiency. But in adopting such approaches, leaders must avoid the temptation to act in a top-down manner. Instead, they should design and implement programs in ways that engage community members directly in the work of social change.

It is a sad statement that the state only considers incarceration rather than the plethora of options being employed in other jurisdictions. Hawai`i needs to implement REAL alternatives to incarceration for people convicted of misdemeanors, petty misdemeanors for low-level offenses.

To determine the extent that misdemeanors and low-level offenses contribute to jail overcrowding, decisionmakers should ask:

- How many people in our jail have been convicted of non-violent misdemeanors and low-level offenses?
- Does Hawai`i offer jail diversion programs for people convicted of misdemeanors and low-level offenses? Are these programs affordable and accessible to all?
- Does Hawai`i have case monitors that continually review people coming into the jail to identify those who could be diverted?
- Has Hawai`i increased its use of diversion programs in order to reduce jail overcrowding?
- What is the average sentence length for people incarcerated in Hawai`i's jails? How does this compare to jurisdictions that have reduced their jail populations?

Is Hawai`i...

- **Reducing the number ofailable offenses:** States and counties can reduce their jail populations by reducing the number ofailable offenses, thus reserving jail only for people who pose a demonstrable threat to public safety. For example, states and counties can make some offenses civil matters, and re-classify others as non-ailable offenses. If state law does not allow a county to reclassify offenses, the county should lobby the state to do it.
- **Encouraging prosecutors to be less punitive:** District attorneys have a lot of discretion in whom they choose to prosecute and what charges they bring, giving them enormous power to reduce jail populations if they are reform-minded. Prosecutors can decline to prosecute minor, low-level offenses and instead pursue non-carceral sanctions in order to reduce jail populations.

- **Encouraging judges to give shorter sentences:** Shortening sentences is a key tool for reducing jail populations.
- **Diversion programs and alternatives to incarceration:** Police, prosecutors, and judges should be encouraged to connect people with diversion programs that seek to address the underlying cause of the offense, rather than pursuing jail time. For example, alternatives to incarceration could provide vocational training, literacy and educational support, counseling, mentoring, or residential and outpatient mental health and substance use treatment. Research has demonstrated that diversion programs can dramatically cut reoffending rates and improve employment outcomes compared to incarceration. Hawai'i should ensure that diversion programs are free and accessible and that the programs allow people to avoid the collateral consequences of a criminal conviction. If necessary, rural counties with limited resources should consider collaborating with neighboring counties to fund and create evidence-based diversion programs.
- **Sentencing people to probation in lieu of incarceration:** Probation, by design, is an important alternative to incarceration. In cases where incarceration is the only practical alternative, probation should be used to minimize the broad social and economic harms of incarceration. But Hawai'i should be wary of using probation as a knee-jerk response to low-level offenses (it's been used for things as minor as nonpayment of fines). When used, probation should be minimally restrictive, not fee-based, individualized, and short in length.

For example:

- In 2018, the Manhattan District Attorney decided to decline prosecuting public transportation fare evasion if there are no threats to public safety. Instead, people caught evading fares may be warned, ejected, connected with social services, issued a civil ticket, or issued a criminal ticket. As a result, the number of fare evasion prosecutions declined by 96% in the first year alone.
- In St. Louis, Missouri, the District Attorney announced that prosecutors will no longer pursue charges for most low-level marijuana offenses. Prior to this announcement, lower-level marijuana crimes made up about 20 percent of the prosecution docket.
- Seattle, Miami-Dade County, and several towns in Massachusetts have implemented diversion programs specifically designed for people with mental health and substance abuse disorders.

There are many reasons that planning a jail or any other correctional facility MUST include the community, but first and foremost it is about respect. There has been little to no respect shown to the community OR to legislators during this flawed process where consultants are getting rich and the community is getting shunned. The only community the consultants have spoken to is the `Aiea Neighborhood Board where they give a mind numbing report to the bored Board. THIS IS NOT COMMUNITY ENGAGEMENT.

Another very disturbing question is why Hawai'i continues to do business with corporate prison profiteers who have terrible records of abuse and shoddy construction and yet the state is happy to sell 1,110 of our people to CoreCivic, who work to promote recidivism. **PLEASE DELETE THE \$15 MILLION APPROPRIATION & DEMAND COMMUNITY ENGAGEMENT!** Mahalo for this opportunity to testify.

HB-1600

Submitted on: 3/9/2022 11:16:52 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Sandy Ward	Hui o Ho`ohonua 501(c)3	Support	Written Testimony Only

Comments:

I am writing in support of this and every bill providing crucial funding for the work of the Kaho`olawe Island Reserve Commission. I visited Kaho`olawe 9 times with groups of my students from Mililani High School before my 2019 retirement and in my 35 years of teaching there were no learning opportunities that exceeded these huaka`i. The work of KIRC (and the the Protect Kaho`olawe `Ohana) is vital and must continue. The COVID pandemic created enough of a challenge for those stewarding this island and makes continued funding for the long-term restoration of Kaho`olawe even more important now. As a living laboratory for education and bio-cultural restoration I urge you to support this bill. Mahalo for your consideration!

Representative Sylvia Luke, Chair
Representative Kyle Yamashita, Vice Chair
Members of the House Committee on Finance

RE: FIN Info Briefing
Hearing date: Thursday, March 10, 2022 @ 1:30 p.m.

Aloha Chair Luke, Vice Chair Yamashita and members of the committee,

Thank you for allowing me the opportunity to submit testimony regarding our budget appropriation requests for the 2023 fiscal year. As you are aware, Act 103, SLH 2015, codified as HRS Chapter 323F, Part IV (“Act 103”) provides for operating and capital subsidies for Maui Health System (“MHS”) in connection with its operation of the hospitals. Under HRS §323F-58 and the terms of the Transfer Agreement signed January 14, 2016 between MHS and Hawai’i Health Systems Corporation, the State of Hawai’i, and the Maui Region of Hawai’i Health Systems Corporation (the “Transfer Agreement”), MHS may request operating support payments annually based upon the amounts needed to cover any operating losses of the Hospitals plus a 2% margin, but the amount requested in any year may not exceed the amount appropriated to subsidize the operating costs of the Maui Regional System for the 2014 fiscal year, which was \$38 million. Under HRS §323F-59 MHS may also request support payments for its capital expenditures during the first ten (10) years of MHS’ operations of the hospitals in an amount not less than \$6 million.

The last subsidy the State provided to HHSC-Maui Region for the hospitals before the transition was \$36.8 million. For the current fiscal year of 2022, the appropriation for MHS’ operating subsidy is \$11,585,000 in Coronavirus State and Local Fiscal Recovery Funds (“CSFRF”). While this was below our \$19 million request, MHS fully understood the fiscal challenges the State faced in 2020 and 2021 due to the COVID-19 pandemic and appreciates the financial assistance that was appropriated.

MHS was advised of risk in accepting these federal funds. On learning that the operating subsidy would be in the form of CSFRF federal funds rather than state general funds as has typically been the case, we sought the opinion of outside legal counsel who specializes in federal disaster recovery law. MHS learned that it would be a significant challenge to meet the requirements for a subgrantee under the CSFRF given the nature of MHS’ role as a health care provider and its typical reimbursement structure. A CSFRF subgrantee must be able to clearly identify and itemize services and expenses that may be attributable to CSFRF funds vs. services and expenses attributable to other types of funds. Our hospitals are reimbursed for a wide spectrum of services from a variety of payors on a daily basis, and this makes it near to impossible to make this distinction. Similarly, CSFRF funds must be used for COVID-19 related services and expenses only. Again, the complexity of the hospitals’ services and reimbursement structure creates a major logistical challenge in identifying COVID-19 related expenses that *have not been previously reimbursed*. The risk that MHS will be unable to satisfy the federal terms and conditions associated with the CSFRF funds carries an attendant risk of possible recovery by the U.S. Treasury, and therefore a huge liability for the system.

Fortunately, HHSC graciously agreed to be the subgrantee of the 2022 CSFRF funds, and to provide these funds to MHS under terms appropriate to a contractor of the State. Such transfer is supported by the terms of the Transfer Agreement, and permissible under the CSFRF guidance and regulations.

For the 2023 fiscal year, we are requesting an appropriation of \$11,000,000 in general funds. We are requesting that the fiscal year 2023 subsidy come from general funds to (i) avoid the legal risks and administrative challenges noted above, and (ii) provide MHS flexibility to use the subsidy for general operations (as opposed to only COVID needs) as was originally intended in both Act 103 and the Transfer Agreement.

MHS is truly a community hospital and the only acute care hospital serving all of Maui, Molokai and Lanai. Prior to COVID, in the three and a half years since the transition and with the support of the legislature, MHS was able to reduce its need for subsidies by nearly half when compared to the last subsidy granted to the Maui Region. This significant savings occurred while MHS was able to significantly increase quality scores, manage expenses, increase revenues, and recruit much needed physicians and nurses.

We very much want to continue on that trajectory, and the proposed \$11,000,000 request is the minimum of what is anticipated that our system will need to continue to do so while safely and effectively operating for our residents and visitors in this COVID environment. MHS continues to face the following operational and fiscal challenges which have been exacerbated by COVID:

- As Maui's only hospital, we need to maintain adequate staffing so that the hospital stays operational and ready to serve its community's needs. Significant pay and benefit increases will be challenging to curtail as there is an increased need to successfully recruit and retain staff. Contingent or temporary staffing has become difficult to source and costs have significantly increased.
- A wage reopener with the largest bargaining unit will take place in the fall of 2022. In addition, the other two bargaining units will be entering into union negotiations in 2022.
- Ongoing PPE supplies will continue to be required due to ongoing infection control and protection needs (N95, surgical masks, isolation gowns, gloves, etc.).
- Additional cost related to COVID tests for employees, patients, contractors, etc. will continue to be incurred.

We thank you for your service and hard work on behalf of the State of Hawaii and hope that you can support our subsidy request and the funding source from which it may be derived.

Mahalo for your consideration,

Michael Rembis
Chief Executive Officer

Testimony of
Jonathan Ching
Government Relations Director

Before:
House Committee on Finance
The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair

March 10, 2022
1:30 p.m.
Via Videoconference

Re: HB 1600, Relating to the State Budget

Chair Luke, Vice Chair Yamashita, and committee members, thank you for this opportunity to provide testimony on HB 1600, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs for the State of Hawai‘i.

Kaiser Permanente Hawai‘i SUPPORTS the request from DCCA for CCA 105.

Kaiser Permanente Hawai‘i is Hawai‘i’s largest integrated health system that provides care and coverage for approximately 265,000 members. Each day, more than 4,400 dedicated employees and more than 650 Hawai‘i Permanente Medical Group physicians and providers come to work at Kaiser Permanente Hawai‘i to care for our members at our 20 medical facilities, including Moanalua Medical Center, providing high-quality care for our members and delivering on our commitment to improve the health of the 1.4 million people living in the communities we serve.

Kaiser Permanente Hawai‘i supports the request by the Department of Commerce and Consumer Affairs (DCCA) to increase capacity at the Professional and Vocational Licensing (PVL) office (CCA 105). We know that the current backlog for certain licensing boards is currently four to six months, which without additional staff, will exacerbate the delay in medical providers, such as medical and osteopathic physicians, physician assistants, nurses, and pharmacists, from receiving their license to provide care to patients.

We understand and appreciate that staff at DCCA PVL are working around the clock to process new licenses, renewals, and any backlog and believe that these additional positions will be well used to keep up with the volume of license applications coming from all professions, including critical medical professions.

Mahalo for the opportunity to testify on this important measure.



S E A C
Special Education Advisory Council
1010 Richards Street Honolulu, HI 96813
Phone: 586-8126 Fax: 586-8129
email: spin@doh.hawaii.gov
March 10, 2022

**Special Education
Advisory Council**

Ms. Martha Guinan, *Chair*
Ms. Susan Wooc, *Vice Chair*

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Ms. Virginia Beringer
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Ms. Ivalee Sinclair
Mr. Steven Vannatta
Ms. Lisa Vegas
Ms. Paula Whitaker
Ms. Jasmine Williams

Ms. Annie Kalama, *liaison to
the Superintendent*

Amanda Kaahanui, Staff
Susan Rocco, Staff

Representative Sylvia Luke, Chair
Committee on Finance
State Capitol
Honolulu, HI 96813

RE: HB 1600 - Relating to the State Budget

Dear Chair Luke and Members of the Committee,

The Special Education Advisory Council (SEAC) supports funding of the Hawaii Department of Education (HIDOE) budget request for FFY 2023 and, more specifically, funding for EDN 150 (special education).

After a budget briefing by Budget Director Alex Kigawa at our February 11, 2022 SEAC meeting, our membership agreed with DOE's priority of making the budget whole again by replacing EDN 150 monies lost to the base budget during the pandemic (\$4,431,663), reverting position funding to permanent funding (\$488,846), and addressing current shortfalls (\$288,857). By rebuilding this foundation, the Department will be better able to improve outcomes for students with disabilities through evidence-based initiatives providing by qualified and effective educators.

SEAC also supports the EDN 150 initiatives that advance education for students with disabilities: 1) 15 additional Complex Area Registered Nurses and a School Nursing Section Administrator to address the unmet health needs of all students, including students with disabilities who have chronic health conditions such as seizures, asthma, diabetes, and life-threatening allergies, and 2) additional funds for staff to assist in reclaiming Medicaid monies for expenses incurred in providing related services to Medicaid eligible students with disabilities.

Thank you for the opportunity to support this important legislation.

Respectfully,

Martha Guinan
Chair

TESTIMONY IN SUPPORT OF HB 1600

TO: Chair Luke, Vice-Chair Yamashita, & Finance Committee Members

FROM: Nikos Leverenz
Grants & Advancement Manager

DATE: March 10, 2022 (1:30 PM)

Hawai'i Health & Harm Reduction Center (HHRC) **strongly supports** those sections in this budget bill that increase the amount of funding to the Rental Housing Revolving Fund (RHRF) for rental units for those households at 60% AMI and below, specifically **HMS 222** and **HMS 224** (page 44) and **\$25 million for the RHRF** (page 210). The RHRF is the foremost pathway for Hawai'i to increase the development of affordable rental units. An estimated 20,000 additional rental units are needed by 2025 for those families making \$61,000 per year or less. Many of our state's elders who are on fixed incomes are at increased risk of homelessness.

HHRC also reiterates its opposition to planning for a new jail facility in Honolulu County. While we support efforts to renovate existing facilities to improve dismal conditions, there are a range of policy options to reduce the number of persons in jail. Prevailing prosecutorial practices, along with the continued absence of substantive bail reform, sentencing reform, and probation reform, set the stage for perennially overcrowded carceral facilities. [Department of Public Safety Director Max Otani told Honolulu Civil Beat earlier this year that measures to reduce the number of people entering Hawai'i's carceral facilities would be "good for the department."](#) The \$15 million appropriation for the Department of Accounting and General Services to facilitate the construction of a new OCCC in Halawa Valley should be removed from the budget (Capital Project No. 2021-3, page 107).

HHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals who are impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those relating to substance use and underlying mental health conditions. Many of our clients and participants have been deeply impacted by trauma, including histories of physical, sexual, and psychological abuse.

Thank you for the opportunity to testify on this measure.



HAWAI'I ORAL HEALTH COALITION

Date: March 10, 2022

To: The Honorable Representative Sylvia Luke, Chair
The Honorable Representative Kyle T. Yamashita, Vice Chair

Re: HB1600, Relating to the State Budget

Hrg: Thursday, March 10, 2022 at 1:30 pm - Conference Room 308 & via Videoconference

The Hawai'i Oral Health Coalitionⁱ, convened by the Hawai'i Public Health Institute, supports the intent of budget item HMS 401, which restores funding for certain dental benefits to adult Medicaid enrollees.

HMS 401 restores funds to the DHS to provide limited diagnostic, preventive, and restorative dental coverage to adult Medicaid enrollees. In a 2021 survey conducted by Ward Research for HIPHIⁱⁱ, 9 in 10 registered Hawaii voters (92%) strongly agreed that preventative dental benefits should be included in adult Medicaid coverage.

Oral health is critical to overall physical, psychological, social, and economic wellbeing. Adults with poor oral health often struggle to manage chronic co-conditions such as diabetes. Researchers have linked poor oral health with cardiovascular disease, stroke and bacterial pneumonia. Pregnant women with poor oral health are at an increased risk of delivering preterm and/or low-birth-weight infants. Missing or broken teeth also create social barriers for adults to find and maintain gainful employment in our service-based economy.

Unfortunately, oral health in our state is a public health crisis, with Hawaii receiving a failing grade of "F" in three recent oral health report cards released by the Pew Center for the Statesⁱⁱⁱ. Drastic cuts in 2009 eliminated essential dental services for Medicaid enrollees and reduced coverage to emergency only (extraction and pain management).

As a consequence of these cuts, many in Hawai'i and across the nation have turned to emergency rooms for oral health care. The ADA reported in 2016 that ER visits nationwide continued to increase in 2012, costing the US health care system \$1.6 billion per year at an average cost of \$749 per visit^{iv}. In Hawai'i, recent data^v show that between 2016 and 2020 there was a total of 29,536 ER visits with a dental related diagnosis among adults aged 21 years and older, with an average of 10% of patients who visited ER for principal dental-related conditions having revisited the ER at least twice in the same year. Sixty-seven percent (19,691) of these visits had a principal dental diagnosis as the reason they visited the ER. In that same time period, Medicaid claims constituted 45% of the cumulative total charges for the ER visits with a principal dental-related diagnosis, about \$12.3 million. This does not include the total charges for secondary dental-related diagnoses. An estimated 79% of ER dental visits could be diverted to community settings, saving about 48% of the cost of each visit^{vi}.

Restoring dental coverage for adults on Medicaid is a necessary health equity measure. The lack of coverage for diagnostic, preventative, and restorative dental services has had a disparate impact on Native Hawaiian and Pacific Islander populations, and those on Neighbor Islands, who are at greater risk for poor oral health and limited access to oral health care. Hawai'i County and Kaua'i County saw the state's highest rates of ER visits with a dental-related diagnosis, and a large portion of Medicaid claims for ER visits with a principal diagnosis between 2016 and 2020 were submitted for Native Hawaiians/Part Native Hawaiian (about 31%, or 2,991) patients.

In 2020, the Health Policy Institute of the American Dental Association published a specific fiscal analysis for Legislative consideration about the costs versus cost-savings in reinstating preventive and restorative dental benefits for adults on Medicaid^{vii}. This analysis highlights three funding options for coverage ranging from basic to comprehensive. The federal government does match up to 50% of the state's investment in reinstating diagnostic, preventative and restorative dental coverage for all adult Medicaid recipients and, to date, 34 states do offer limited or comprehensive benefits for its adult Medicaid recipients^{viii}.

In order to adequately address the high needs of this population, due to the lack of access to preventive care since 2009, adults on Medicaid will require greater coverage than what is currently reflected as a basic coverage option. While covering exams, cleanings, and limited restorations is a step in the right direction, patients may continue to seek dental care from emergency departments across the state, or simply defer care due to continued lack of restorative coverage.

For this reason we support the intent to reinstate certain diagnostic, preventative, and restorative dental coverage for adults in Hawai'i enrolled in Medicaid and respectfully request additional funding for a more comprehensive coverage option that will more sufficiently address the oral health needs of this population. Thank you for the opportunity to testify.

Mahalo,



Patrick Donnelly
Statewide Oral Health Coalition Manager
Hawai'i Public Health Institute

ⁱ The Hawai'i Oral Health Coalition is community driven and led with fiscal sponsorship from the Hawaii Public Health Institute. Its members represent all Hawai'i islands and diverse sectors across the State. The mission of the Hawai'i Oral Health Coalition is to improve the overall health and wellbeing of all Hawai'i residents by increasing access and equity in oral health care through collaborative partnerships, advocacy, and education.

ⁱⁱ Findings from a Ward Research Study commissioned by the Hawai'i Public Health Institute that summarizes findings from a phone survey among n=810 Hawaii registered voters (+/-3.3 margin of error) conducted between October 26 to November 30, 2021. A copy of the results are available upon request.

ⁱⁱⁱ Hawai'i Oral Health: Key Findings, Hawai'i Department of Health. August 2015.

^{iv} Emergency department use for dental conditions continues to increase. Health Policy Institute Research Brief. American Dental Association. April 2015.

^v Lailima Data Alliance Hawai'i inpatient and Outpatient dental ER data (2016-2020). Accessed October 12, 2021.

^{vi, vii} Estimating the Cost of Introducing Comprehensive Medicaid Adult Dental Benefits in Hawai'i, Health Policy Institute Research Brief. American Dental Association. February 2020.

^{viii} Medicaid Adult Dental Benefits Coverage by State, Center for Health Care Strategies, Inc., September 2019.



*American College of Obstetricians and Gynecologists
Hawai'i, Guam & American Samoa Section*

TO: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair

DATE: Thursday, March 10, 2022, 1:30PM

FROM: ACOG Hawai'i Section
Reni Soon, MD, MPH, FACOG, Chair

Re: HB 1600– Relating to the State Budget

As the leading medical professionals in the care of Hawai'i's pregnant and postpartum people, the Hawai'i Section of the American College of Obstetricians and Gynecologists (HI ACOG) **strongly supports retaining item No. 18, Program ID HMS401 in the state budget.** This item includes appropriations to extend postpartum insurance coverage for pregnant people receiving Medicaid for their pregnancy to 12 months (from 60 days), and would **promote access to safe, high-quality maternity care** for all of Hawai'i's families.

Our Hawai'i Maternal Mortality Review Committee found that half of the maternal deaths in Hawai'i in 2015 and 2016 occurred in the late postpartum period (43 days to 1 year after the pregnancy ended).¹ Mortality is just the tip of the iceberg – for every one maternal death, experts estimate there are over 100 life-threatening complications occurring related to pregnancy (e.g. stroke, organ failure, seizures).

Maternal morbidity (illness or complication) exacts a high cost not only from the individual and their family, but from the healthcare system and society as a whole. The increasing rates of not-so-uncommon pregnancy complications like gestational diabetes, pregnancy-related high blood pressure, obesity, and depression are imposing a substantial economic burden on health systems.² The cost to society of these complications increases when these illnesses are left untreated and therefore worsen.

Because many of the complications associated with pregnancy do not end when the pregnancy ends, it is critical that postpartum women have uninterrupted health insurance and access to healthcare. Access to healthcare would prevent more severe complications arising and could also prevent another high-risk, high-cost pregnancy from occurring before stability of the illness is achieved. Preventing a severe illness has always been more cost-efficient than treating one.

By appropriating funds for Hawai'i State Medicaid to apply for the waiver and extend postpartum coverage to 12 months, the state would also **qualify for matching federal funds.** Not only should there be no price tag on a mother's life, but the cost we pay up front will more than pay for itself.

We thank the Hawai'i State Legislature for showing its commitment to improving maternal health in Hawai'i by passing the legislation that created the Hawai'i Maternal Mortality Review Committee in 2016. It is time to take the findings of this committee and take the next step in recognizing the importance of access to health care for a full year postpartum and the importance of this access to ALL of Hawaii's women and families. For these reasons, HI ACOG **respectfully urges this committee to retain item No. 18, Program ID HMS401 in the state budget.**

Thank you for the opportunity to testify.

¹ Hawaii Department of Health. Report to the 30th Legislature, State of Hawaii, 2019.

² Moran et al. Economic burden of maternal morbidity-a systematic review of cost-of-illness studies. PLoS One, 2020; 15:e0227377



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The State Legislature
The House Committee on Finance
Thursday, March 10, 2022
1:30 p.m.

TO: The Honorable Sylvia Luke, Chair

RE: H.B. 1600 Relating To State Budget, HMS 401 – Adult Medicaid Dental Benefits

Aloha Chair Luke and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with over 140,000 members in Hawai'i.

AARP respectfully submits our comments for H.B.1600 Relating to the State Budget. In the budget item HMS 401, on page 45 of the bill, Adult Medicaid dental coverage is included. AARP supports the intent of HMS 401 that restores funding for a basic coverage option, but additional funding is needed for a more comprehensive coverage option to adequately address the needs of the population.

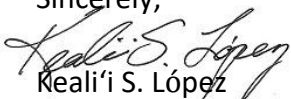
A comprehensive coverage should include diagnostic, preventive, and restorative dental benefits to adult Medicaid enrollees.

- According to an issue paper on improving dental coverage for older adults, (Henry J. Kaiser Family Foundation, July 2021), nearly one half of the Medicare population (47%) or 24 million beneficiaries 65 years and older, do not have dental coverage.
- Almost half of all Medicare beneficiaries did not have a dental visit within the past year (47%), with higher rates among those who have low incomes (73%), or who are in fair or poor health (63%), as of 2018.
- Average out-of-pocket spending on dental services among Medicare beneficiaries who had any dental service was \$874 in 2018. One in five Medicare beneficiaries (20%) who used dental services spent more than \$1,000 out-of-pocket on dental care.

Cost concerns and lack of dental coverage contribute to many older adults foregoing routine and other dental procedures. Inadequate dental care can exacerbate chronic medical conditions such as diabetes and heart conditions, and lead to preventable complications that sometimes result in costly emergency room visits. Adults who are disabled, homebound, or institutionalized have an even greater risk of dental diseases. Many of them would be Medicaid recipients. Broadening the dental benefit to the adult Medicaid enrollee will greatly improve their overall health and reduce the risk of costly medical care and emergency room visits.

Thank you very much for the opportunity to testify on H.B. 1600.

Sincerely,


Keali'i S. López

**Testimony of The Nature Conservancy
Comments on HB 1600, RELATING TO THE STATE BUDGET.
Committee on Finance
March 10, 2022, 1:30 PM
Conference Room 308 and via Teleconference**

Aloha Chair Luke, Vice Chair Yamashita, and Members of the Committee:

The Nature Conservancy (TNC) supports funding for the Department of Land and Natural Resources (DLNR) to enhance, protect, conserve and manage Hawai'i's natural resources.

TNC supports the DLNR supplemental budget request for the Environmental Protection programs, particularly LNR407 CIP. These funds provide critical funding for the protective fencing that provides long-term conservation of watershed forests statewide; protecting and conserving endangered species, such as birds, plants, and insects; and other vital investments in our natural resources. These investments also help reduce erosion, prevent extinction of endangered species, increase carbon storage in native forests, and protect Hawai'i's fresh water. Continuing investment in these vital resources will have immense long-term impacts for our forests and far beyond.

TNC supports and appreciates proposed investments in aquatic resources under line LNR401. These investments in programs to support our marine and coastal resources will ensure that the reefs that line our coasts, which are environmental, economic, recreational, and cultural treasures, will continue to support our island lifestyle and livelihoods. Each year, our reefs provide flood protection to people, property, and jobs valued at more than \$836 million, support nearshore fisheries worth \$13.4 million, and contribute more than \$1.2 billion through reef-related tourism to the state's economy. We must continue to make the vital investments to protect and sustainably manage our aquatic resources.

Additionally, TNC supports requests to restore positions that had previously been lost over the COVID pandemic. DLNR play a key role in the health of our environment, which faces many impacts from climate change and human use, and this responsibility requires capacity to manage our State's lands and marine resources.

These budget items contribute to the resilience, sustainability and continued health of our islands' environment, economy, and quality of life. TNC understands that difficult fiscal decisions must be made and we 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.

Mahalo for the opportunity to provide comments on HB 1600.

The Nature Conservancy of Hawai'i and Palmyra 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 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands. We forge partnerships with government, private parties, and communities to protect forests and coral reefs for their ecological values and for the many benefits they provide to people.

BOARD OF TRUSTEES

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**Testimony of Faith Action for Community Equity
Comments on HB1600, Relating to the State Budget
To the House of Representatives Committee on Finance
March 10, 2022 1:30pm via video conference**

Aloha Chair Sylvia Luke, Vice Chair Kyle T. Yamashita, and Members of the House of Representatives Committee on Finance,

We at Faith Action for Community Equity believe in the inherent worth and dignity of all. Our members work together to address the root causes of systemic justice challenges facing our communities. We are submitting comments on HB1600 relating to the State budget, particularly the request for \$15 million for OCCC New Housing and Support facilities for the Department of Public Safety budget.

We believe plans to move forward on a new OCCC should be paused and increased funding for alternatives to incarceration and community based diversion, treatment and reentry support services should be implemented instead. We can't assign a monetary value to safety but we can recognize that we are on a hamster wheel of bad outcomes in our current criminal legal system and the money we are spending for mass incarceration is **not** keeping us safer.

Let's rewrite this story and start a new chapter, one in which we aren't forced to accommodate the high incarceration rates under our criminal legal system. The proposed new OCCC is projected to cost \$1 billion. We know from our experience with the rail project, it will most likely cost even more. Instead of spending obscene amounts of taxpayer dollars on incarceration, we would like to see these expenditures invested in our communities: alternatives to policing, mental health and substance abuse services, education, and housing. We believe this necessitates a shift from punitive practices to community based solutions. This will dismantle the old story and it can start with the decisions you make now. Those decisions will affect not only our communities now but also future generations until mass incarceration is a thing of the past, like an old story that no one wants to revisit.

We thank you all for working hard to look at solutions that are not only fiscally responsible, but more importantly, honors and upholds our collective humanity. "Continue to remember those in prison as if you were together with them in prison, and those who are mistreated as if you yourselves were suffering." — Hebrews 13:3

If you have any questions, please contact the co-chairs of Faith Action's Transformative Justice Task Force: Lee Curran at dfcurran@gmail.com or (808) 394-8792, and Kylie Akiona at kylieakiona2@gmail.com or (808) 347-8672.

Mahalo for this opportunity

Lee Curran, Makaha

Kylie Akiona, Mililani

HAWAI'I EARLY INTERVENTION COORDINATING COUNCIL (HEICC)



Date: March 9, 2022

To: House Finance Committee
Representative Sylvia Luke, Chair
Representative Kyle Yamashita, Vice Chair
AND
To: Senate Ways and Means Committee
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

From: Hawai'i Early Intervention Coordination Council (HEICC)

Re: Comments in Support of Early Intervention Section (EIS) Budget Request via HB1600

The Early Intervention Section (EIS) is a federal and state-mandated program that provides services to support the development of infant and toddlers from birth to three years of age. Information and support are also provided to parents to increase their knowledge about and ability to support their child's development. The Department of Health (DOH) is the lead agency for the implementation of Part C, Individuals with Disabilities Education Act (IDEA) for the State of Hawaii. Within the DOH, EIS is responsible to ensure that Hawaii meets all the requirements and regulations of Part C of IDEA.

The Hawai'i Early Intervention Coordination Council (HEICC) **strongly supports Early Intervention Section's Budget Request** of \$3,601,533.20 that will support early intervention reimbursement rate increases and the request to add 5 DOH EIS positions to meet federal- and state-mandated service requirements.

Early Intervention Section contracted with the Western Interstate Commission for Higher Education to conduct a Comparative Rate and Salary Study with comparable states. **Out of the eight comparable states, Hawai'i ranked last or in the bottom three** in EI program administration salaries (e.g., Program Manager, Data Clerk, and Office Assistant) and direct service reimbursement rates for required positions such as Occupational Therapy, Physical Therapy, Speech Therapy, Care Coordinators, Special Education Teachers, General Education teachers. Recruiting and retaining qualified staff is critical for delivering quality services and ensuring our youngest keiki with disabilities receive the support needed to help them reach their developmental goals. Additionally, having the needed service providers and support staff within the DOH EIS infrastructure is critical to delivering mandated EI services both statewide and within state operated EI programs.

EIS' budget request would assist EIS in doing the following

- Reimburse EI Program contractors at higher rates and salaries that are closer to competitive rates and salaries needed to recruit and retain EI service providers.
- Ensure 83% of EI services that are provided through contracted EI programs will receive the additional funding.
- Meet EI service provision, in particular deliver mandated EI services with the 5 DOH EIS positions.

Mahalo for your continued support to improve the health, safety and well-being of our youngest keiki and their 'ohana. We appreciate you supporting the **Early Intervention Section Budget Request via HB1600**.



ALOHA CARE

Date: March 9, 2022

To: The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice-Chair
House Committee on Finance

From: Peggy Mierzwa, Community and Government Affairs

RE: **HB1600** Relating to the State Budget

AlohaCare appreciates the opportunity to provide testimony in **SUPPORT of HB1600** in reference to two areas for which the MedQUEST Division requested funding:

Restoration of dental benefits for adults. We respectfully request an increased funding allotment rather than the initially requested amount (A funds: \$3,466,328 & N funds: \$6,728,754) to adequately address the dire need for oral healthcare following 13 years of no coverage. It is necessary to address the many complications that arose from those years with no preventative care. Please consider increasing the funding in order to provide a basic preventative package as well as core prosthodontic services to better serve those who have had no oral health care for 13 years and now are faced with catastrophic oral health complications.

Extension of Medicaid post-partum coverage from 60 days to 12 months. The extension would help to address the vast health needs of women during the post-partum period, which lasts for a year. This period is critical to ensure the health of mothers, their ability to work and care for their child. Covering women for 12 months following the end of their pregnancy ensures that they will not fall into gaps of coverage in a time when they are vulnerable.

Founded in 1994 by Hawai'i's community health centers, AlohaCare is a community-rooted, non-profit health plan serving over 80,000 Medicaid and dual-eligible health plan members on all islands. We are the only health plan in Hawai'i that exclusively serves Medicaid beneficiaries. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating for access to quality health care for all. We believe that health is about supporting whole-person care.

Stopping catastrophic healthcare events before they occur is an integral part of healthcare.

We are grateful for your consideration of funding these important services.

1357 Kapiolani Blvd., Suite 1250, Honolulu, Hawaii 96814
Call: 973-0712 • Toll-free: 1-877-973-0712 • Fax: 808-973-0726 • www.AlohaCare.org

March 10, 2022

Representative Sylvia Luke, Chair

Representative Kyle T. Yamashita, Vice Chair
House Committee on Finance



Working together for Kapolei

**RE: HB 1600 – Relating to the State Budget – IN SUPPORT
March 10, 2022; 1:30 p.m. via Videoconference**

My name is Kiran Polk, and I am the Executive Director of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region including Waipahu, Kapolei, Ewa Beach, **Kalaeloa**, Nanakuli, Waianae and Makaha. The Chamber works on behalf of its members and the entire business community to improve the regional and State economic climate and help Kapolei businesses thrive. We are a member- driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

We respectfully submit testimony in support of HB 1600 as noted below, which adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

The Kapolei Chamber is in **strong support of Item No. 35 BED 150, \$12,125,000 for the capital improvement of Saratoga Avenue (in Kalaeloa) to the Hawaii Community Development Authority (HCDA).**

West O’ahu’s growing population of almost 200,000 includes the Waianae Coast, Ewa, and Waipahu and Kalaeloa. **Decades ago, the City and County of Honolulu adopted a goal of creating a “Second City” and moving residential and economic growth toward West O’ahu including areas like Kalaeloa.** The State adopted a similar long-standing policy to redirect growth away from Honolulu and toward Kapolei. To match this dynamic growth the emergence of new job centers in West O’ahu is essential to keep pace with the population growth. The planned development in HCDA’s 3,700-acre Kalaeloa Master Plan will play a key role in providing these job centers in Kalaeloa. **Upgrades to aged infrastructure including bringing electricity down Saratoga Avenue is essential for the development of these job centers and economic development in Kalaeloa.**

Thank you for the opportunity to provide testimony.

Respectfully,

A handwritten signature in black ink, appearing to read "K. Polk".

Kiran Polk
Executive Director

National Federation of the Blind of Hawaii
Testimony before the Committee on Finance (FIN)
Hawaii State House of Representatives
Thirty-First Legislature, Regular Session of 2022
March 10, 2022, 1:30 PM, hearing on HB1600

Good afternoon chair Luke, vice chair Yamashita, and members. I am James Gashel, representing the National Federation of the Blind of Hawaii, asking that funds for 11 positions at the Division of Vocational Rehabilitation be restored.

Members of the NFB of Hawaii are blind people. We are organized to provide a voice to express the needs and views of blind people. We are not affiliated with the state, and we do not represent the interests of the state or the interests of state employees. We are ordinary citizens in the community who happen to be blind.

Last spring, just as the legislature adjourned, and the budget was on the governor's desk, we were shocked to learn that the budget included a cut of 11 positions at the Department of Human Services, Division of Vocational Rehabilitation (DVR). Four of the unfunded positions were in the Services for the Blind branch, called Ho'opono. It happened that these positions were unfilled for many months and could not be filled due to the pandemic-related hiring freeze.

We understand the circumstances, but you need to know that these cuts have had a disproportionate negative impact on Ho'opono's capacity to serve the blind in terms of responsiveness and timeliness. More to the point right now, the negative impact from continuation of these cuts at DVR and Ho'opono will be magnified many times over as these direct service programs are again able to open their doors.

Ask anyone who becomes blind midway in life, and you will learn that blindness can happen at any time to anyone, but it need not be the end of productive living. Training to learn, work, and live without sight is an absolute necessity to live with sight loss. Independent mobility is not the only, but perhaps the most important, skill to learn. No teachers, no training, no independence and limited future hope. Ho'opono is supposed to be all about making things right, but a two-year pandemic combined with staff cuts make it mighty hard to fulfill that promise to the blind of today and tomorrow.

As you may know, 78.7 percent of the money spent for DVR comes from the federal government. Over \$12 million comes to Hawaii for this program, provided Hawaii meets the required 21.3 percent state match. The federal vocational rehabilitation agency is the U. S. Department of Education, Office of Special Education and Rehabilitative Services, Rehabilitation Services Administration (RSA).

According to RSA, Hawaii had to return \$675,367 to the federal government in funds that were matched but unspent last year. Why did this happen? It's not our kuleana to explain this, but

having 11 unfunded positions has to be part of the answer. The point is, state cuts to DVR are a false economy, especially when we have to send money back to Washington, DC. State cuts to DVR are also a false economy when people with disabilities needing services are left without help.

Services provided by DVR and Ho'opono mean more productive and less dependent lives for disabled and blind people. This is a net gain for the people involved and the taxpayers too. Therefore, NFB of Hawaii strongly supports full funding of the DVR positions not funded in the budget last year. Mahalo for understanding the need and this request.

Date: March 9, 2022

To: House Committee on Finance
Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair

From: Early Childhood Action Strategy

Re: **Comments on HB1600, Relating to the State Budget**

Early Childhood Action Strategy (ECAS) is a statewide cross-sector collaborative designed to improve the system of care for Hawai'i's youngest children and their families. ECAS partners work to align priorities for children prenatal to age eight, streamline services, maximize resources, and improve programs to support our youngest keiki.

ECAS supports the intent of HB1600 and wishes to highlight the need for the following budget requests in relation to their alignment with ECAS' specific goals to ensure healthy births and the on-track development, school-readiness, and third-grade learning proficiency of children:

- HMS 211: ECAS supports the increases in Temporary Assistance for Other Needy Families funding by \$4,021,809 for Cash Support for Families – Self-Sufficiency to increase benefits payments. Our families with young children are facing exponential financial stress with rising costs and meeting basic needs like food, housing, medical supports and child care.
- HMS 236: ECAS supports the increases to personal services by \$797,151 in general funds and decrease personal services by \$83,710 in federal funds to restore and adjust salaries for 35.00 permanent positions that were defunded by Act 9, SLH 2020, and Act 88, SLH 2021 to address staff shortages and impacts to delivery of services.
- HMS 301: ECAS requests increasing the Spouse and Child Abuse Special Fund ceiling by \$5,000,000 in special funds for Child Protective Services to provide prevention services and programs to minimize the number of children entering foster care. To address staff shortages, ECAS supports increasing personal services by \$4,897,157 for Child Protective Services to address payroll shortfalls caused by reduced federal fund reimbursements.
- HMS 401: ECAS supports increases to Medicaid health care payments by \$15,864,124 in general funds and \$10,177,219 in federal funds to provide additional home- and community-based services, extend post-partum categorical coverage, and restore adult dental benefits.
- EDN 100: ECAS supports funding for Hawaii Language Immersion programs and recruitment and retention strategies, given the workforce shortages we are experiencing and the impacts they have to our keiki's education. \$103,884 for the Hawaiian Language Immersion Program; \$61,216 for the Hawaii Language Immersion Program; \$32,500,000 for Teacher Recruitment and Retention will cover costs for teacher shortage differentials, which have helped DOE address labor shortages for licensed special education teachers, licensed teachers to teach in hard-to-staff geographical locations, and licensed Hawaiian Language Immersion teachers.
- EDN 150: ECAS supports funding for our keiki with special needs, supporting \$197,904 for Services for Children with Autism; \$193,740 for Targeted Technical Assistance; and \$97,202 for District Special Education Services will restore general fund salaries for positions that were converted to temporary federal funds via Act 88, SLH 2021

- EDN 200: ECAS supports restoration of funds, specifically related to Homeless Concerns, as homeless families are our highest need population. \$1,731,083 to restore cuts made at the beginning of the COVID-19 pandemic will help avoid reductions to school-level resources. To include specifically, \$103,884 for Homeless Concerns.
- HTH 560: ECAS supports the additions to both Early Intervention Services and Perinatal Support Services and Family Planning Services, enabling the Department to both meet federal mandates, but to also ensure quality services for some of our highest need keiki and `ohana. HTH 560 adds \$3,601,533 for additional funds for federally mandated delivery of Early Intervention Services; Adds \$1,301,931 to restore funding for Perinatal Support Services and Family Planning Services.

ECAS offers comments on the following budget request provisions of HB1600:

- HMS 302: ECAS does not support DHS' request for 25 positions to bring both the Child Care Connection Hawai'i and Preschool Open Doors subsidy programs in-house without further justification and analysis for how this move would improve the effectiveness of the two subsidy programs. We urge DHS to address policy and procedural barriers, including issues related to availability of information and required documentation, and to create a plan to improve the overall subsidy application processes.
- HMS 305: ECAS requests an increase of funding to support the Preschool Open Doors (POD) subsidy program. During the 2021 legislative session, POD's budget was reduced by 60%, resulting in a decrease in the number of children POD could serve from 1,100 to less than 600. Restoration of funding for this program is critical to serving children and families who otherwise may not be able to afford tuition at early learning programs.
- EDN 612: ECAS requests restoration of the State Public Charter School Commission's budget to the same funding appropriation as the FY 20 budget, in order to restore seats in the Charter School Commission's Early Learning program lost to budget cuts.
- EDN 700:
 - ECAS supports the request for an appropriation ceiling for the Early Childhood Educator Special Fund, which will provide up-front funding to eligible students pursuing early childhood coursework and credentials. Education stipends such as these are a critical measure designed to aid in the recruitment, education, and retention of the early care and learning workforce, which the state is in dire need of bolstering to meet expansion goals.
 - ECAS also requests adoption of the contents of HB1939, requesting 2 FTEs for the Executive Office of Early Learning (EOEL) to assist with contracting/financial management related to expansion of early learning programs and services. Increased staffing is critical to enhancing the capacity of EOEL at a pivotal point in the recovery and potential expansion of the early learning system in Hawaii.

Thank you for this opportunity to provide comments for your consideration.



Committee: Committee on Finance
Hearing Date/Time: Thursday, March 10, 2022 at 1:30pm
Place: Via Videoconference
Re: *Testimony of the ACLU of Hawai'i: Comments in Opposition to PSD's Request for \$15 MIL to build a new jail and Support for Increased Appropriations for Alternatives to Incarceration*

Dear Chair Luke, Vice Chair Yamashita, and Committee Members:

The American Civil Liberties Union of Hawai'i ("ACLU of Hawai'i") offers comments on HB 1600 Relating to the State Budget. This measure adjusts and requests appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

The ACLU of Hawai'i is committed to transforming Hawaii's criminal legal system and building a new vision of safety and justice. We advocate for the State to shift spending priorities away from mass criminalization and incarceration that disparately impacts Native Hawaiians, Pacific Islanders and Black people and low-income people towards rehabilitation, education, housing, health and human services in the community. This systems-change approach through data driven strategies would address the drivers of incarceration, and significantly reduce the incarcerated population in Hawai'i. In turn, this will resolve the issue of overcrowding, and avert the purported justification for building new and expanding jails and prisons – including Oahu Community Correctional Center ("OCCC").

For the reasons outlined below, the ACLU requests that this Committee **withhold the \$15 million dollars capital project requested by the Department of Public Safety** listed as Item No. 3. OCCC New Housing and Support Facilities Oahu.¹ Jails and prisons are poor investments, when you consider the exorbitant costs and the return of the investment – high recidivism rates. Moreover, while the full cost to build a new jail is estimated to be close to \$1 billion, the amount of construction, pales in amount to operational costs in the future.

Simultaneously, we urge this Committee to **increase appropriations for data driven strategies and programs that divert people from our criminal legal system, reduce the number of people in our jails and prisons, and provide comprehensive reentry support to enhance opportunities for success as people exit our jails and prisons.**

¹ This project is described as follows: "Plans, land, design, construction and improvement for a new Oahu Comm. Corr. Center (OCCC) in Halawa Valley Oahu to include the required professional services to perform infrastructure, ground and site improvements, including demolition work, new furniture, fixtures and equipment, and related costs and services as required for the project."

Data Driven Strategies Have Proven Effective in Reducing Jail and Prison Populations

The Hawai'i Legislature has created multiple task forces, an Oversight Commission, and a Criminal Justice Research Institute, for the purpose of examining the state's criminal justice system, and the Legislature should heed these groups' recommendations. **The H.C.R. 85 Task Force and the Hawai'i Correctional Oversight Commission both recommended that the State immediately halt plans for the costly new jail to replace OCCC until meaningful changes to our criminal legal system have been implemented.** This is necessary to shift the State's corrections system to a rehabilitative and therapeutic model. Halting construction of the jail is also fiscally wise. The Oversight Commission estimated that "each bed in the new jail would cost taxpayers \$380,000 and the cost of housing a large number of pretrial detainees statewide is over \$180,000 per day."

As outlined in *Blueprint for Smart Justice Hawai'i*², Hawai'i can dramatically reduce its incarcerated population by implementing just sensible reforms:

- Invest in alternatives to incarceration that divert people from jails and prisons.
- Prioritize criminal pretrial justice reform and end Hawaii's overreliance on cash bail.³
- End the expansion of the criminal code and supporting decriminalization.
- Eliminate mandatory minimum sentences.
- Reduce parole and probation revocations through reforms that would prohibit incarceration for technical violations and an earned time credit to incentivize compliance with community supervision conditions.⁴

Other states have achieved substantial reductions in its incarcerated populations through data-driven policy reforms, high profile leadership, bipartisan support, inter-branch collaboration, and community engagement. These demarcation strategies were successful in New Jersey, Connecticut, Michigan, Mississippi, Rhode Island, New York, California, and South Carolina, as outlined in "*Demarcation Strategies: How 5 States Achieved Substantial Prison Population Reductions*" (2018) and "*Fewer Prisons, Less Crime: A Tale of Three States*" (2014) by The Sentencing Project.

² https://www.acluhi.org/sites/default/files/SJ-Blueprint-HI_1.pdf

³ See SB2778/SB2871 and HB2017 Relating to Pretrial Release (2022). These bills will establish a presumption that a person charged with a crime is entitled to unconditional release unless proven otherwise and requires the consideration of nonfinancial conditions of release before bail is ordered. See also, *Hawaii's Accused Face an Unequal Bail System: As Much Justice As You Can Afford*, ACLU Smart Justice, ACLU Hawaii (January 2018). <https://www.acluhi.org/sites/default/files/2018/01/aclu-of-hawaii-bail-report.pdf>

⁴ See SB2514/ HB 2344 Relating to Probation and HB2342 Relating to Parole (2022). These measures would create a good time credit system, by which persons under probation and parole supervision may reduce their sentence through compliance with conditions of community supervision. The bills would also prohibit incarceration for certain technical violations.

Comprehensive Criminal Pretrial Reform in Hawai'i Remains Incomplete

Before moving ahead with plans for a costly new jail, Hawai'i must dramatically change its approach to corrections. This starts with reforming our pretrial system. Pretrial incarceration is one of the major drivers of overcrowding in Hawai'i's jails. Currently, **roughly 1003 out of 1736 or 58% of individuals in Hawai'i's jails have not been convicted of any crime and are merely awaiting trial, most often because they cannot afford the amount of bail set in their case.**⁵ While recent changes to pretrial practices are steps in the right direction, there is a long way to go before Hawai'i can claim to have substantially ended its reliance on cash bail and reformed its pretrial system.

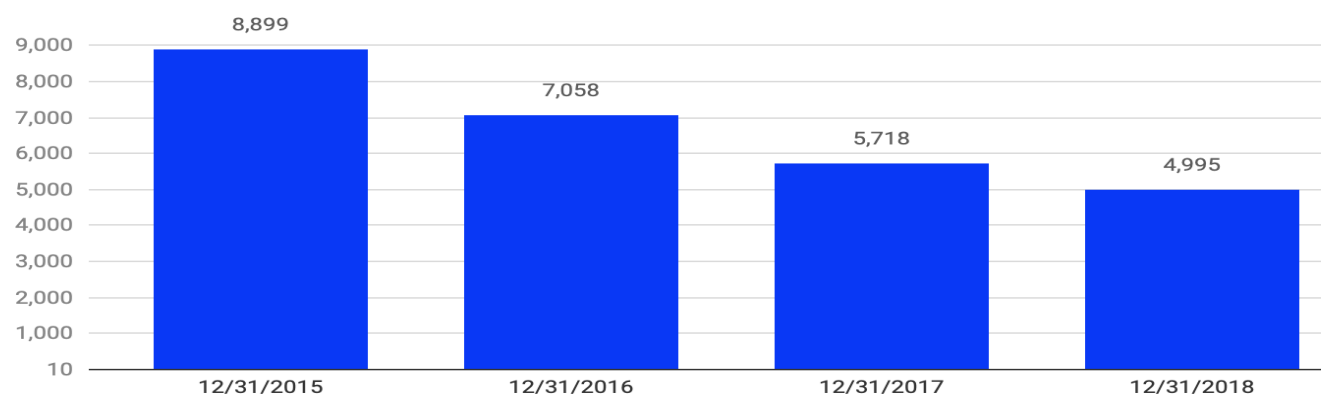
In fact, Hawai'i lawmakers still have an opportunity this session to enact comprehensive criminal pretrial reforms by incorporating provisions from HB 2017 into HB1567 HD1, that would be in greater alignment with New Jersey's successful reforms to its criminal pretrial system.

Prior to comprehensive pretrial criminal legal reforms in New Jersey, nearly 75 percent of the 15,000 individuals sitting in New Jersey jails were there not because they had been convicted of a crime — but awaiting trial or sentencing. The average length of incarceration for pretrial inmates was more than *10 months*. The cash bail system was mostly to blame, as nearly 40 percent of the total jail population had the option to post bail but lacked the money to do so.⁶

Since the enactment of comprehensive criminal pretrial reforms in New Jersey, the pretrial jail population decreased by nearly 44%.

Nonsentenced Pretrial Jail Population

The pretrial jail population in New Jersey has experienced a 43.9% decrease since Dec. 31, 2015.



These numbers provide a preliminary summary of Criminal Justice Reform data. Statistics continue to be reviewed, revised, and validated.

Source: [New Jersey Courts - Get the data](#)

⁵ Department of Public Safety, Weekly Population Report, January 24, 2022.

⁶ <https://www.arnoldventures.org/stories/new-jersey-set-out-to-reform-its-cash-bail-system-now-the-results-are-in/>

Research also showed that court appearance rates in New Jersey remained high (a slight decrease from 92.7 percent in 2014 to 89.4 percent in 2017) while the rate of alleged new criminal activity stayed low (a statistically insignificant increase from 24.2 percent in 2014 to 26.9 percent in 2017).⁷ Defendants released under bail reform were no more likely to be charged with a new crime or fail to appear in court than defendants released on bail under the old system.

An independent third party research center, the MDRC (Manpower Demonstration Research Corporation), analyzed the findings of the New Jersey Judiciary Report and concluded that New Jersey's reform has been successful. New Jersey nearly eliminated money bail and released more defendants on complaint-summons and without conditions; resulting in far fewer people in jail awaiting trial.⁸

If lawmakers have the will to enact comprehensive criminal pretrial reforms, Hawai'i will likely experience a 30-40% reduction in the pretrial population within 3-4 years. In turn, this would reduce the incarceration population below the operational and design capacity of each jail and prison, and there would be no justification for building a new jail.

Reducing the carceral population through criminal pretrial (bail) reforms would save taxpayers the high costs associated with incarceration. **Hawai'i currently spends \$219 a day or nearly \$80,000 a year to incarcerate an adult in our jails and prisons.** For comparison, **we spend less than \$10,000 to educate a child within our public schools.**

Cost-savings from reducing the incarcerated population, and averting jail construction would be better invested in strategies, programs and policies that have proven effective in helping people to rebuild their lives and become contributing members of their families and our community.

Hawai'i Lawmakers Have An Opportunity to Avert Jail Construction and Invest in Alternatives to Incarceration

Hawaii's families will continue to bear the human and financial cost of incarceration until we implement meaningful, community-based solutions and alternatives to incarceration.

Countless research, from university-based studies to reports from street-level service providers, find time and time again that approaches that use community-based solutions to harm and violence, have exponentially better outcomes. Outcomes that keep families intact, assist loved ones to overcome the hardships of substance use, reduce the likelihood of repeated harm, increase community stability—rather than locking people up.

Prior to authorizing any new correctional facility, the Legislature should implement the recommendations presented by community members, civil rights and criminal legal reform experts, and the task forces and commissions that it created for the purpose of proposing changes to our corrections system.

⁷ *Id.*

⁸ *Id.*

For the above reasons, the ACLU of Hawai'i requests that this Committee withhold the \$15 million capital improvement appropriation requested by the Department of Public Safety. We also request that you increase appropriations for the following:

- Diversion Programs
- Culturally based Support Services and Family Strengthening Programs (i.e. Ho'omau Ke Ola, OHA, Family Visitation Pilot Project at Waiawa prison)
- Substance Use Treatment Programs (i.e. Salvation Army, Hana Makua, Ho'omau Ke Ola, Aloha House, BISAC, Habilitat, etc.)
- Health and Behavioral Health Programs (i.e. Hawai'i Health Harm Reduction Center, etc.)
- Employment training and support (i.e. Alu Like, Work Net, Maui Economic Opportunity, Inc., etc.)
- Education and support services (i.e. GED, higher education, books, etc.)
- Community based work-furlough programs (i.e. YWCA Fernhurst and Going Home Hawai'i)
- Housing assistance and Clean and Sober/Transitional Housing (i.e. YWCA Fernhurst, Going Home Hawai'i Men of Pa'a, Habilitat, Aloha House, Mental Health Kokua, etc.)
- Reentry/Reintegration Programs (i.e. Maui Economic Opportunity, Inc.'s BEST Reintegration Program, Waikiki Health Center's Prison Pu'uhoonua Project, YWCA Fernhurst, Going Home Hawai'i, Men of Pa'a, First LAP, Hawaii Health and Harm Reduction Center, Aloha House, Mental Health Kokua, Mental Health America, Share your Mana, Inmate Initiative, etc.
- Restorative Justice programs - Hawai'i Friends of Restorative Justice, etc.

Thank you for the opportunity to testify on a budget that supports systemic changes.

Sincerely,

Carrie Ann Shirota

Carrie Ann Shirota
Policy Director
ACLU of Hawai'i
cshirota@acluhawaii.org

American Civil Liberties Union of Hawai'i
P.O. Box 3410
Honolulu, Hawai'i 96801
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The mission of the ACLU of Hawai'i is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawai'i fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawai'i is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawai'i has been serving Hawai'i for over 50 years.



March 10, 2022

House Committee on Finance

Strong SUPPORT of fully funding Adult Dental Medicaid Benefits in HMS401

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the House Committee on Finance:

Please SUPPORT the comprehensive restoration of Adult Dental Medicaid Benefits by placing an appropriate amount in the State budget for sustainable funding.

This is an opportunity to help build the infrastructure to remedy over a decade of untreated oral disease in Hawaii.

A comprehensive restoration of benefits would be Option 3 as indicated in the previous bill version. It is also important to note that the cost estimates from the ADA HPI study were based on 120,000 adults enrolled in Medicaid. The 2022 enrollment exceeds 200,000 adults.

Please consider these points and **SUPPORT the comprehensive restoration** of Adult Dental Medicaid Benefits as a **budget item for DHS/MQD**.

- Oral health is a vital part of overall health.
- Comprehensive dental coverage is part of any responsible health plan.
- This recurring budget will rebuild the Medicaid Dental Provider infrastructure.
- Decreased funding results in less access, less services, and inadequate health outcomes.

- The cost estimates based on the list of covered services clearly show that any option less than 3 would result in patients unnecessarily losing teeth should DHS choose to align covered services with the HPI study.
 - Options 1 and 2 do not cover root canals, partial dentures, or crowns. The only options for replacement of missing teeth would be the consideration of removing more teeth to have a full denture (this is a highly undesirable option by patients and providers).
 - According to the HPI study, if funding levels are less than Option 3, DHS would have to budget for a limited range of services. This would result in the unnecessary loss of teeth.

Mahalo,

Anthony S. Kim, DMD

Dental Director

Waimanalo Health Center



To: The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair
Committee on Finance

Re: **HB 1600 – DHS/MQD HMS 401 – RELATING TO THE STATE BUDGET**

Hearing: Thursday, March 10, 2022, 1:30 p.m., Conference Room 308 & Via Video-conference

Position: Strong support.

Aloha Chair Luke, Vice Chair Yamashita and Members of the Committee on Finance:

The Health Committee of the Democratic Party of Hawai'i strongly supports HB 1600 – DHS/MQD HMS 401. We humbly request that HMS 401 be passed in your committee. HMS 401 would appropriate funds to reinstate the basic package of diagnostic, preventive, and restorative dental benefits, including Option 2 prosthodontic services, to adult Medicaid enrollees.

Adult dental care is a critical service for our vulnerable populations of 400,000 residents who rely on Medicaid for their health insurance, especially Native Hawaiians and Pacific Islanders who are disproportionately represented in emergency room visits for dental-related diagnoses.

In 2009, during the massive budget cuts to state programs, routine adult dental care was dropped from Medicaid and never restored; coverage was instead reduced to emergency-only care, limited to pain relief, injuries, trauma, and tooth extraction.

The lack of preventive and restorative dentistry services for adult Medicaid beneficiaries increases potential health care complications for persons with co-existing chronic disease, like diabetes and heart disease; thus, poor oral health, and co-existing conditions have been shown to lead to increased disability and death.



March 10, 2022

Page 2

Per a 2021 study by the Hawaii Oral Health Coalition with the University of Hawaii's John A. Burns School of Medicine, between 2016 and 2020, 29,536 adults visited the ER with a dental-related diagnosis at a cost of \$54.37 million, of which \$21.7 million was paid by Medicaid; this was a high cost and burden on emergency rooms, and an even greater societal cost causing much human suffering.

Since 2010, Hawaii has received a failing grade of "F" in three oral health report cards by the Pew Center due to multiple policy and systems issues that have left the real health of Hawaii's families and children worse than the rest of the nation.

A disproportionate number of Medicaid enrollees ages 21 to 44 years use the ER for emergency dental services; however adult Medicaid beneficiaries represent only 25% of Hawaii's population but represent 47% of all dental services provided by emergency rooms.

In February 2020, the American Dental Association's Health Policy Institute and Hawaii DHS's MedQuest division found a medical care cost savings of \$1.9 million to \$5.3 million per year attributable to a reduction in ER visits for dental conditions and reduced medical care costs among beneficiaries with diabetes, coronary artery disease, and pregnancy.

Medicaid coverage for dental benefits should be reinstated to cover diagnostic, preventive, restorative services, including Option 2.

The Health Committee of the Democratic Party of Hawaii urges the restoration of Medicaid's dental services, including prosthodontic services, as soon as possible and humbly requests that HB 1600 – DHS/MQD HMS 401 be passed out of Committee for third reading.

Mahalo nui loa,

Melodie Aduja, Chair

Stephen Kemble, M.D.

Marion Poirier, R.N., Vice Chair

Alan Burdick, Esq., Treasurer

Charley Ice

Dennis Miller

and Members of the Health Committee of the Democratic Party of Hawaii



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair
Members, House Committee on Finance

From: Jace Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: March 10, 2022

Re: Comments on HB 1600: Relating to the State Budget – DCCA/Professional and Vocational Licensing Office.

The Queen's Health Systems (Queen's) is a not-for-profit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, 66 health care centers and labs, and more than 1,600 physicians statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to testify in support of the request by the Department of Commerce and Consumer Affairs (DCCA) to increase capacity at the Professional and Vocational Licensing Office. Funding for these additional positions will allow licenses to be reviewed and approved at a much higher rate, which will contribute to growing our key medical providers such as physicians and nurses to care for patients in Hawai'i. Despite the drop in COVID patients in Hawai'i's hospitals, we continue to experience a high rate of patients seeking medical attention for non COVID related issues. We must not pass on this opportunity to ensure a strong clinical workforce to care for Hawai'i residents in need.

Thank you for allowing The Queen's Health Systems to provide testimony on HB 1600.

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

HB-1600

Submitted on: 3/9/2022 7:25:26 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Louis Erteschik	Hawaii Disability Rights Center	Support	Written Testimony Only

Comments:

Hawaii Disability Rights Center strongly supports the funding of HTH 520, position number 101851, the Communication Access Specialist (CA). This position is vital to equal access under the Americans with Disabilities Act for Deaf, Hard of Hearing and Deaf-Blind individuals. The Hawaii Disability Rights Center assists many people with communication access issues. We frequently observe the challenges these individuals face daily in accessing oral and written communication. It leads to much misunderstanding, confusion and legal issues. The information the CA specialist provides to Deaf, Hard of Hearing and Deaf-Blind persons and to state and community agencies is essential. The requests for information are frequent. Our staff at HDRC often rely on this position as the best source of legal and accessible information.

The CA position also tests and provides credentials statewide for sign language interpreters who provide services to D, HH and D/B individuals. This increases the number of interpreters in our state available to provide services. This position also provides continuing education credits to interpreters to assist them in maintaining their qualifications.

Thank you for funding this position..



KŌKUA KALIHI VALLEY COMPREHENSIVE FAMILY SERVICES

2239 N. SCHOOL STREET ♦ HONOLULU, HAWAII 96819 ♦ TEL: 808-791-9400 ♦ FAX: 808-848-0979 ♦ www.kkv.net

To: House Committee on Finance

Hearing Date/Time: Thursday, March 10, 2022, 1:30 PM

Re: HB 1600-DHS/MQD HMS 401 (Funds for Option 2 dental coverage for adults on Medicaid)

Dear Chair, Vice Chair, and committee members,

Thank you for the opportunity to *testify in support* on HB 1600-DHS/MQD HMS 401 relating to adult dental Medicaid benefits. I strongly support this bill and urge funding at the Option 2 level. I also respectfully request that the funds be placed in the line item budget under DHS/MQD HMS 401, so that this is treated as a sustainable program rather than one year of funding with an uncertain future.

In 2009, Hawaii eliminated diagnostic, preventive and restorative dental services for adults on Medicaid. Hawaii is currently one of only 13 states that provide emergency care only. Since 2009, we have seen increased emergency department (ED) utilization, particularly by Medicaid recipients, and increased costs related to otherwise preventable conditions.

The Hawaii Med-QUEST Division and the State Legislature received the Hawaii-specific fiscal analysis from the Health Policy Institute of the American Dental Association in February 2020 that projected both costs and cost benefits to restore Hawaii adult dental benefits. Three options for reinstating dental benefits were provided at that time.

It is recommended that the House advocate for Option 2, which would enable Medicaid recipients to get a range of diagnostic, preventive and restorative services, as well as basic prosthodontic and periodontal services, as needed. The difference in State funding would be \$8,823,781 in state funds for option 2, versus \$3,466,328 in State funds for option 1. Federal funding would provide the remainder of the costs under the Federal Medicaid Assistance Percentage (FMAP). Limited coverage under option 1 would be capped per recipient and may only cover an annual exam, fluoride treatment, bi-annual cleanings, one set of bite wing X-rays per year and one non-emergency tooth extraction or filling per year. Reinstating coverage to the second option makes more sense, given the high costs paid for poor oral health exacerbated conditions and visits to the ER for acute dental care. What is important to note that this fiscal analysis also projects that over time, additional medical care cost savings are expected due to health status improvements in cooccurring health conditions such as diabetes, heart disease, pregnancy, and fewer ER visits for services

Thank you for your time to testify in support of this bill,

David Derauf, MD, MPH

Executive Director

Kokua Kalihi Valley Comprehensive Family Services

Providing Medical & Dental Services, Health Education, Family Planning, Perinatal, WIC and Social Services to
Kalihi Valley residents since 1972. Neighbors being neighborly to neighbors.

Item: HB 1600-DHS/MQD HMS 401 (Funds for Option 2 dental coverage for adults on Medicaid)

Hearing Date &Time: Thursday, March 10, 2022, 1:30pm

Committees: House Finance Committee

Testifier: Steven C. Pine D.D.S.

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the House Finance Committee,

I, Dr. Steven Pine, DDS, currently work as the Dental Director at West Hawaii Community Health Center (WHCHC).

At WHCHC we believe that oral health indicates much more than simply healthy teeth, as the mouth can be both a cause and a window to individual and population health and well-being. Oral health is critical to general health and well-being as the mouth is the gateway to the rest of the body, providing clues about overall health. It is sometimes the first place where signs and symptoms of other diseases are noticed. Causes of poor oral health are complex and access to dental care for adults is crucial for overall health and well-being. However, adults in West Hawaii are less likely to see a dentist than adults on average for the state. 35.6% of West Hawaii adults have had no dental care compared to the state rate of 29%. In addition, higher rates of ER visits with a dental-related diagnosis were found for both Hawaii County and Kauai County in 21–44-year-old patients.

Between 2016 and 2020, Medicaid recipients averaged 2,700 emergency room visits per year for acute oral health conditions, totaling \$21,700,000 in charges for outpatient emergency room services alone. Neighbor island ERS on Hawaii island and Kauai have higher rates of ER use for acute dental conditions.

Limited coverage under option 1 would be capped per recipient and may only cover an annual exam, fluoride treatment, bi-annual cleanings, one set of bite wings radiographs per year and one non-emergency tooth extraction or filling per year. As a provider who actually treats patients, the dental needs of these patients far exceed this basic requirement.

The difference in State funding would be \$8,823,781 in state funds for option 2, versus \$3,466,328 in state funds for option 1. Federal funding from would provide the remainder of the costs of the benefits under the Federal Medicaid Assistance Percentage (FMAP).

Fiscal analysis also projects that over time, additional medical care cost savings estimates range from \$1.9 million per year to \$5.3 million due to health status improvements in cost-occurring acute and chronic diseases.

I respectfully request your support for allocating **HMS 401 funds to DHS/MQD for option 2** dental coverage for adults on Medicaid. I would ask that the funds be placed in the line item budget under **DHS/MQD HMS 401**, so that this is treated as a sustainable program instead of just one year of funding with an uncertain future.

Thank you for the opportunity to testify.

March 1, 2022

Senator Donovan M. Dela Cruz
Ways and Means Committee
Hawai'i State Legislature
Honolulu, Hawai'i 96813

Bill Number SB3338 SD1

Wednesday, March 2, 2022 10:15 a.m. - Room 211

Written Testimony DeGraz
Vander Vrit

Finance Committee Hearing
Feb 10, 2022 1:30 PM
HB 1600 - ^{Provided} oral testimony
also

Strong Support for SB3338 SD1, for the \$5 million construction funding for the Kalaupapa Memorial.

Aloha Chair Dela Cruz, Vice Chair Keith Agaran and Members of the Ways and Means Committee

I am writing this support letter as a founding member of Ka 'Ohana O Kalaupapa ('Ohana) in 2003. I currently serve as a Board member and as Secretary of the organization. I have also had the privilege of representing Santa Claus at Kalaupapa's annual Christmas party for over a quarter of a century.

My letter is also written in remembrance of the many friends I was fortunate to have at Kalaupapa, who have passed away. The Memorial project was their dream, a dream that they fostered over the years with the support of their extended family members and long-time friends of the Kalaupapa community.

At the beginning of 2021 there were 12 residents living with the right to live at Kalaupapa. Today only 9 remain. In 2021 the community lost three heroes— Makia Malo and Barbara Marks, both founding members of Ka 'Ohana O Kalaupapa and Ka Ohana President, Clarence "Boogie" Kahilihiwa. They like so many who have passed away would have wanted to be present at the unveiling of the completed Memorial, a tribute to all their brave peers who sacrificed so much for the perceived betterment of society. The Memorial is a long overdue and well deserved honor.

The attached exhibit includes strong statements from those residents who have passed away expressing why it was important to them to see a completed Memorial in their lifetime. The exhibit also references a letter dated August 23, 1960 to the residents of Kalaupapa from Helen Keller in which she expresses the following sentiment: *"For many years I have read with affection about you and my heart goes out to in this message. You are among the bravest people of whom I know."*

The Memorial will include the names of all the approximate 8,000 individuals who were forcibly separated from their families and lives and sent to Kalaupapa—individuals from all walks of life and from all islands throughout the State. This is reflected on a short video on the 'Ohana website (www.kalaupapaohana.org). The video earned a historic preservation award from Historic Hawaii Foundation, one of six such awards the organization has bestowed on Ka 'Ohana for its historic preservation work at Kalaupapa.

Less than 1,000 of the individuals who died at Kalaupapa still have a marked grave that can be identified. Nearly 7,000 rest in unmarked graves and their names are no longer part of the landscape where they lived together and built a community under the most difficult of circumstances.

The Most Reverend Larry Silva, Bishop of Honolulu wrote, *"The Memorial would serve as a kind of communal "tombstone" so that all buried on the Peninsula, whether in marked or unmarked graves could be remembered.*

It would serve as a communal tombstone for these thousands of people, more than 90 percent of whom were Native Hawaiians, to ensure that they are an integral part of the history that they helped to create.

The Memorial would also provide family members with a fitting place to pay tribute to their ancestors and find pride and healing. Time is of the essence for this project as there are not many Kalaupapa patient residents remaining. The small remaining population is elderly. It would be ideal to establish the Memorial so that the patient residents can see it become a reality."

I noticed in the testimony submitted by architect Hitoshi Hida that he included some beautiful renderings he drew of the Memorial's final design. I have attached one of those renderings. The design has been praised statewide.

Ka 'Ohana has been fortunate to have many highly respected professional firms involved in the Memorial project. These include, among others, G70 International, an award-winning design firm of architects, and civil engineers; Munekiyo and Hiraga, a planning consultancy and project management firm; Goodfellow Brothers, serving as the contractor for the Memorial project; Donald J Stastny, an architect who was involved in coordinating the design development for several major projects, including the Flight 93 and Oklahoma City memorials; R.M. Towill surveyors, who provided all the survey work maps for the Memorial site and Carbonaro CPA and Management Group.

A tremendous amount of time, effort and investment has been made to bring the Memorial to the point where it is today. The time to move is now and we are hopeful that your Committee will support the requested \$5,000,000 budgeted for construction of the Kalaupapa Memorial.

The 'Ohana is also planning to raise an additional \$5,000,000 from the private sector to establish an endowment fund to ensure that the Memorial will be maintained in a pristine condition in perpetuity . The endowment will also assist to sustain Ka 'Ohana's highly successful community outreach programs, including our "Restoration of Family Ties" program, which has enabled our organization to reconnect over 900 families with their Kalaupapa ancestors.

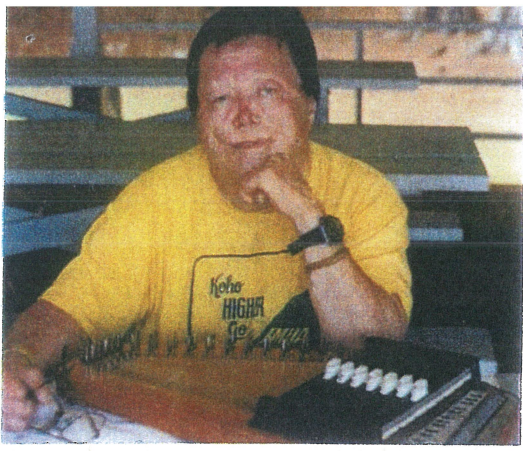
I have attached the testimonies of Kalaupapa residents from the Senate's Labor, Culture and the Arts (LCA) hearing, due to the short turnaround time between the Ways and Means Committee hearing.

I respectfully request again for your support of SB3338 SD1 and the \$5,000,000 allocation it promotes for the construction of the Kalaupapa Memorial. Mahalo.

Sincerely ,



DeGray Vanderbilt



"You have to hear the voices to feel the people. You have to know their names. If you don't say the names, it's like something has been lost."

—**Bernard K. Punikai 'a**, songwriter, musician and human rights activist, sent to Kalaupapa in 1942.

Photo: Valerie Monson



"When you see all the names on the Memorial, it will be like everyone from Kalawao and Kalaupapa is standing right in front of you. It will bring tears to my eyes."

—**Clarence "Boogie" Kahilihiwa**, President of Ka 'Ohana O Kalaupapa, taken from his family in 1950 when he was 9, the fourth child his parents were forced to give up.

Photo: Valerie Monson



"I think we deserve to be remembered. We are part of this world. We didn't want to be sent here. It was for the safety of other people that we were put away. Greater love hath no man than to give up his life for a friend. That's what we did."

— **Cathrine Puahala**, sent to Kalaupapa in 1942, a few years after being taken away from her family at age 9.

Photo: Valerie Monson



"I want to see a monument honoring the people of Kalaupapa before I die."

I want to see all the names. These people are my friends—even though many of them died before I came here and I didn't know them personally, in spirit we are all together. I know their hearts and souls."

— **Olivia Breitha**, author, sent to Kalaupapa in 1937. Mrs. Breitha died in 2006 on the day that these very words were read into the Congressional record in Washington D.C.

Photo: Valerie Monson

RESIDENTS EXPRESS THE IMPORTANCE OF THEM BEING ABLE TO SEE THE NAMES AT THE UNVEILING OF THE COMPLETED KALAUPAPA MEMORIAL

In a letter to Kalaupapa Residents Helen Keller wrote the following in 1961
"You are among the bravest people of whom I know"

All the "brave people" pictured will not be present when the completed Memorial is unveiled; Olivia passed away in 2006, Peter in 2007, Cathrine in 2008, Kuulei and Bernard in 2009 and most recently, Boogie in 2021.



"It is good for people to remember who were here before us. It is just like those who went to war and died, there are monuments with their names on it. My mother was also sent to Kalaupapa."

— **Peter Keola Jr.**, tour driver and musician, sent to Kalaupapa in 1940.

Photo: Valerie Monson



"Everybody's name... I want to see their names on the Memorial... I want my children and grandchildren and great-grandchildren to know that we were here."

—**Kuulei Bell** postmistress, first President of Ka 'Ohana O Kalaupapa, sent to Kalaupapa in 1956.

Photo: DeGray Vanderbilt



February 10, 2022

Senator Brian T. Taniguchi, Chairman, Labor, Culture and the Arts Committee

SB3338: Providing \$5 million for construction of The Kalaupapa Memorial
Monday, February 14, 3:10 p.m., Room 325

I write in strong support of SB3338

Aloha Chairman Taniguchi and members of the Labor, Culture and Arts Committee,

My name is Pauline Ahulau Chow. I have been a resident of Kalaupapa for 60 years. Three of my sisters who were sent to Kalaupapa before me are buried there.

The Kalaupapa Memorial is very important to me. I hope you help us make it happen.

I was a founding member of Ka 'Ohana O Kalaupapa in 2003. Ka 'Ohana was the idea of Bernard Punikai'a, one of the great leaders of our people. That first meeting of Ka 'Ohana brought together Kalaupapa patients, family members and our friends who often visit. It was an exciting time of knowing we could make a difference together -- and knowing that our families and friends would carry on for us in the future.

Since 2008, I have served on the Board of Directors of Ka 'Ohana; in 2009 I was elected as Vice President and have served in that office ever since.

It was at the first 'Ohana meeting in 2003 when we all decided that the Kalaupapa Memorial should be a priority of our new organization. We have been working on plans for the Memorial ever since. We are now looking at construction of the Memorial and truly hope this Committee will support this funding to honor and remember all the people of Kalaupapa who had to leave our

families to make new lives for ourselves.

I especially want to see the names of all the people who went before me, people who suffered far greater than I did. Many of those people never saw their families again. I also want to see the names of my sisters and other Ahulau 'ohang; the name of my late husband and the names of so many of my friends who have died at Kalaupapa.

Thank you so much for this opportunity to share my thoughts. I want to be able to attend the dedication of The Kalaupapa Memorial and see all of these names for myself.

Maha,
Pauline Chao

February 10, 2022

Senator Brian T. Taniguchi, Chairman, Labor, Culture and the Arts Committee

SB3338: Providing \$5 million to build The Kalaupapa Memorial

Monday, February 14, 3:10 p.m., Room 325

We write in strong support of SB3338

Aloha Chairman Taniguchi and members of the Labor, Culture and Arts Committee,

We are all longtime residents of Kalaupapa who were taken from our families and isolated under the old laws regarding people affected by leprosy/Hansen's disease. Our respective ages are 97, 91 and 86.

We want to see the names of everyone who was sent to Kalaupapa engraved on The Kalaupapa Memorial. We want to see the Memorial dedicated while we are still living. Please help us

The Kalaupapa community has wanted a Memorial since 1985. The Memorial was the idea of the late Paul Harada, husband of one of the signers of this letter, who was sent to Kalaupapa in 1945. Paul felt the people of Kalaupapa had sacrificed their freedom and so many rights to protect the health of others in the community. He felt everyone should be remembered.

When Ka 'Ohana O Kalaupapa organized in 2003, those of us who were founding members of the 'Ohana agreed that one of our priorities would be to establish a Memorial that would list the names of everyone sent here. Most of the people who came before us no longer have marked tombstones -- their families are always disappointed not to see the names of their ancestors.

The Memorial will forever remember each and every name with dignity. All the names will be together as they should be. Future generations will find the names of their ancestors on the Memorial and hopefully feel a sense of healing and pride.

We are getting older, our numbers are getting fewer and we want to see the Memorial. Ka 'Ohana O Kalaupapa has been working hard on completing the needed compliance, obtaining the needed permits and working with others to see this Memorial brought to life. We all love the design of the Memorial and we all strongly support the site where it will be located.

Please help make the Memorial possible and pass SB3338 to provide \$5 million to fund construction of The Kalaupapa Memorial. Thank you so much for your consideration.

Greg K. Kahilohiwa

John ...

To: Senator Brian T. Taniguchi, Chairman, Labor, Culture and the Arts Committee
From: Kalaupapa residents at Leahi Hospital, Hale Mohalu

Re: SB3338: Providing \$5 million to build The Kalaupapa Memorial

Hearing: Monday, February 14, 3:10 p.m., Room 325

We write in strong support of SB3338

Aloha Chairman Taniguchi and members of the Labor, Culture and Arts Committee,

We are residents of Kalaupapa currently at Hale Mohalu at Leahi Hospital on Oahu. We have been excited to read all the recent coverage of Kalaupapa Month and about a bill to fund construction of the Kalaupapa Memorial being introduced to the Hawai'i State Legislature.

We urge this Committee to pass on this bill. We want to see the Memorial built during our lifetimes; we want to see all the names of 8,000 people who were forced to leave their families, most of them being sent to Kalaupapa.

We have all lived at Kalaupapa for many years. We have experienced the injustices, the lack of freedom and other aspects of life that most people in Hawai'i take for granted. Still, we have overcome those circumstances and have found our own blessings.

We know that the people who were sent to Kalaupapa long before us had much more to overcome -- these are the people whose names are still not as well known, people whose families have yet to learn about them. The Kalaupapa Memorial will make sure that the names of all of us are always remembered.

Thank you for caring about the people of Kalaupapa, our families and the importance of remembering our names and our lives.

With respect,

Glenn F. Marks
Robert T. Lee

Sebastiana Hernandez

HB-1600

Submitted on: 3/8/2022 12:14:16 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Anela Evans	Individual	Support	Written Testimony Only

Comments:

Aloha e Chairwoman Luke, Vice Chair Yamashita, and the House Finance Committee,

Thank you for your willingness to consider this measure that includes funding for the Kaho‘olawe Island Reserve Commission (KIRC) to be routed through the Department of Land and Natural Resources account (LNR906).

This bill includes a request by the Governor to reinstate the funding previously awarded to KIRC (\$100,000) and to add a KIRC Cultural Resource Specialist II position to replace funding and positions that were eliminated during the pandemic.

The funding to reinstate the Cultural Resource Specialist II position as well as additional funding for more staff positions will allow the KIRC to continue their commitment to the restoration and revegetation of Kaho‘olawe. The Cultural Resource Specialist II position is a critical position in the KIRC's mission to Kūkulu Ke Ea A Kanaloa - to restore the life force of Kanaloa (Kaho‘olawe). Kaho‘olawe is a living cultural treasure that must continue to be fostered for future generations.

I continue to have the amazing opportunity for the past 17 years to volunteer on Kaho‘olawe with both the Protect Kaho‘olawe ‘Ohana (PKO) and the KIRC. I also had the privilege to work full-time for the KIRC for two years. Throughout those 17 years, I have seen the progression and growth of the island as it recovers from over 100 years of devastation - beginning with the introduction of ungulates and then continuing with the U.S. Navy's bombing of the island.

The KIRC staff members are some of the most hardworking and talented individuals that I've ever had the opportunity to work with. Many of them are versatile in their knowledge and perform many diverse tasks. For example, many of us, while hired to perform duties such as a marine biologist or a restoration specialist, also assisted in boat operations necessary to transport volunteers, food, and fuel to the island.

I would like to strongly urge you to please support HB1600, especially the funding of the Kaho‘olawe Island Reserve Commission via the Department of Land and Natural Resources (LNR906). The KIRC's role in the restoration of Kaho‘olawe and their mission of Kūkulu ke ea a Kanaloa is critical to the success and growth of our ‘āina and our people. Aloha.

HB-1600

Submitted on: 3/8/2022 12:22:09 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Matt Hatakeyama	Individual	Support	Written Testimony Only

Comments:

Aloha House Finance Committee,

As a concerned citizen of Maui County, I strongly support fully funding DLNR Program LNR906 that includes funding for the Kaho`olawe Island Reserve Commission or KIRC. The additional money and labor will allow KIRC to continue the good work of restoring Kaho`olawe. The last 2 years were met with tragic loss from the fire and challenging times that put untold pressure on KIRC's funding.

Thank you,

Matt Hatakeyama

HB-1600

Submitted on: 3/8/2022 12:26:05 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Benton Kealii Pang, Ph.D.	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Luke, Vice Chair Yamashita, and members of the Committee on Finance,

I am in support of HB1600. This bill includes a request by the Governor to reinstate the funding previously awarded to KIRC (\$100,000) and to add a KIRC Cultural Resource Specialist II position to replace funding and positions that were eliminated during the pandemic.

I am in support of funding being provided to DLNR in account LNR906 for KIRC. Mahalo for the opportunity to testify.

Sincerely,

Benton Kealii Pang, Ph.D.

Commissioner representing Native Hawaiian Organizations,

Kaho‘olawe Island Reserve Commission

HB-1600

Submitted on: 3/8/2022 12:28:46 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Courtney Kerr	Individual	Support	Written Testimony Only

Comments:

Dear members of the House Finance Committee,

I support HB1600 and specifically support the funding to DLNR in account LNR906 for KIRC to reinstate the funding previously awarded to KIRC and to add a KIRC Cultural Resource Specialist II position to replace funding and positions that were eliminated during the pandemic.

Mahalo,

Courtney Kerr

HB-1600

Submitted on: 3/8/2022 12:29:52 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Lopaka White	Individual	Support	Written Testimony Only

Comments:

Mahalo for supporting the restoration of Kaho`olawe.

Kukulu ke ea a Kanaloa!

Lopaka White

HB-1600

Submitted on: 3/8/2022 12:42:49 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelly White	Individual	Support	Written Testimony Only

Comments:

This bill includes a request by the Governor to reinstate the funding previously awarded to KIRC (\$100,000) and to add a KIRC Cultural Resource Specialist II position to replace funding and positions that were eliminated during the pandemic.

HB-1600

Submitted on: 3/8/2022 1:35:22 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Margaret Pulver	Individual	Support	Written Testimony Only

Comments:

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

HB-1600

Submitted on: 3/8/2022 2:07:31 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Marty Martins	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

Please pass HB1600 with the funding for the DLNR in account LNR906 for Kaho‘olawe Island Reserve Commission. I am in full SUPPORT of this measure to reinstate the \$100,000 previously awarded to KIRC and to replace funding and positions that were eliminated during the pandemic.

This funding will allow the Kaho‘olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho‘olawe, which will benefit all of Hawai‘i’s people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving, and managing the appropriate, safe uses of the Reserve for the people of Hawai‘i.

The funding will enable the continuation of innovative land and ocean restoration programs for Kaho‘olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean, and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and

cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods.

I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the Kaho‘olawe.

HB-1600

Submitted on: 3/8/2022 2:21:41 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Cole	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho'olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Thank you,

robert Cole

Pukalani

HB-1600

Submitted on: 3/8/2022 3:05:53 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Cassandra L. Smith	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Mahalo for your time,

Cassie Smith

HB-1600

Submitted on: 3/8/2022 3:11:10 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Martha Evans	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Me ka ha'aha'a,

Martha Evans

Dear Elected Official and Policy Maker,

I am writing to you today, in concern for the funding for Kaho'olawe Island Reserve Commission. I stand in full support of Director Michael Naho'opi'i, and his efforts to sustain the KIRC funding.

I find myself disheartened, when I see that he must consistently struggle to find funding for the important conservation and ecological work, that must take place on Kaho'olawe, due to devastating destruction by the Navy.

KIRC desperately needs your help securing appropriations for supplies, manpower, and maintenance of motorized vehicular transportation for use both at sea, and on land.

KIRC constantly needs funds for the following reasons, to buy the supplies needed to maintain planting restoration and conservation efforts, to maintain housing facilities of staff and volunteers, to supply food and basic survival materials for the workers and volunteers, and to be able to all maintain mechanical workings that keep the jobs running, not to mention countless other costs that accrue when restoring an entire island.

I am asking you, as my elected representative, to hear me now, and pass this message on to the people you work with. Go to them, and describe KIRC's yearly, no, daily plight, to secure funding for these and more important items. Please be the person that I am glad I voted for and use your persuasive powers to reach across party lines, to get all legislators to cast their votes for all bills, that protect the status quo, and/or increase the funding for Kaho'olawe Island Reserve Commission. Please make informed speeches to colleagues, and hold discussions with your peers, to explain why KIRC needs to keep a personnel team of highly qualified professionals. Elaborate, when necessary, that these are the people who staff the core team, responsible for keeping the island in the positive direction toward a goal of total restoration.

It is important to continue to provide funding that enables KIRC to invite teams of volunteers to Kaho'olawe. Their volunteer program provides a necessary part of the work force on the island. A steady flow of these volunteers is imperative to keep KIRC in working order, to accomplish the goals they have set. Volunteers work with the staff, to perform the laborious tasks of repairing the

island. As a volunteer, I am devoted to the health of these Hawaiian Islands, and I possess the love for Kaho'olawe, as do countless others. Our families are witnesses to the action we take today, and for generations to come. Please do your part to honor the will of future generations who strive to repair the island from the devastation. Hawaiians were witnesses to its destruction and are the resource of volunteers who feels the urgency to take part in its restoration.

Therefore, I am urging you to **vote in support of Bill HB1577**, and get involved in helping KIRC's scientists, cultural practitioners, Hawaiian people, passionate natural conservationists like myself, and countless talented people, who vow to do whatever it takes to restore Kaho'olawe Island to its natural condition: flourishing in native Hawaiian flora and fauna.

Thank you for reading my letter of concern. Please vote in support of KIRC's quest for financial security at every opportunity. I know I will be observing your courage and fortitude in our futures.

Sincerely,

Pamela Zirker

6406 Kawaihau Rd.

Kapa'a, Kaua'i, HI,

96746

Phone (808) 821-1350

HB-1600

Submitted on: 3/8/2022 3:27:23 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ray Enos	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic.

This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Thank you,

Ray Enos

HB-1600

Submitted on: 3/8/2022 3:47:58 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Molly Mamaril	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Thank you,

Molly Mamaril

HB-1600

Submitted on: 3/8/2022 3:49:04 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Janeece Beauchamp	Individual	Support	Written Testimony Only

Comments:

I feel that the KIRC needs a Cultural Resource Specialist II to educate people about the history and culture about Kaho'oawe.

HB-1600

Submitted on: 3/8/2022 3:57:46 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Michele McLean	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Luke, Vice Chair Yamashita and Committee Members,

Please accept this testimony in SUPPORT of funding for DLNR (account LNR906) for the Kahoolawe Island Reserve Commission (KIRC). This would restore funds that were cut during the pandemic. As a former KIRC staff member and commissioner, I can state without question that the KIRC will make the most of any funding it receives and that this additional funding is crucial to the KIRC continuing its incredible mission of restoring and protecting the cultural and natural resources of the Kahoolawe Island Reserve.

Mahalo for your support and consideration!

-Michele McLean, AICP

HB-1600

Submitted on: 3/8/2022 8:45:02 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
johann winkler	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic. This funding will allow the Kaho`olawe Island Reserve Commission (KIRC) to continue their long-term restoration of Kaho`olawe, which will benefit all of Hawai'i's people for generations to come. This funding is necessary for the KIRC to effectively meet the unique challenges of restoring, preserving and managing the appropriate, safe uses of the Reserve for the people of Hawai'i. Funding will enable the continuation of innovative land and ocean restoration programs for Kaho`olawe, while also entrusting a unique and critical opportunity to introduce, encourage and develop the next generation of land, ocean and cultural resource managers through an integrated mauka to makai volunteer program. Through immersive, hands-on experience within a cooperative natural and cultural resource management system, these opportunities incorporate both traditional indigenous practices and modern scientific methods. I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

Thank you,

Winkler

HB-1600

Submitted on: 3/8/2022 10:04:40 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Elaine Wender	Individual	Support	Written Testimony Only

Comments:

I strongly support funding the Kaho‘olawe Island Reserve Commission. These funds are crucial in order to enable the important work of protecting the island.

HB-1600

Submitted on: 3/9/2022 4:42:49 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
James Bruch	Individual	Support	Written Testimony Only

Comments:

Dear Members of the House Finance Committee,

I urge you to pass HB1600 with the funding being provided to DLNR in account LNR906 for KIRC. I am in full SUPPORT of this measure to reinstate the funding previously awarded to KIRC (\$100,000) and to replace funding and positions that were eliminated during the pandemic.

Thank You

James Bruch

HB-1600

Submitted on: 3/9/2022 5:43:30 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Karl Baker	Individual	Support	Written Testimony Only

Comments:

To whom it may concern,

Please have the necessary funds to fix the bulk head area at Kewalo Basin. The area is in bad shape and needs to be fixed before someone gets hurt and the State will have to pay more because they are being sued.

Stop waiting and get it done. More and more people are actually coming down the Kakaako and the State gets exposed more and more.

Thank you, Karl Baker

HB-1600

Submitted on: 3/9/2022 8:57:40 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Melissa Barker	Individual	Support	Written Testimony Only

Comments:

Honorable Members,

I respectfully ask you support this bill.

Thank you,

Melissa Barker

HB-1600

Submitted on: 3/9/2022 9:23:24 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Carmela Noneza	Individual	Support	Written Testimony Only

Comments:

I respectfully ask you to please PASS HB1600 with the the funding being provided to DLNR in account LNR906 for the KIRC.

HB-1600

Submitted on: 3/9/2022 10:41:44 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Terri Gavagan	Individual	Support	Written Testimony Only

Comments:

Aloha kakou,

I am writing in support of funding for DLNR account LNR906 for the KIRC as outlined in the submitted budget.

This funding is critical in allowing the KIRC to continue fulfilling its mission of providing safe and meaningful to the Kaho'ollawe Island Reserve.

Mahalo for your time,

Terri Gavagan

March 9, 2022

TO: The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

FROM: Carmen Hulu Lindsey, Chair
Board of Trustees at the Office of Hawaiian Affairs

SUBJECT: HB 1600 – RELATING TO THE STATE BUDGET.

Hearing: March 10, 2022, 1:30 p.m.
Via Videoconference, State Capitol

As a current KIRC Commissioner, I am providing written testimony in specific **SUPPORT** of the funding being provided to DLNR in account LNR906 for KIRC.

In 1994, the U.S. Navy conveyed the ownership of Kaho‘olawe to the State of Hawai‘i. In 2004, the U.S. Navy transferred the management and control of Kaho‘olawe to the State of Hawai‘i and Kaho‘olawe Island Reserve Commission which is within the Department of Land and Natural Resources. I point these years out because the State has a responsibility to manage activities on the Kaho‘olawe as owner and KIRC is the State’s vessel to carry out that responsibility. KIRC has done amazing work over the years to restore and preserve Kaho‘olawe after decades of bombings; however, the work is far from done. KIRC is in critical need of the Committee’s support to secure funding so that they have the resources needed to continue their important work. I humbly ask the Committee for their consideration and support of this measure. Mahalo nui iā ‘oukou for this opportunity to offer my written testimony of support.

Robert K. Merce
2467Aha Aina Place
Honolulu, HI 96821

Testimony Before The
Committee on Finance
Thursday, March 10, 2022
1:30 p.m.
Via Video Conference
Comment

Chair Luke, Vice Chair Yamashita, and members of the Committee:

My name is Bob Merce. I am a retired lawyer and in 2016-2018 I served as vice-chair of the HCR 85 Task Force on Prison Reform and was the principal author of the Task Force's Final Report to the 2019 Legislature.

I am writing to urge the Committee to **REJECT the Department of Public Safety's Request for \$15 million** to continue planning a public-private partnership (P3) for the design, financing construction and maintenance of a privately owned 1,300-bed jail that would be leased to the Department of Public Safety (DPS) as a replacement for the current Oahu Community Correctional Center (OCCC).

DPS has already spent more than five years and \$10 million planning a new jail to replace OCCC. During that time the estimated cost of the new jail has **nearly doubled, from \$525 million in 2018 to \$1 billion today**, and in the 2023 Supplemental Budget DPS is requesting an additional \$15 million which Director Otani recently acknowledged **"won't be enough to complete planning and procurement for the jail."** (See Kevin Dayton, "Planning Costs Climb for New Oahu Jail as Debate Drags on Over its Scope," *Honolulu Civil Beat*, January 3, 2022).

There is no question that OCCC needs to be replaced, but **the jail the Department of Public Safety (DPS) is developing is not the kind jail our community wants or needs. It is based on outdated ideas and will produce bad outcomes for decades to come.**

THE NEW JAIL IS BASED ON A BADLY FLAWED PLANNING PROCESS

Many of the problems with the new jail stem from the fact that the planners decided not to follow best practice in jail planning, many of which are clearly set out in the National Institute of Correction's *Jail Capacity Planning Guide: A Systems Approach* (2009).¹

The systems approach views jails as one of many parts of a criminal justice system whose policies and practices determine how the jail is used and how many beds are needed to avoid

overcrowding. The systems approach stresses that *the key to long term management of the jail population is directly tied to management of other aspects of the justice system:*

Jails are part of a complex criminal justice system whose policies and practices directly influence total bed need. As such, jail planning cannot be done in a vacuum. Any consideration of future jail bed need must take place within the context of a discussion about how to manage the larger criminal justice system more effectively. ***Jail planning and system planning are one and the same.***²

The systems approach shifts the nature of jail planning from simply making population forecasts based on past trends and the assumption that the policies driving the jail population will remain unchanged—the approach used in Hawaii—to developing a continuum of options for law enforcement and judges in which jails are only one option among many, and one to be used sparingly and as a last resort. The systems approach calls on planners to “plan as much for programs as they do for [jail] beds.”³

Research has shown that the traditional way we use jails does nothing to reduce future offending. Accordingly, jail planning must move beyond the simplistic formula-based approach that builds beds based on past demands to a results-based paradigm that addresses the many factors that drive the demand for beds.⁴

The systems approach is based on a body of research that challenges the notion that locking people up is the only way, or the best way, to protect the public.⁵ It makes the case for a new conceptual framework that “reasserts the primacy of treatment and redefines the system’s response to failure.”⁶ It is a new way of thinking about the criminal justice system that makes reducing future crime a central goal and manages the jail population long-term by:

1. Reserving jail for the highest risk defendants;
2. Making available a full continuum of alternatives to jail;
3. Relying on high quality treatment and evidence-based sanctions;
4. Creating strong and effective pretrial and reentry services; and
5. Adopting a positive emphasis on collaboration and systemic change.⁷

Population management strategies that focus on alternatives to jail significantly reduce the jail population, which in turn allows communities to build smaller and less expensive jails. This is important for three reasons.

First, construction costs for new jails are outrageously high. If, as currently projected, the new jail will cost \$1 billion and have approximately 1,300 total new beds, each bed would cost a whopping \$770,000, which is probably the highest per bed cost in the country, if not the world.

Second, although construction costs for a new jail are incredibly high, on average, *they represent only 10% of the overall operating costs of a jail over a 30-year period.*⁸ Thus, the key to reducing correctional costs long-term lies in reducing the jail population by providing alternatives to jail, or “off ramps,” at each at each of the key decision points in the criminal justice system.

Third, the Vera Institute of Justice studied counties that built new jails between 1999 and 2005 as a solution to old or overcrowded facilities and found that building a new jail *without addressing the policies driving the jail population* resulted in a vicious cycle in which the new jails that were supposed to reduce overcrowding rapidly filled to capacity, creating a demand for more capacity, and precipitating a costly building cycle.⁹ For example:

- In Salt Lake County, Utah, a new 2000 bed jail filled to capacity within 21 days of opening;
- In Tipton County, Tennessee, a newly expanded jail that increased capacity from 122 beds to 201 beds became overcrowded the month it opened.;
- In Jefferson County, Colorado, a 480- bed jail that that was supposed to serve the county for 19 years filled up within five years; and
- In Adams County Colorado a jail that was intended to serve the county for 14 years filled to capacity in two years.¹⁰

One can only speculate on why the State decided to ignore best practices and use an old and discredited planning process for one of the biggest and most important public works projects in the history of the State, but that is what the State has done. The misguided planning process will result in the continued misuse of the jail, a jail that is bigger and more expensive than it needs to be, and a jail that will not reduce future crime or keep our community safe.

THE NEW JAIL WILL MAKE HAWAII'S LONG-TERM FISCAL PROBLEMS WORSE

In 2019 a committee of economists, scholars, and fiscal experts from the Hawaii Executive Council issued a report, *Troubled Waters: Charting a New Fiscal Course for Hawaii*, that documents the enormous fiscal challenges facing Hawaii's State and local governments in the next 30 years.¹¹ The Committee found that future costs in three critical areas—mitigating the impact of climate change, developing and maintaining infrastructure, and honoring public

employee retirement benefits– will exceed \$88 billion, and that revenues will not be sufficient to meet those needs.

Today, the cost of operating government is getting more expensive while Hawaii’s economy has not kept pace with the rest of the nation. Between 2012 and 2018, the cost of State government increased 41% despite the number of employees remaining relatively flat. During this same period, Hawaii’s economy grew 9.8% or 1.6% annually compared to the national rate of 2.4%. DBEDT forecasts GDP growth of 1.1% in 2019 and 1.2% in 2020. Faced with these economic conditions, State and county governments cannot continue to operate in such a manner. *Government will simply be too expensive to conduct business as usual.*¹²

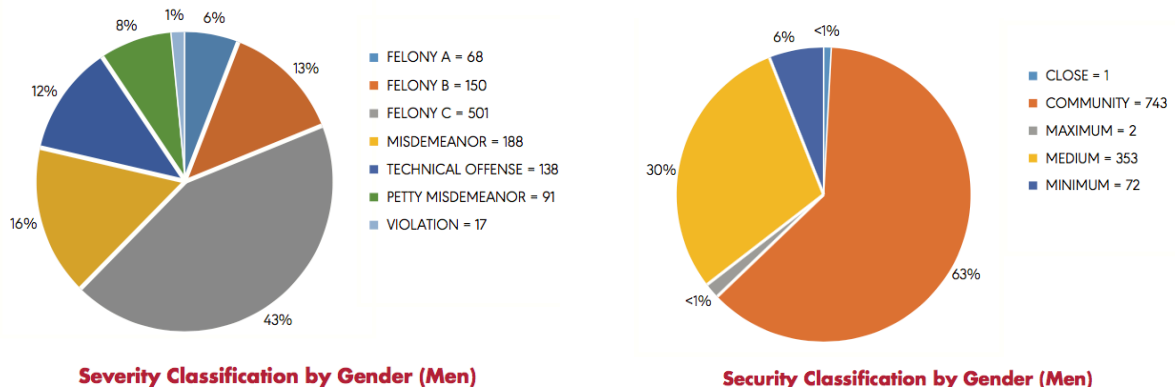
The report calls for government and the private sector to collaborate, innovate, and create a strategic vision to address the serious fiscal challenges facing the State.¹³

Honolulu has a wealth of innovators and thought-leaders from business, labor, academia, non-profits, and other interest groups who are ready to share their knowledge, experience and insights in a collaborative effort to improve our criminal justice system, and design a jail that will meet the needs of our State ***without putting a huge financial burden on the next generation.***

THE OPERATING COSTS OF THE NEW JAIL ARE NOT SUSTAINABLE

It now costs \$219 a day to house an inmate in Hawaii.¹⁴ That cost will almost certainly increase in the coming years, but using the current figure, by 2024 the projected OCCC population will cost the State, on average, \$271,000 a day (\$99 million a year), and the lease rent for the jail will have to be added to that figure.

Eighty-one percent of the men in OCCC are charged with low-level (class C) felonies or lesser - offenses—misdemeanors, petty misdemeanors, technical offenses, or violations. Nearly 70% are in one of the two lowest security classifications—community custody (63%) and minimum security (6%),¹⁵ and 23% are men who violated a condition of probation but did not commit a new crime.¹⁶



There is no rational reason for keeping so many non-dangerous, low-level offenders in jail at such a high cost. We can't afford it, and it simply doesn't make sense. We should reduce our jail population as other jurisdictions across the country have been doing for years.

PUBLIC-PRIVATE PARTNERSHIPS ARE NOT SUITABLE FOR PLANNING NEW JAILS

It is a profoundly bad idea to use a public-private partnership (P3) to design, finance, construct, and partially maintain the new jail. P3s may be suitable for projects like toll roads, bridges, and sewage treatment plants, but they are not appropriate for jails because jails require system planning. Before an architect picks up a pencil or puts a single mark on a piece of paper, a planning team that includes government officials *and community stakeholders* must arrive at a shared vision of a successful criminal justice system and define the function of the jail within that system. Architects sometimes describe this process with the maxim “Define Before You Design.”

In defining the role of the jail, the planning team must drill down on criminal justice data, identify the policies and practices driving the jail population, and plan for the expansion of alternatives to incarceration.¹⁷ Jail planning decisions have a broad impact and, in many ways, define the community of which the jail is a part—its values, vision, goals and aspirations. As such, jail planning can and must be done by the community, and the community alone: It must not be outsourced to a corporation under a P3 contract.

The best way to design and build a successful jail is for the planning team to work closely with a good architect. In 2020 the American Institute of Architects (AIA) amended its Code of Ethics and Professional Conduct to include prohibitions against designing spaces intended for torture and indefinite or prolonged solitary confinement,¹⁸ and in 2021 the New York Chapter of the AIA went a step farther and called on all architects to stop designing “inherently unjust, cruel, and harmful spaces” and to shift to the creation of “new systems, processes, and typologies based on prison reform, alternatives to imprisonment, and restorative justice.”¹⁹

The State should work with architects who have a track record of designing smart and humane spaces and who adhere to the ethical principles of the New York Chapter of the AIA. The architect who designs the jail should be willing to work closely with the community to ensure that the design of the jail aligns with community values and promotes the outcomes the community wants. P3s do not allow that to happen and *they should never be used to plan or design jails.*

Three other reasons why P3s are not a good idea for designing and building jails are:

- There is no reliable way to test whether a private sector proposal to deliver public infrastructure offers value for money compared to delivery of the same project by the public sector using conventional public procurement. Tools that purport to make such comparisons, called Public Sector Comparators (PSCs) tend to be unreliable due to: (1) lack of data on which to base cost estimates; (2) the difficulty of quantifying risks; (3) a lack of consensus on what discount rate to use for payments spread out over time; (4) the use of subjective judgments that can have a dramatic effect on cost estimates; and (5) the high cost of the modeling process.²⁰
- The contract between the private company and the State would likely last 30 or more years during which time the State's correctional needs will undoubtedly change. P3s typically restrict how their facilities can be used, and that severely limits a government's ability to respond to changing conditions.²¹ If the State owned the facility it could modify it to meet its changing needs, or it could even repurpose or dispose of the facility entirely.
- Jails must be carefully maintained to protect the health and safety of inmates and staff, but there is a tendency for corporate owners to save money by ignoring problems or deferring maintenance at the public partner's expense.²²

P3s Lack Transparency. P3's are notorious for their lack of transparency and we are already seeing the jail planning process retreat into a dark cave of secrecy.

In January, 2021, the DPS planning team issued a Request for Interest (RFI) to gather input and expressions of interest in the new jail from the design, construction, financing, and facility maintenance industries. Respondents were asked to assess the commercial viability of the jail project, estimate the length of time needed to procure and construct the project, address potential risk and risk mitigation strategies, and recommend strategies for financing and developing the new jail. Twenty-two organizations from three industry groups responded to the RFI. See "The Future of the Oahu Community Correctional Center Newsletter," Vol. 29, February 2021).

The information DPS gathered would obviously help legislators and the public evaluate the jail project, but DPS has not disclosed the names of the Respondents or any of the information they provided. The public needs to know who responded to the RFI, and what they said, and I do not see how the Legislature can perform its oversight function or make rational and informed decisions without such information.

Alabama is a recent example of how P3s are cloaked in secrecy. In February, 2021, Alabama Governor Kay Ivy entered into a P3 for two prisons to be designed, financed and built and owned by a private company but operated by the Alabama Department of Corrections. Due to the State's procurement laws, legislators and the public were largely kept in the dark about the project. Contract negotiations were conducted in secret, and even when the contracts were signed, very little information was provided to legislators or the public. An entire exhibit to the

contract that described how the private partner would finance the prisons was marked “Confidential,” and there was virtually no public information about the design of the prisons or how they would be maintained.

Hawaii’s procurement laws, together with demands from the private partners or prospective partners, will result in Hawaii’s P3 being as secretive as Alabama’s. A lack of transparency would certainly undermine public confidence in the project, much like our current experience with the Honolulu Authority for Rapid Transit (HART).

The Hawaii Correctional Systems Oversight Commission has voiced concerns about a P3 because the cost of general obligation bonds for public infrastructure projects is generally less than privately issued bonds, and the additional cost would be passed on to taxpayers. With P3s generally, until the private partner obtains financing for the project, the public will not know how much the project will actually cost or the cost of the lease payments. Additionally, the public will not know what the useful life of the new jail will be, or what will be the term of the State’s lease?

For all the forgoing reasons I respectfully urge this Committee to **REJECT the Department of Public Safety’s Request for \$15 million** to continue planning a public-private partnership (P3) for a new jail to replace the current OCCC.

ENDNOTES

¹ David M. Bennett, Donna Latin, *Jail Capacity Planning Guide: A Systems Approach*, U.S. Department of Justice, National Institute of Corrections, NIC Accession No. 022722, November, 2009. Retrieved from <https://nicic.gov/jail-capacity-planning-guide-systems-approach>

² Bennett and Lattin, *Jail Capacity Planning Guide*, v (emphasis added).

³ Bennett and Lattin, *Jail Capacity Planning Guide*, vii.

⁴ Bennett and Lattin, *Jail Capacity Planning Guide*, vii.

⁵ Bennett and Lattin, *Jail Capacity Planning Guide*, xiv.

⁶ Bennett and Lattin, *Jail Capacity Planning Guide*, xiv.

⁷ Bennett and Lattin, *Jail Capacity Planning Guide*, xiv.

⁸ Bennett and Lattin, *Jail Capacity Planning Guide*, ix.

⁹ Chris Mai, Mikelina Belaine, Ram Subramanian, and Jacob Kang-Brown. *Broken Ground: Why America Keeps building More Jails and What It Can Do Instead*, Vera Institute of Justice, November, 2019. Retrieved from <https://www.vera.org/publications/broken-ground-jail-construction>

¹⁰ Mai, Belaineh, and Subramanian, *Broken Ground*, 28.

¹¹ Sterling Higa, Jeff Laupola and Colbert Matsumoto, *Troubled Waters: Charting a New Fiscal Course for Hawaii, A report to the Members of the Hawaii Executive Conference on the Fiscal Outlook for Hawaii Over the Next Thirty Years*, Hawaii Executive Conference, Honolulu, Hawaii: October 2, 2019. Retrieved from <https://www.grassrootinstitute.org/wp-content/uploads/2019/10/HEC-Government-Report-FINAL-1.pdf>

¹² Higa, Laupola and Matsumoto, *Troubled Waters*, 4.

¹³ Higa, Laupola and Matsumoto, *Troubled Waters*, 17.

¹⁴ Hawaii Department of Public Safety *2020 Annual Report*. 17. Retrieved from <https://dps.hawaii.gov/wp-content/uploads/2021/03/PSD-ANNUAL-REPORT-2020.pdf>

¹⁵ HCR 85 Task Force, *Creating Better Outcomes*, 65.

¹⁶ Pulizer Bogart, *Oahu Correctional Center Population Forecast*, 14.

¹⁷ Bureau of Justice Assistance. *A Second Look at Alleviating Jail Crowding, A Systems Perspective*. U.S. Department of Justice, NCJ 182507. Washington D.C.: October 2000. Retrieved from <https://www.ojp.gov/pdffiles1/bja/182507.pdf>

¹⁸ American Institute of Architects (AIA), *2020 Code of Ethics and Professional Conduct*, Canon 1, Rule 1.404. Retrieved from https://content.aia.org/sites/default/files/2020-12/2020_Code_of_Ethics.pdf

¹⁹ Board of Directors, AIA New York. September 30, 2020. Retrieved from <http://46u0j30o449zq8181dfurbcj-wpengine.netdna-ssl.com/wp-content/uploads/2020/09/AIANY-Criminal-Justice-Facilities-Statement-2020.pdf>

²⁰ European Federation of Public Service Unions (PSU) and European Network on Debt and Development (Eurodad). “Why Public Private-Partnerships (PPP) Are Still Not Delivering,” December 14, 2020. Retrieved from https://www.eurodad.org/why_public_private_partnerships_are_still_not_delivering;

See also James Leigland and Chris Shugart, “Is the public sector comparator right for developing countries?” Gridlines, Public Private Infrastructure Advisory Facility (PPIAF), April 2006. https://ppiaf.org/documents/2999?otp=b3RwIzE2MjY4MzUzNjU=&ref_site=ppiaf

²¹ In the Public Interest, “CoreCivil and GEO Group’s Push for Private Public Partnerships in Building Prisons January,” 2018. <https://www.cps.org.uk/research/reforming-the-private-finance-initiative/>

²² European Federation of Public Service Unions, *Why Public-Private Partnerships (PPP) Are Still Not Delivering*.

Item: HB 1600-DHS/MQD HMS 401 (Funds for Option 2 dental coverage for adults on Medicaid)

Hearing Date &Time: Thursday, March 10, 2022, 1:30pm

Committees: House Finance Committee

Testifier: Nancy Partika, RN, MPH

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the House Finance Committee:

My name is Nancy Partika, and I am the Hawaii grassroots representative for OPEN (the Oral Health Progress and Equity Network).

As has been stated many times during this session, Hawaii has struggled for decades with oral health disparities and problems accessing care for its most needy. Poor oral health is linked to an array of acute and chronic health conditions, including: heart disease, diabetes, stroke, depression, low birth weight and premature birth. The fiscal costs of not intervening in oral health conditions early and preventively will cost us collectively much more later on in unintended direct and indirect costs.

Fiscally, it seems logical that these millions of dollars that could be potentially saved via fewer ER visits and instead allocate funds to pay upfront for preventative and restorative dental care benefits for Medicaid recipients. By adding a comprehensive dental services benefit, Hawaii's adults on Medicaid should be able to experience fewer oral health-related ER visits, with improvements to their chronic disease risks and overall health status, as well as the employment marketability and socio-economic strength of our communities.

It has been 12 years since adult dental benefits (other than emergency) have been accessible, and so we anticipate that many adults on Medicaid will be needing more than basic/skeletal preventive dental care. I therefore respectfully ask that the House support financing for Option 2 (in the 2020 ADA/DHS fiscal brief), which would enable Medicaid recipients to get a wider range of diagnostic, preventive and restorative services. as well as basic prosthodontic and periodontal services, as needed.

The difference in State funding would be \$8,823,781 in state funds for option 2, versus \$3,466,328 in State funds for option 1. Federal funding from would provide the remainder of the costs of the benefits under the Federal Medicaid Assistance Percentage (FMAP).

Limited coverage under option 1 would be capped per recipient and may only cover an annual exam, fluoride treatment, bi-annual cleanings, one set of bite wing X-rays per year and one non-emergency tooth extraction or filling per year. As you can imagine, dental care for someone who has been without any for a long while is likely to exceed this limited benefit. It seems that reinstating coverage to the second option makes more sense, given the high costs paid for poor oral health exacerbated co-conditions and visits to the ER for acute dental care.

I also respectfully request that the funds be placed in the line item budget under DHS/MQD HMS 401, so that this is treated as a sustainable program rather than one year of funding with an uncertain future.

What is important to note that this fiscal analysis also projects that over time, additional medical care cost savings estimates range from \$1.9 million per year to \$5.3 million due to health status improvements in co-occurring health conditions such as diabetes, heart disease, pregnancy, and fewer ER visits for services

Your strong support for allocating HMS 401 funds to DHS/MQD for option 2 dental coverage for adults on Medicaid is most appreciated—Mahalo for this opportunity to testify.

HB-1600

Submitted on: 3/9/2022 1:26:38 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Melanie Maykin	Individual	Support	Written Testimony Only

Comments:

Dear House Committee on Finance
Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair,

I am a maternal-fetal medicine physician caring for high risk pregnancies within the state. I strongly urge you to retain item No. 18, Program ID HMS401 in the state budget. This item includes appropriations to extend postpartum insurance coverage for pregnant people receiving Medicaid for their pregnancy to 12 months (from 60 days).

Like nearly half of all births in the nation, a large portion of our pregnant patients and their births in Hawaii are publicly insured. Pregnant individuals in the state of Hawaii are particularly affected by cardiovascular disease due to rheumatic heart disease, substance use, and hypertensive disorders, which are leading causes of maternal mortality. Almost 70% of maternal deaths in Hawaii were deemed preventable by the Hawaii Maternal Mortality Review Committee and most of these deaths occur postpartum. Therefore, it is imperative that these individuals receive continuous care even after giving birth in order to prevent these tragic outcomes.

By appropriating funds for Hawai'i State Medicaid to apply for the waiver and extend postpartum coverage to 12 months, the state would also qualify for matching federal funds. As a physician caring for the highest risk births, I am confident that this action will enable improved care for birthing individuals and by extension, the health of their children and families.

I thank the Hawai'i State Legislature for showing its commitment to improving maternal health in Hawai'i by passing the legislation that created the Hawai'i Maternal Mortality Review Committee in 2016, which has provided invaluable information in maternal morbidity and mortality. Now, it is time to utilize this information and take action by appropriating funds in the state budget to realize our goal of caring for Hawaii's mothers and families.

Sincerely,

Melanie Maykin, MD

HB-1600

Submitted on: 3/9/2022 1:30:11 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Rachel Tjoeng	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha. My name is Rachel Tjoeng. I am currently a student at University of Hawaii Manoa in the Anthropology department. Before that, I was a bedside nurse for 15 years. I am here today because I am concerned about the construction of a new and expanded prison facility on O`ahu. During my nursing clinicals, I worked on a prison unit in a hospital, and this has fundamentally shaped my ideas about criminal justice. As a former nurse, I am very concerned about expanding the prison system because during the pandemic, prisons in particular were sites where COVID easily spread.

Both the carceral system and COVID have disproportionate effects in Native Hawaiian and Pacific Islander communities. Native Hawaiians make up approximately 21% of the population in the state of Hawai`i, and Pacific Islanders make up 4% of the state's population. As of 2018, these two groups made up 47% of the state's incarcerated population. Throughout the pandemic, Pacific Islanders were far more likely to experience a covid infection than the general population– comprising approximately 24% of COVID cases from March of 2020 to January 2021. According to an ACLU report, the lengths of pre-trial stays in Hawai`i jails are nearly three months long compared to an average of 15 days on the mainland. As of January 2022, approximately 59% of the people at OCCC were awaiting trial. This was at the height of the Omicron flare when the danger of COVID spread, especially in marginalized communities of Pacific Islanders and Native Hawaiians, was dangerously high. Not only does institutionalizing already marginalized communities allow for rapid disease spread, it also costs the state huge amounts of money at approximately \$219 per day per person.

I believe the money slated for planning a larger prison facility on O`ahu would be far better spent shoring up our healthcare and education systems. First and foremost, all children deserve access to equal educational opportunities, including adequate nutrition and clean water. Secondly, schools and teachers should be adequately funded and equipped to offer a broad range of support services to children throughout their educational trajectories. Thirdly, we need a far more robust mental health system that can adequately address the needs of people. Fourth, COVID has stretched our state's healthcare system to the brink. Hawai`i hospitals provide top notch medical treatment to people within our state

and beyond to the men and women who serve in the armed forces across the Indo-Pacific region. It is essential that this healthcare system receives funding and support to maintain the levels of care we are used to providing. When approximately 25% of the population of Native Hawaiians and Pacific Islanders are at huge risk for COVID, we should be focusing efforts toward mitigating risks, including pretrial detention. I think the money for planning the new O`ahu prison should instead be redirected to these programs.

[COVID-19-Race-Ethnicity-Equity-Report.pdf \(hawaiicovid19.com\)](#)

ACLU Hawaii bail report 2018.pdf

Testimony for HB 1600-DHS/MQD HMS 401

Date of Hearing/Time:

March 10, 2022, 1:30 pm

Committee:

House Finance Committee

Testifier:

Andrew Tseu, DDS, JD

Dear Chair Luke, Vice Chair Yamashita, and Committee Members:

My name is Dr. Andrew Tseu and currently employed as a community center dentist. I am submitting testimony as a Hawaii resident. Hawaii's oral health services has not been given adequate attention and resources necessary to support good oral health care in our state since Medicaid adult dental benefits were drastically cut in 2009.

Oral Health is essential to overall health. Oral health is a crucial part of a person's physical, psychological, social and economic health and well-being. Extending dental coverage to patients with chronic health conditions like diabetes and heart disease can lead to cost savings in related areas of health care spending. Missing or broken teeth also create social barriers for adults to find and maintain gainful employment in our community.

We are currently one of only 13 states that provide emergency care only. As a result of our past decade of minimal coverage for dental care, Hawaii's emergency rooms have been overutilized for otherwise preventable dental conditions to the tune of thousands of visits per year, costing millions of dollars annually.

As a part of our commitment to improve oral health in Hawaii, we believe that basic coverage of dental services for adults is a critical factor in ensuring access to appropriate and timely oral health care.

I respectfully ask that the House support financing for Option 2 (in the 2020 ADA/DHS fiscal brief), which would enable Medicaid recipients to get a wider range of diagnostic, preventive and restorative services as well as basic prosthodontic and periodontal services, as needed.

I also respectfully request that the funds be placed in the line item budget under DHS/MQD HMS 401, so that this is treated as a sustainable program rather than one year of funding with an uncertain future.

Your strong support for allocating HMS 401 funds to DHS/MQD for option 2 dental coverage for adults on Medicaid is most appreciated.

Thank you for this opportunity to testify.

HB-1600

Submitted on: 3/9/2022 2:04:34 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacquelyn Esser	Individual	Comments	Written Testimony Only

Comments:

Aloha Chair Luke, Vice Chair Yamashita, and Members of the Finance Committee:

I write as a concerned community member and mother who refuses to perpetuate the harm of mass incarceration onto our next generation and respectfully ask that you withhold the requested \$15 million from PSD and instead invest in alternatives to incarceration.

For instance, we need to reduce prison admissions by implementing probation and parole reform by ending the practice of revoking someone's community supervision due to technical violations.

Additionally, mental health and substance abuse treatment must be dramatically expanded so that people get the help they need in their communities rather than languish behind bars.

Finally, because someone's freedom should never be determined by how much money they make, we must eliminate the use of money bail in favor of a system where people are not locked up simply for being poor, and immediately fund public defense at parity with the prosecution.

Above all, we do not need to turn good money into bad by building more jails and prisons that will serve only to perpetuate a broken system that we know has failed.

Mahalo for the opportunity to provide testimony on this matter.

Jacquie Esser

HB-1600

Submitted on: 3/9/2022 2:44:01 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Marie Ka`onohi Lee	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Luke and members of the House Finance Committee,

I am in support of HB1600 with funding provided to DLNR but more specifically in **strong support for Program LNR906 for the Kahoolawe Island Reserve Commission (KIRC).**

KIRC has struggled but has perservered since the almost depletion of the Trust Fund with the support of the community to successfully obtain State Funds and has deligently applied for grants as allowed in HRS Chapter 6K. Through innovative planning and "out-of-the box" thinking, KIRC managed to continue volunteer accesses to Kanaloa within the constraints of Fed and State COVID-19 restrictions.

I respectfully ask that you consider and approve the allocated funding for the KIRC as laid out in the Governor's Budget submittal.

Mahalo for your consideration.

Me ka maluhia,

Ka'ōnohi Lee

Retired and loving it!

HB-1600

Submitted on: 3/9/2022 3:17:29 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Theresa Myers	Individual	Comments	Written Testimony Only

Comments:

Dear Committee members,

I am a practicing obstetrician-gynecologist in Hawaii, and I am writing in strong support of retaining item No. 18, Program HMS401 in the state budget.

As an obstetrician-gynecologist, I take care of people throughout their pregnancies and postpartum. Many of my patients are on Medicaid, as 1 in 3 births in Hawaii is covered by Medicaid. Medicaid income limits are slightly increased for pregnant patients, but pregnancy coverage currently ends at 60 days post-delivery. This puts significant stress on my patients and their families during a major life transition – they’ve just delivered a baby, and now they need to get everything with their healthcare organized as quickly as possible, before they lose their insurance coverage. Often, there are issues that cannot be fully addressed in that time, leaving problems to worsen without care.

Just last month, I saw one of my patients for a new, unplanned pregnancy. She had diabetes during her last pregnancy, which carries a risk of becoming type 2 diabetes and continuing after the pregnancy. We usually test for diabetes again after pregnancy to see if it has resolved or developed into a chronic disease, but she was unable to complete her postpartum diabetes testing before she lost her insurance. When I saw her this time, we tested her for diabetes immediately, and she does have it. That means she’s likely had diabetes for the entire time since her last pregnancy, without any access to care or even testing. Pregnancy with diabetes requires good control of blood sugar levels to protect both mom and baby. Unfortunately, the early weeks of pregnancy are critical, and uncontrolled diabetes during this time greatly increases the risk of birth defects. My patient didn’t even know she had diabetes during that time and had no access to blood sugar monitoring or medication, placing her at much higher risk of a complicated pregnancy or birth defects. Also, this was an unplanned pregnancy. Many families are still adjusting to the rhythm of life with a newborn at two months postpartum and are not yet ready to discuss future pregnancies or birth control. After they lose their insurance, they then have no access to birth control. This patient had not yet decided on a birth control plan when she lost her insurance, and now has an unintended pregnancy. Had she had access to healthcare after her last delivery, we could have diagnosed her continuing diabetes, offered her ways to manage her blood sugar, and helped her optimize her health for herself and for any future pregnancies.

Extending postpartum Medicaid coverage is critical for protecting the health of Hawaii’s families. Our maternal mortality data from here in Hawaii has shown that 50% of our maternal

deaths occur in the late postpartum period, or 42 days to 1 year after birth. Currently, this is exactly when Medicaid coverage ends and women and families are left without access to healthcare. Also, for every maternal death recorded we must also remember that there are approximately 75 cases of serious illnesses or injury. To protect Hawaii's women and families, we need to ensure they have continuing healthcare coverage during this vulnerable time.

Please consider joining us in supporting extending Medicaid coverage by retaining item 18

Thank you,

Theresa Myers, MD

HB-1600

Submitted on: 3/9/2022 8:06:28 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Kamaile Hopfe	Individual	Comments	Written Testimony Only

Comments:

Aloha,

I am writing to provide comments to HB 1600 Relating to the State Budget. The purpose of my comment is to emphasize the importance of reinstating and refunding the Communication Access Specialist (CA) position #101851.

The CA position is part of the Disability and Communication Access Board (DCAB) under the Department of Health. DCAB was created to assist individuals with disabilities in accessing advocacy services, buildings and facilities, and effective communication for the deaf, deaf-blind, and hard of hearing community.

The CA position is crucial to have as this position serves as the bridge to connect the deaf, deaf-blind, and hard of hearing community to the hearing community. When DCAB previously had this position, they were able to assist state agencies in creating accessible PDF's, accessible Word documents, and accessible websites. The CA position was sought after by legislative members during the start of the COVID-19 Pandemic because sign language interpreters were needed to relay important lifesaving information to the deaf community. However, because DCAB no longer held the CA position, many important notices and documents were not accessible and could not be shared with the deaf community. The deaf community was not granted effective communication, a basic right that should be granted to all.

Without the CA position, the deaf community will continue to lose out on important public information that should be accessible to all residents in the state of Hawaii. As a supporter of DCAB and the deaf community, I plead to the Hawaii State Legislature to reinstate and refund the Communication Access Specialist position #101851 so that DCAB can continue to provide services to not only the deaf, deaf-blind, and hard of hearing community, but to the hearing community as well. The hearing community needs the CA position just as much as the deaf community. Please help to make Hawaii an inclusive and accessible state for those who are deaf, deaf-blind, and hard of hearing.

Mahalo,

Kamaile Hopfe

HB-1600

Submitted on: 3/9/2022 10:42:48 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherry Shimizu	Individual	Oppose	Written Testimony Only

Comments:

Greetings Chair Luke, Vice Chair Yamashita, and members of the Finance Committee:

My name is Sherry Shimizu and I am requesting to add back in the fund for the Disability and Communication Access Board (DCAB,) Communication Access Specialist position #101851.

This position was in place for 35 years (started in 1987) and entered a hiring freeze due to COVID-19.

As a Deaf person, this position is important to the community, because it provides access to state qualified interpreters and in turn creates improved economic recovery in job hiring. Also, Deaf, hard of hearing, and DeafBlind people require access to Hawaii State's oral and written communications. Please consider adding back in this 11th position, so we can continue to be part of information directed to the general population.

Thank you and sincerely,

Sherry Shimizu

HB-1600

Submitted on: 3/9/2022 11:36:03 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Tom	Individual	Comments	Written Testimony Only

Comments:

My name is Lisa Tom and I am a deaf resident of Honolulu. I would like to make comments on HB1600. I want the HTH 520 Disability and Communication Access Board, Communication Access Specialist position restored and funded. Please don't eliminate the position because the position is in need and vital to the community, especially with people who are deaf, hard of hearing, blind and deafblind. In addition, the position entails varied roles and responsibilities: overseeing the continuing education program for sign language interpreters to maintain the state credential, providing test and issue state credential to sign language interpreters, and providing technical assistance and training on website accessibility and access to state programs and services for people who are deaf, hard of hearing, blind, and deafblind. It also provides vlogs related to visible and communication access issues, legislative bills, trainings, and others. I have attended a few Communication Access conferences, and I learned a lot about ADA and disability rights that applied to my professional career and personal life. I need certified interpreters because it is my communicaiton needs and equal access to information and interactions. I also ensure that they convey and express message appropriately and efficiently through voicing, sign language, or mode of communication. Please consider the Communication Access Specialist position restored, and mahalo for the opportunity to submit testimony.

HB-1600

Submitted on: 3/10/2022 10:11:24 AM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Nikki Kepoo	Individual	Support	In Person

Comments:

Aloha,

I am a mother of a deaf child and have been advocating for rights within the disability community since 2013. Throughout the years I have witnessed the gaps and disparity in services throughout our state. Our lack of adequate and appropriate services deprives individuals with disabilities the opportunities to be self sufficient adults in their later years. My primary area deals with communication. Language is love and since both my children speak other languages, Hawaiian and ASL, it is critical that qualified specialist are guiding and advocating in appropriate positions.

The communication access specialist position was instrumental in my early years of advocating. Currently the position was removed by the state and MUST be reinstated if we are to continue to move forward in inclusion, access, and appropriate services to the deaf, hard of hearing, deaf-blind communities. The specialist provided the volunteers an insight into the needs of the public. They heard our concerns, researched, met with key stakeholders and leaders. The specialist provided the "in the weeds" work that was extremely necessary to our communities. They led in the push for equal access to language, access to interpreters in hospitals, engaged with first responders to communicate effectively in a crisis, met with the media to provide access during critical times of our economy, and provided families with information necessary in making informed decisions on their children's upbringing.

The lack of a specialist has delayed ALL progress we were making in this area. Many are unaware because language is freely available to you now. Imagine if all language was stripped from you and you had to figure out how to operate amongst the majority without assistance.

The budget addresses that need by providing funding to place qualified personnel into a role serving the entire state of Hawaii.

Please ensure that we have the sufficient funds to support ALL of our disability community members. You, as our representatives, are the key to ensuring success for future generations by placing adequate funding in areas that need the greatest support.

Please reinstate and secure this position and all funding to the Disability Communication Access Board for generations to come.

Mahalo,

HB-1600

Submitted on: 3/10/2022 12:04:27 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ami Tsuji-Jones	Individual	Support	Written Testimony Only

Comments:

Aloha, my name is Ami Tsuji-Jones, I want to express my support for HB1600. I am Deaf myself and I was not happy when the CAC (Communicatrion Access Specialist) position was removed. That position is so crucial to the Deaf community as communication is one of the main reasons why we are struggling with the access like not being able to hear what was being said at the airport. I know that many of us have contacted CAC to help with our situations, especially with the issues of having access to interpreters in a medical situation or public conference. The CAC has helped us many times. CAC has often had to contact the person/people/agency/ogranization/etc. to explain about our rights as a Deaf person/people and/or ADA. Please do have the CAC position back and fund it.

Thank you,

Ami Tsuji-Jones

HB-1600

Submitted on: 3/10/2022 1:14:16 PM

Testimony for FIN on 3/10/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Karl Mikasa	Individual	Support	Written Testimony Only

Comments:

Hi,

Submitting a testimony to restore and fund the Communication Access Specialist, position # 101851.

Communication accessibility is important for people with hearing loss as we are often excluded from the society. It would be appreciated if we have someone who we can communicate with to provide us assistance and up to date news/announcement.

Thank you.

Karl Mikasa