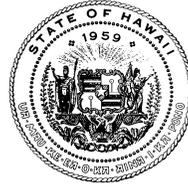


JOSH B. GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA
MOKU'ĀINA 'O HAWAI'I



KATHERINE AUMER, PhD
COUNCIL CHAIRPERSON
LUNA HO'OMALU O KA PAPA

STATE OF HAWAI'I
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
STATE COUNCIL ON MENTAL HEALTH
P.O. Box 3378, Room 256
HONOLULU, HAWAII 96801-3378

STATE COUNCIL ON MENTAL HEALTH
Testimony to the House Committee on Finance
In Support of S.B. 1448 S.D.2 H.D.1
MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE
CONSTRUCTION DEFECT REMEDIATION AT THE HAWAII STATE HOSPITAL
March 28, 2025 2:00 p.m., Room 329 and Video

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

Hawaii law, HRS §334-10, established the State Council on Mental Health (SCMH) as a 21-member body to advise on the allocation of resources, statewide needs, and programs affecting more than one county as well as to advocate for adults with serious mental illness, children with serious emotional disturbances, individuals with mental illness or emotional problems, including those with co-occurring substance abuse disorders. Members are residents from diverse backgrounds representing mental health service providers and recipients, students and youth, parents, and family members. Members include representatives of state agencies on mental health, criminal justice, housing, Medicaid, social services, vocational rehabilitation, and education. Members include representatives from the Hawaii Advisory Commission on Drug Abuse and Controlled Substances and county service area boards on mental health and substance abuse.

The SCMH supports this measure and values the role of this crucial funding. This measure is for a healthy living and working environment at the Hale Ho'ola Building of the Hawaii State Hospital (HSH). The measure will provide funds needed to address remediation of construction defects that are resulting in an unhealthy and unsafe place for patients and workers to live and/or work. Part of the funding sought will be for legal remedies, specifically engaging the Special Deputy Attorney General to explore all possible avenues of remediation and cost recovery.

Thank you for the opportunity to testify. Should you have any questions, please contact us at doh.scmhchairperson@doh.hawaii.gov.

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KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
KEITH A. REGAN, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

COMMITTEE ON FINANCE

MARCH 28, 2025, 2:00 P.M.
CONFERENCE ROOM 308 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 1448, S.D. 2, H.D. 1

MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH
FOR CONSTRUCTION DEFECT REMEDIATION AT THE HAWAII STATE HOSPITAL

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee, thank you for the opportunity to submit testimony on S.B. 1448, S.D.2, H.D. 1.

The Department of Accounting and General Services (DAGS) offers testimony in **support** of this bill which seeks an emergency appropriation of sufficient general revenues to the Department of Health (DOH) to fund construction defect remediation, including the payment of legal fees and cost of special deputies attorney general, of the Hale Ho'ola Building of the Hawai'i State Hospital (HSH) and declares that the general fund expenditure ceiling for fiscal year 2024-2025 has been exceeded.

The urgency of this request stems from the potential risks to the health and safety of the patients and staff at the Hale Ho'ola Building. A significant concern is the

presence of water leaks in the building's exterior envelope and plumbing systems. Due to these leaks and the propensity for leaks to result in fungal growth, a fungal investigation was conducted. The investigation confirmed evidence of mold spores and mold growth.

The fungal investigation provided DAGS and DOH with recommendations for short-, intermediate-, and long-term responses. The HSH immediately performed the short term-response but requires funds to perform the intermediate and long-term responses.

1. Short term response:
 - a. Immediately following the investigation, the HSH performed an initial response of cleaning out all visible and accessible mold.
2. Intermediate responses (responses utilizing this emergency appropriation):
 - a. Perform a comprehensive investigation of the building, including destructive testing, to determine the extent of design and construction defects requiring both short- and long-term response.
 - b. Conduct mold abatement, including removal and cleaning of mold growth in all affected areas.
 - c. Perform emergency HVAC repairs to replace failed components and investigate HVAC system to evaluate system performance.
3. Long-term response (additional CIP funding required):
 - a. Reroofing the building and repairs and improvements to other elements of the building envelope, plumbing, and other major building systems, to provide a lasting solution to issues of water intrusion.
 - b. Repair and adjust the HVAC system to improve air circulation and moisture control.

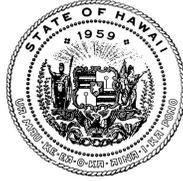
The HSH has been working closely with DAGS to cure these issues, and DAGS will continue to work closely with DOH and the hospital in that regard. This emergency appropriation is crucial to fund the intermediate responses that can be implemented to

ensure the health and safety of the patients and staff who live and work at the HSH.

The department also offers the following comments:

- On page 2, line 12, insert the numeric figure “\$10,660,000”
- On page 3, line 13, replace “\$8,160,000” with “\$10,660,000” to reflect the original request of \$8,160,000, the addition of \$100,000 to fund installation of UV lighting in HVAC ducts to control the recurrence of mold infestations, and the addition of \$2,400,000 to fund the comprehensive building study noted above, noting that this amount may be deducted from the separate CIP request to fund the long-term response tasks noted above.

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



JOSH GREEN, M.D.

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KENNETH S. FINK, M.D., M.G.A., M.P.H.

Testimony in SUPPORT of S.B. 1448 SD2 HD1

**MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR
CONSTRUCTION DEFECT REMEDIATION AT
THE HAWAII STATE HOSPITAL.**

REPRESENTATIVE KYLE T. YAMASHITA, CHAIR
REPRESENTATIVE JENNA TAKENOUCI, VICE CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: March 28, 2025, 2:00 PM Room Number: 308/Videoconference

1 **Fiscal Implications:** The Department of Health (Department) requests this emergency
2 appropriation to be considered as a vehicle to ensure the health and safety of the patients and
3 staff at the Hawaii State Hospital (HSH).

4 **Department Position:** The Department strongly supports S.B. 1448 SD2 HD1, making an
5 emergency appropriation to implement crucial design and construction defect analysis and
6 remediation in the Hale Ho'ōla Building of the Hawaii State Hospital (HSH).

7 **Department Testimony:** The HSH provides the following testimony on behalf of the
8 Department and the Adult Mental Health Division (AMHD).

9 The Department respectfully requests an emergency appropriation (EA) of \$10,660,000
10 to the Department of Health for construction defect remediation at the HSH. This funding is
11 inclusive of \$8,660,000 for mold abatement, facility repairs, defect analysis, a comprehensive
12 third-party examination of Hale Ho'ōla, including a root cause analysis (RCA) of the most severe
13 defects and problems, and the immediate procurement and installation of ultraviolet (UV)
14 lights for the heating, ventilation, and air conditioning (HVAC) system; \$2,000,000 for legal fees
15 and costs of special deputy attorneys general to explore all possible avenues of remediation.

1 Since the initial introduction of S.B. 1448, the cost for the UV lights and comprehensive
2 examination have been identified and subsequently added to the request. The Department
3 appreciates the Legislature’s consideration and inclusion of these additions.

4 The urgency of this request stems from the potential risks to the health and safety of
5 the patients and staff at the HSH. A significant concern is the presence of water leaks in the
6 building’s exterior envelope and plumbing systems. Due to these leaks, a fungal investigation
7 was conducted. The investigation confirmed water intrusion along with evidence of mold and
8 mold growth.

9 The fungal investigation provided the Department with recommendations for short-,
10 intermediate-, and long-term responses. The HSH immediately performed the short-term
11 response but requires funds to perform the intermediate- and long-term responses.

12 1. Short-term response

13 a. Immediately following the investigation, the HSH performed an initial
14 response of cleaning out all visible and accessible mold.

15 2. Intermediate responses (responses utilizing this emergency appropriation)

16 a. Investigate and identify water leaks and standing water in the building
17 and at entry points.

18 b. Conduct mold abatement, including removal and cleaning of mold growth
19 in all affected areas.

20 c. Perform emergency HVAC repairs to replace failed components and
21 investigate HVAC system to evaluate system performance.

22 d. Install UV lights in the HVAC system to sanitize the air circulating through
23 the system.

24 e. Comprehensive third-party examination of Hale Ho’ōla, including a root
25 cause analysis (RCA) of the most severe defects and problems.

26 3. Long-term response (additional CIP funding required):

- 1 a. Potential reroofing of the building and repairs and improvements to
- 2 other elements of the building envelope, plumbing, and other major
- 3 building systems, to provide a lasting solution to issues of water
- 4 intrusion.
- 5 b. Repair and adjust the HVAC system to improve air circulation and
- 6 moisture control.

7 Additionally, the HSH has received grievances from staff through the unions regarding
8 the identified mold and the significant risk that it poses, violating their contract and the public
9 employee's collective bargaining agreement for a safe and healthy work environment.

10 The HSH has been working closely with the Department of Accounting and General
11 Services to cure these issues. This emergency appropriation is crucial to fund immediate repairs
12 that can be done to ensure the health and safety of the patients and staff who live and work at
13 the HSH.

14 **Offered Amendments:** The Department respectfully requests the inclusion of the appropriation
15 amount of \$10,660,000 in Section 3 and Section 5 and an effective date of upon approval.

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