



EMBARGO TO WEDNESDAY, JANUARY 20, 2010, 10:00 A.M.

**Hawaii House of Representatives
SPEAKER OF THE HOUSE - OPENING DAY SPEECH**

Last year, the State of Hawaii, the nation, and the world faced an international financial meltdown unprecedented since the Great Depression.

To prepare us for the resulting challenges, I paraphrased Martin Luther King Jr. in my 2009 opening day speech: "The true measure of a person is not how the person behaves in moments of comfort and convenience, but how the person stands at times of controversy and challenges."

I then asked: "What is our true measure? How will we react to the challenges of our State?"

Members, I am proud to say that we accepted and confronted those challenges directly. We, along with the Senate and State Administration, made many extremely difficult decisions to fill a \$2.1 billion dollar budget gap -- decisions that were very unpopular among segments of the community.

Last year, despite clear evidence of the economic downturn and tax revenue shortfall, many parties still requested the establishment of new programs, appropriation of more moneys, or retention of tax credits of great costs. Together, we withstood the criticism, pressure, and even threats of those who opposed our actions to balance the budget. Members, last year we, along with the Senate and State Administration, performed admirably.

This year, we again face substantial economic and budgetary problems. The University of Hawaii Economic Research Organization projects that the unemployment rate will increase in 2010 while real personal income will decrease. Moreover, the Council on Revenues has lowered its projection of general revenues for this fiscal year to minus 2.5 per cent from minus 1.5 per cent. The continuation of the Great Recession has caused a state budget gap of another \$1.2 billion dollars.

Last year, members, I laid upon us certain challenges.

This year, because of the recurrent budget gap, those challenges still hold true. We must join together to resolve the budget crisis. We must focus our priorities to do so. We must maintain a basic safety net of social and health services for

those who have suffered through no fault of their own. We must continue to support our public schools.

This year, I lay one new challenge upon this chamber. Let us remember to be "unselfish" in our legislative work.

Let us work with the sole purpose of producing good policies and legislation for the people of the State. Let us share our ideas and, more importantly, be willing to share credit with others.

Let us work without expectation of public accolade, media attention, or political reward. Let us be willing to compromise and sacrifice and subordinate ourselves when necessary to achieve positive and meaningful legislation. Let us be respectful of and listen to our fellow members, even when they have differing viewpoints. Let us be empathetic to our fellow members, giving attention to their needs, vulnerabilities, and conscience. Let us all collectively share the burden of moving the State forward. We have the will and ability to do so.

Finally, let us put the overall public good before narrow benefits to special interests. As I said last year:

Almost all special interest groups, whether for-profit or nonprofit, have organized memberships with a lobbying

presence at the Legislature. Ordinary taxpayers, however, have none. They have only you and me.

Let me repeat this, for it is a precept that can easily slip the mind during the hectic months ahead: ordinary taxpayers have only you and me. I am confident that we will not let them down.

This year, I also lay some challenges on others involved in the political process.

To the business, trade, labor, and nonprofit organizations that come before the Legislature, be aware of the need for "balance" among competing interests during these extraordinary times. We recognize, with much sympathy, that both the private and public sectors have already suffered due to layoffs, furloughs, pay cuts, grant-in-aid reductions, sales decreases, business closures, and higher taxes. Nonetheless, the economic and budgetary problems persist, requiring more sacrifices rather than preservation of the status quo. This economic and budgetary crisis requires a change of attitude. I understand that you, the advocacy organizations, must lobby for your memberships and their interests, but I challenge you to take more of an unselfish approach. Be aware of the negative impacts of your positions on others and consider compromises that

benefit the overall good of the community. I know that your officers, representatives, and members care as much about Hawaii as we do.

To the general public, we need you to identify your priorities, but also to be prepared for the consequences if implemented. We cannot operate with the intent of making everyone happy and expect to remain fiscally solvent. Instead, we must act on the principal that government cannot be "everything to everyone". If you want more or better public services or facilities, be prepared to pay for them. Conversely, if you do not want to pay more taxes or fees, be prepared to receive less public services or facilities. If you want more mandates on business, be prepared for an increase in the cost of compliance, and the resultant rise of consumer prices or decrease of business income. On the other hand, if you want to de-regulate business, be prepared for diminished protection for the public health, environment, workers, and consumers. In the end, I have much faith in the fairness, altruism, foresight, and, most of all, common sense of the general public. I know that their priorities will be sound and unselfish.

Members, I am optimistic about the next year. Economic recovery is approaching.

Many signs of improvement are apparent. Hawaii has been selected to host the APEC Conference. Almost 700,000 airseats will be added to the Hawaii market by various trans-Pacific airlines. A new company of brave entrepreneurs will continue fresh pineapple operation on Maui. A major entertainment company, without a previous presence in Hawaii, is proceeding with its Ko Olina time share project. The same company will begin filming the fourth "Pirates of the Caribbean" movie in the State during the summer. The Hawaii seed crop industry and bottled water industry continue to grow, two bright spots in attracting out-of-state dollars into the economy. Just as beneficial, local dollars are being kept in Hawaii because more and better renewable energy projects are replacing imported fossil fuel.

In closing, members, be reminded that the condition of our State is not predestined nor unchangeable. Our State is not "fated" to follow the economists' prediction of short-term sluggishness. On the other hand, neither is our State "fated" to automatically rebound after reaching the absolute bottom of the recession. We can and must be active contributors towards the betterment of the State, not merely passive observers content to watch from the sideline.

Members, I am confident that we, along with the Senate and State Administration and people of Hawaii, have the character, courage, compassion, intelligence, and sense of purpose to overcome the challenges set before us. We will realize a better future for the State of Hawaii.

Members, friends, and you -- the public --, let's get to work!