



STATE OF HAWAII
DEPARTMENT OF HEALTH

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**Testimony in SUPPORT of SB1422 SD1
RELATING TO NON-GENERAL FUNDS OF THE DEPARTMENT OF HEALTH.**

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: February 28, 2025

Room Number: 211

1 **Fiscal Implications:** 1) Redirection of approximately \$330,000 (or \$2 per transaction) per year
2 from the general fund to the vital statistics improvement special fund. 2) Redirection of
3 approximately \$200,000 (or \$10 per transaction) per year from the birth defects special fund to
4 the vital statistics improvement special fund.

5 **Department Testimony:** The Department of Health (DOH) strongly supports SB1449 SD1.
6 This measure is necessary to create a more consistent revenue stream to meet rising operational
7 costs and support the on-going modernization and preservation efforts.

8 The department processes approximately 125,000 customer requests annually, which is
9 increasing steadily due to a growing population and additional requirements for which vital
10 records are essential, such as the REAL ID Act of 2005 (Pub.L. 109-13). Along with the
11 increase in the number of transactions, the cost of security paper, printers and toner, postage, and
12 other supplies continues to rise. Recovering a greater share of the fees for certified copies and
13 marriage licenses would allow the department to better meet customer needs, and make more
14 immediate investments in business operations, quality improvement, and customer service.

15 DOH has initiated a vital records modernization project, the core of which is to replace a
16 decades-old, unreliable, and completely unsupported computer system that drives an entirely
17 manual workflow. The combination of out-dated technology and inefficient workflow has
18 created significant backlogs over the years, with customers waiting more than six months for

1 copies of birth, death, and marriage certificates. Other states with modern systems can turn
2 around customer requests in a matter of days.

3 Furthermore, the deteriorating condition of bound volumes, some dating back to the Kingdom of
4 Hawaii, prompt the need for digitization of those records to improve operations, such as
5 genealogical research, and preservation for historical purposes. A larger share of the fees would
6 permit interim preservation and protective actions to be taken, in concert with potential longer-
7 term interventions.

8 The additional revenue from fees provides much needed certainty and flexibility for vital records
9 business planning and operations as follows.

10 Redirection of Fees for Certified Copies

11 The fee for certified copies of vital records is \$10 for the first copy and \$4 for additional copies,
12 of which only \$1 comes back to DOH to support operations. The balance of fees are disbursed
13 into various special funds and the general fund. This measure redirects deposits from the general
14 fund to the vital statistics improvement special funds.

15 Repeal of the Birth Defects Special Fund and Redirection of Deposits

16 The fee for marriage licenses is \$60, of which zero dollars come back to DOH to support
17 operations despite DOH providing all the resources and labor to issue the licenses. More than
18 half of the fee goes to the general fund, and the balance to several special funds.

19 However, Report No. 21-03 published by the Hawaii Office of the Auditor found that the birth
20 defects special fund did not meet criteria for a special fund because there was no clear link
21 between the birth defects program and marriage license fees, and recommended its repeal.

22 The redirection of deposits from the general fund and the birth defects special fund to the vital
23 statistics improvement special fund will provide a more reliable stream of resources to offset

- 1 costs for the daily operations of the vital statistics systems and to support the forementioned
- 2 modernization and preservation activities.

- 3 Thank you for the opportunity to testify.