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# Upcountry Update

2012 LEGISLATIVE SESSION  
FROM REPRESENTATIVE KYLE YAMASHITA

Aloha,

As we head towards the second half of the 2012 legislative session, I wanted to update you on our progress. I continue to serve as the Chairman for the committee on Legislative Management, and as Vice-Chair for the committee on Labor & Public Employment. I am also a member of the committee on Finance, as such, I am responsible for overseeing and coordinating the Capital Improvement Project (CIP) process.

The economy and job creation continues to be the overall theme, as it has been for the past few years. We must continue to support our economic recovery because it is clear that many families and businesses are still hurting.

Some very successful and viable programs have been cut due to the loss of federal funding, and we are looking for ways that the State can make up the shortfall. We are also proposing to streamline the regulatory process for the construction industry so that we can start projects quickly and put more people to work. Awarding contracts for repair and maintenance projects for public schools and other state facilities are good examples where the state can help to create jobs.

One of my primary goals is to expand the internet broadband infrastructure across the state. This will greatly improve the quality of life for residents and enable businesses to compete on a global level. Telemedicine and a wide spectrum of economic development projects will benefit from faster broadband connectivity.

## Airport Shutdown is Not an Option

Recently, I met with Glenn Okimoto, the Director of the Department of Transportation to discuss the proposed master plan to upgrade the Kahului Airport facilities. With a price tag of more than \$1 billion, the 20-year plan would include extending both runways, upgrading existing taxiways, relocating the commuter terminal, expanding the main terminal, consolidating rent-a-car companies, and increasing public and employee parking.

The Federal Aviation Administration is recommending shutting down mainland flights during upgrades to runway strips, but “eliminating mainland flights to Kahului during the upgrade would be devastating to our local economy, lower visitor revenues, and jeopardize our relationships with the airlines during an already struggling economy. Shutting down mainland flights for any amount of time is not an option.”

Officials have laid out costs of the plan in three phases: \$76.3 million budgeted for 2015-2025, \$543.6 million budgeted for 2026-2035, and \$174 million budgeted for 2035 and beyond, with the remainder of the funds for design and contingency costs. The project would be funded by Federal Aviation Administration (FAA) funds (75 percent) and airport user fees (25 percent). Although no general funds have yet been earmarked for the master plan, I have included \$150 million in the capital improvement project (CIP) budget for repairs to the airport. Funding from the FAA is not guaranteed as it is contingent on approval of the State’s long-term plan by the federal agency.

In a previous meeting held in January, the DOT outlined three alternative upgrade scenarios and costs for work on the two runways. They are:

- Shutdown of mainland flights for at least 10 weeks, at a cost of \$34-47 million;
- Shutdown of mainland flights for at least 3 weeks, at a cost of \$66-84 million;
- No shutdown of mainland flights, cost \$110-134 million

According to a state report, given that 55 percent of visitors to Maui arrive on mainland flights, visitor revenues are projected to decrease from \$175 million to \$350 million in the case of a 10-week closure of the airport. Attendees of the meeting were overwhelmingly in favor of the significantly more expensive option for one clear reason; it would not affect airlines and their mainland flights. We remain optimistic that federal funding will be a viable source.



Kyle overlooking the Kahului Airport at the site of the proposed renovations

# 2012 Mid-Session Snapshots

Kyle with HSTA retiree members during education week at the Capitol



Mid-Session Snapshots is a guide to the key bills that have been passed by the House of Representatives and are now being considered by the Senate. There is still a long way to go in this session, and we will continue to discuss ways to improve these measures.

## GREEN LIVING

**HB2250 Environmental Workforce**, establishes an emergency environmental workforce to create short-term employment for individuals who are unemployed or underemployed due to the recovering economy. Participants will assist in the State's efforts to maintain and strengthen watersheds, eradicate invasive plants, and reduce the populations of invasive species.

**HB2690 Geothermal Resources**, designates geothermal resources exploration and development as permitted uses in all state land use districts and conservation district zones. It repeals geothermal resource subzone provisions and exempts geothermal resources exploration from environmental assessment and environmental impact statement requirement.

**HB2262 Biofuel Facility Tax Credit.** HB2262 expands the existing ethanol facility tax credit to include facilities producing other biofuels.

## TAKING CARE OF THE LAND

**HB2244 Agriculture Inspections** authorizes the Department of Agriculture to establish compliance agreements with the federal government and other states for inspections conducted in the state of origin. This will mitigate the risk posed to biosecurity in the form of invasive species being transported with imported goods. The legislation will also bring Hawaii's fruit, vegetable, and flower export industries into compliance with fed-

eral regulations and requirements from other states.

**HB1942 Electronic Importer Manifest Program**, allows moneys in the pest inspection, quarantine, and eradication fund to be expended for the Electronic Importer Manifest Program (EIMP). The EIMP is a Department of Agriculture mandate that provides for the transfer of data from an importer to the plant quarantine inspector on all commodities of interest imported by aircraft or ship.

**HB1947 Food Security**, authorizes the Department of Agriculture to establish an Agricultural Safety and Security Program, which will be accompanied by an Agricultural Practices Audit and Certification Revolving Fund. Under the voluntary program, the Department will conduct audit and certification services indicating a producer's compliance with generally accepted agricultural and management practices as well as food security and traceability requirements.

**HB2668 Agriculture land tax credit**, amends an important agricultural land tax credit to allow an additional 15% credit for drought mitigation and changes the tax credit cap from \$7.5 million per year to \$5 million per year for the 2012 tax year, and \$7 million for the 2013, 2014, and 2015 tax years. The bill also creates a livestock feed tax credit for 2012 and creates a feed development tax credit program for 2013 and 2014.

## STIMULATING THE ECONOMY

**HB2869 Motion Picture, Digital Media**, supports the motion picture, digital media, and film production industries in the State by extending the film tax credit from January 1, 2016 to January 1, 2025. It increases the qualified production tax credit ceiling; separates the calculation of the credit amount based on wages and salaries from the credit amount based on other qualified production costs; and provides different credit amounts based on residence within the counties for the wages and salaries paid to all cast, crew, and musicians of the qualified production.

**HB1671 Procurement, Review Time Limits**, imposes time limits on rendering administrative and judicial review decisions, and limits protests to those that are a minimum percentage of the contract value. The measure requires posting of a protest bond, to be forfeited if the protesting party does not prevail.

**HB2324 and HB2325 Broadband**, provide for the expedited construction of broadband facilities by modifying the permitting process through June 30, 2017.



## HEALTH

**HB1952 Bone Marrow Transplants**, appropriates funds subject to a dollar-for-dollar match between private and public funds to Hawaii Pacific Health to provide and restart a bone marrow transplant program within the State. HMC West and East facilities were primary bone marrow transplant facilities and their closure has forced patients to relocate to the mainland to receive treatment. This measure will help alleviate the extra financial burden on these patients and their family support system by creating this important program in Hawaii.

## TRANSPORTATION & SAFETY

**HB2030 Emergency Vehicles**, requires motorists when passing a stationary authorized emergency vehicle with visual signals activated on a highway to vacate the lane directly next to the stationary authorized emergency vehicle or reduce driving speed. This Act is dedicated to the memory of Officers Garret Davis and Eric Fontes of the Honolulu Police Department, whose tragic deaths could have been prevented by this legislation.

## SUPPORTING OUR TROOPS

**HB2409 Military Consumer Protection** authorizes the Department of Commerce and Consumer Affairs (DCCA) to enforce existing federal laws protecting military members and their families. The John Warner National Defense Authorization Act for Fiscal Year 2007 limits the terms of credit that may be applied to military members and their dependents. The act is designed to protect military members and their families from unfair lending practices that are commonly used by issuers of payday loans, vehicle title loans, and tax refund anticipation loans.

**HB2798 Veterans Treatment Court.** HB2798 establishes a Veterans Court that will allow Hawai'i to join more than a dozen states across the country in taking into account the impact returning home from combat has on veterans when administering justice. The wars in Afghanistan and Iraq have caused a spike in veter-



House Finance site visit to Kula Hospital

ans going through the court system. The Veterans Treatment Court is a system that recognizes the psychological effects of deployments and gives veterans a degree of justice commensurate with their service.

## KEIKI CARE

**HB1683** eliminates junior kindergarten beginning with the 2014-2015 school year. The intent is to replace this program with an early learning program.

**HB2626 Safe Routes to School**, establishes the Safe Routes to School Program within the Department of Transportation and establishes a Safe Routes to School Program Special Fund. A surcharge of \$25 for speeding violations in a school zone and a \$10 surcharge on various other traffic violations occurring in a school zone will be deposited into the Safe Routes to School Program Special Fund.

## Changes To Driver's Licenses & Permits

In order to comply with the federal REAL ID Act, effective March 5, 2012, anyone applying for a new OR renewed driver's license or permit must provide legal documents that show proof of their *legal name, date of birth, social security number and legal presence in the United States*. All documents must be the original certified copies and be presented in person at the Maui County Division of Motor Vehicles and Licensing. Detailed information can be found at [www.mauicounty.gov](http://www.mauicounty.gov).

### Documents to Prove Name, Date of Birth, or Legal Presence:

- Birth Certificate
- Valid Passport (US or Foreign)
- Valid U.S. Military ID Card
- Certificate of Citizenship or Naturalization
- Valid State of Hawaii ID Card with Photo

### Documents to Prove Social Security Number:

- Social Security Card
- Medicare ID Card
- W-2, 1099R or Pay Stub

### Documents to Prove Name Change:

- Marriage Certificate (Government Issued)
- Court Order for Name Change, Divorce, etc.

# The State Budget - A Work in Progress

Mid-way through the 2012 legislative session, the House passed a state budget that is prudent, and reprioritizes, rehabilitates and renews government services for the years ahead. It immediately creates hundreds of jobs in a number of key industries, and squarely addresses long-term debt.

The budget bill appropriates \$5.6 billion in general funds and \$13.6 billion in all means of financing, including capital improvements. This is the first year since the recession that the legislature is not forced to close a deficit over \$1 billion. While this means more revenue is available, the House is proceeding cautiously and responsibly to evaluate the most critical needs of the state, and to fund programs and services based on what is now a new normal.

For example, it includes \$2.2 million for 29 agriculture inspectors to curb invasive species and assist farmers with crop shipments. It provides \$15 million to care for the most vulnerable, including abused and abandoned children, to hire 15 additional Medicaid eligibility workers to reduce the backlog of applications, and \$23.4 million for Temporary Assistance for Needy Families services aimed at helping people achieve self-sufficiency.

Creating jobs immediately is a top priority. To jump start construction, the House appropriated \$2.4 billion in bond funded capital improvement projects for the coming year. We are focused on getting projects done, and not merely placed on the books.

We are working to upgrade our information technology statewide. \$30 million was approved for statewide initiatives to streamline state government and create higher levels of transparency and accountability. This includes \$1.4 million for the Hawaii Broadband Initiative to fund pilot programs to increase the state's broadband capacity.

The budget passed by the House ensures that the most basic needs of Hawaii's people are met, while achieving steady growth.



Kyle with the new head football coach of the University of Hawaii, Norm Chow

<b>Upcountry Capital Improvement Projects 2011-2013</b>	
<b>Upcountry Maui Watershed Project</b>	\$6,000,000
<i>Land acquisition, design, construction for installation of pipeline. Project qualifies for federal aid.</i>	
<b>Haleakala, Maui</b>	\$1,500,000
<i>Replace/upgrade existing tower, new power building generator system and AC.</i>	
<b>Makawao Veterans Cemetery</b>	\$1,667,036
<i>Upgrade and improvement.</i>	
<b>Makawao Veterans Cemetery</b>	\$5,300,000
<i>Land acquisition and expansion of existing ceme-</i>	
<b>Kula Elementary School</b>	\$35,678
<i>Renovate restrooms.</i>	
<b>King Kekaulike High School.</b>	\$11,850,000
<i>Design, construction for new auditorium.</i>	
<b>Kula Hospital</b>	\$2,505,000
<i>Elevator upgrades, new call system.</i>	
<b>Makawao Waterline Improvements</b>	\$819,339
<i>Ai Street, Kehau, Mole &amp; Malu Place.</i>	
<b>Omaopio Road</b>	\$1,286,334
<i>Tank replacement.</i>	
<b>Kamole Water Treatment Plant</b>	\$6,339,977
<i>High Lift Pumps.</i>	
<b>Kula Forest Reserve</b>	\$1,325,000
<i>Emergency Flood Response.</i>	
<b>Upcountry Water Well</b>	\$2,500,000
<i>Construction of a test well as 1st phase in the construction of a ground water well to supplement the surface water system.</i>	
<b>Old Haleakala Highway</b>	\$1,000,000
<i>Sidewalk.</i>	
<b>Haleakala Highway</b>	\$1,500,000
<i>Construction to install right turn lane on west-bound on Haleakala Highway, sidewalk, pave shoulder. To improve traffic flow at King Kekaulike High School.</i>	

## Going Green

To promote green living, we are working in our office to go paperless! Please send your name and email address to [repyamashita@capitol.hawaii.gov](mailto:repyamashita@capitol.hawaii.gov) so we can send electronic versions of our newsletters.



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