SESSION LAWS

OF

HAWAII

PASSED BY THE THIRTIETH STATE LEGISLATURE STATE OF HAWAII

REGULAR SESSION 2019

Convened on Wednesday, January 16, 2019 and Adjourned sine die on Thursday, May 2, 2019

Published under Authority of Section 23G-13, Hawaii Revised Statutes by the Revisor of Statutes State of Hawaii Honolulu, Hawaii

PREFACE

This volume contains all of the laws enacted by the Hawaii State Legislature during the Regular Session of 2019.

The text of the laws is printed in full except as provided herein. Statutory material that is being repealed is either bracketed or bracketed and stricken. New material is indicated by underscoring. However, as authorized by Section 23G-16.5, Hawaii Revised Statutes (HRS), the text is edited to omit the bracketed material for HRS sections that are being repealed in their entirety and to omit the underscoring for entirely new HRS sections. With the exception of the foregoing and certain obvious typographical errors that have been corrected, the text of the laws appears as enacted.

Explanatory notes appear at the end of the corresponding laws. The notes clarify editorial changes and inconsistencies in text.

Charlotte A. Carter-Yamauchi Revisor of Statutes

Honolulu, Hawaii July 15, 2019

STATE OF HAWAII ELECTED OFFICIALS AND LEGISLATIVE OFFICERS

UNITED STATES CONGRESS

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D – Democrats	
R – Republicans 1	

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D – Democrats 46)
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Session Laws of Hawaii Passed By The Thirtieth State Legislature Regular Session 2019

ACT 1

H.B. NO. 1

A Bill for an Act Making Appropriations to Provide for the Expenses of the Legislature, the Auditor, the Legislative Reference Bureau, the Ombudsman, and the Ethics Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$10,083,491 or so much thereof as may be necessary to the senate for the following expenses:

- (1) The sum of \$8,820,991 for defraying any and all session and nonsession expenses of the senate up to and including June 30, 2020, including the 2019 regular session, thirtieth legislature of the State of Hawaii, and pre-session expenses and the expenses of any committee or committees established during the interim between the 2019 and 2020 regular sessions;
- (2) The sum of \$1,150,000 for defraying the expenses of the legislative information system for cost items such as hardware, software, consultants, installation, materials, supplies, and other related costs associated with the legislative information system that have been or will be incurred; and
- (3) The sum of \$112,500 for defraying the cost of the legislative broadcasting program to pay for the production and distribution of television broadcasts of legislative proceedings.

The sum appropriated in this section shall be expended by the senate.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$13,824,718 or so much thereof as may be necessary to the house of representatives for the following expenses:

- (1) The sum of \$12,773,794 for defraying any and all session and nonsession expenses of the house of representatives up to and including June 30, 2020, including the 2019 regular session, thirtieth legislature of the State of Hawaii, and pre-session expenses and the expense of any committee or committees established during the interim between the 2019 and 2020 regular sessions;
- (2) The sum of \$938,424 for defraying the expenses of the legislative information system for cost items such as hardware, software, consultants, installation, materials, supplies, and other related costs as-

sociated with the legislative information system that have been or will be incurred; and

(3) The sum of \$112,500 for defraying the cost of the legislative broadcasting program to pay for the production and distribution of television broadcasts of legislative proceedings.

The sum appropriated in this section shall be expended by the house of representatives.

SECTION 3. Payment of expenses of the senate during the interim between the 2019 and 2020 regular sessions shall be made only with the approval of the president of the senate, and payment of expenses of the house of representatives during the interim between the 2019 and 2020 regular sessions shall be made only with the approval of the speaker of the house of representatives.

SECTION 4. Before January 15, 2020, the senate and the house of representatives shall each have their accounts audited, and a full report of the respective audits shall be presented to the senate and house of representatives convening on January 15, 2020.

SECTION 5. Unless otherwise prescribed by law, the expenses of any member of the legislature while traveling abroad on official business of the legislature shall be \$145 a day as authorized by the president of the senate and speaker of the house of representatives.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$3,283,899 or so much thereof as may be necessary to the office of the auditor for the following expenses:

- (1) The sum of \$3,133,899 for defraying the expenses of the office of the auditor during fiscal year 2019-2020; and
- (2) The sum of \$150,000 during fiscal year 2019-2020 for:
 - (A) Performing special studies;
 - (B) Improving capabilities for planning, programming, and budgeting;
 - (C) Fulfilling other special requests made of the auditor by the legislature or jointly by the president of the senate and the speaker of the house of representatives;
 - (D) Legislative studies and contractual services for those studies; and
 - (E) Such other purposes as may be determined by the joint action of the president of the senate and the speaker of the house of representatives.

The sum appropriated in this section shall be expended by the auditor.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,800,000 or so much thereof as may be necessary to the office of the auditor during fiscal year 2019-2020 to be deposited into the audit revolving fund established pursuant to section 23-3.6, Hawaii Revised Statutes.

SECTION 8. There is appropriated out of the audit revolving fund the sum of \$6,300,000 or so much thereof as may be necessary to the office of the auditor during fiscal year 2019-2020 for the office to conduct or complete its audit functions as provided by law.

The sum appropriated shall be expended by the auditor.

SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of \$3,918,862 or so much thereof as may be necessary to the legislative reference bureau for defraying the expenses of the legislative reference bureau during fiscal year 2019-2020, including equipment relating to computer systems programming and operations.

The sum appropriated in this section shall be expended by the legislative reference bureau.

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,388,394 or so much thereof as may be necessary to the office of the ombudsman for defraying the expenses of the office during fiscal year 2019-2020.

The sum appropriated in this section shall be expended by the ombudsman.

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,202,065 or so much thereof as may be necessary to the office of the state ethics commission for defraying the expenses of the office during fiscal year 2019-2020.

The sum appropriated in this section shall be expended by the state ethics commission.

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the following sums or so much thereof as may be necessary to be expended for the purpose of accrued vacation payments and vacation transfer payments for any employee leaving the employ of the senate, house of representatives, office of the auditor, legislative reference bureau, office of the ombudsman, and state ethics commission:

Expending Agency	<u>Amount</u>
Senate	\$185,000
House of Representatives	\$224,524
Office of the Auditor	\$68,106
Legislative Reference Bureau	\$26,810
Office of the Ombudsman	\$14,035
State Ethics Commission	\$16,553

provided that the appropriate expending agency shall first make payments from the vacation payout allocation before expending funds from turnover and vacancy amounts; and provided further that any unexpended funds shall lapse to the general fund on June 30, 2020.

SECTION 13. Except for moneys in the audit revolving fund, as of the close of business on June 30, 2020, the unexpended or unencumbered balance of any appropriation made by this Act shall lapse into the general fund.

SECTION 14. Each section of this Act is declared to be severable from the remainder of this Act.

SECTION 15. This Act shall take effect upon its approval. (Approved February 28, 2019.)

A Bill for an Act Relating to Marketplace Facilitators.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 237, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§237- Marketplace facilitators. (a) A marketplace facilitator shall be deemed the seller of tangible personal property, intangible property, or services and the seller on whose behalf the sale is made shall be deemed to be making a sale at wholesale pursuant to section 237-4.

(b) For purposes of section 237-3, a marketplace facilitator's gross income or gross proceeds of sale include receipts from sales on behalf of other sellers under subsection (a).

(c) Any person other than a marketplace facilitator who provides a forum, whether physical or electronic, in which sellers list or advertise tangible personal property, intangible property, or services for sale and takes or processes sales orders shall:

- (1) Post a conspicuous notice on its forum that informs purchasers intending to purchase tangible personal property, intangible property, or services for delivery to or use at a location in this State that the purchaser is required to pay use tax if the sale is made from an unlicensed seller;
- (2) Provide a written notice to each purchaser at the time of each sale of tangible personal property, intangible property, or services for delivery to or use at a location in this State that the purchaser may be required to remit use tax directly to the department and provide instructions for obtaining additional information from the department on whether and how to remit use tax to the department; and
- (3) No later than the twentieth day of the fourth month following the close of the taxable year, submit a report to the department that includes, with respect to each purchaser of tangible personal property, intangible property, or services delivered to or used at a location in this State, all of the following:
 - (A) The purchaser's name, billing address, and mailing address;
 - (B) If the sale involved the purchase of tangible personal property, the address in this State to which the tangible personal property was delivered to the purchaser;
 - (C) The aggregate dollar amount of the purchaser's purchases from the seller; and
 - (D) The name and address of the seller that made the sale to the purchaser;

provided that the person, in lieu of complying with the notice and reporting requirements in this subsection, may elect to be deemed the seller of tangible personal property, intangible property, or services as provided in subsection (a).

(d) Any person who fails to comply with subsection (c) and has not elected to be deemed the seller of tangible personal property, intangible property, or services unless it is shown that the failure is due to reasonable cause and not due to neglect, shall be assessed a penalty of \$1,000 if the failure is for not more than one month, with an additional \$1,000 for each additional month or fraction thereof during which the failure continues, not exceeding \$12,000 in the aggregate."

SECTION 2. Section 237-1. Hawaii Revised Statutes, is amended as follows:

By adding a new definition to be appropriately inserted and to read: 1.

"Marketplace facilitator" means any person who sells or assists in the sale of tangible personal property, intangible property, or services on behalf of another seller by:

- Providing a forum, whether physical or electronic, in which sellers (1)list or advertise tangible personal property, intangible property, or services for sale; and
- Collecting payment from the purchaser, either directly or indirectly (2)through an agreement with a third party."
- 2. By amending the definition of "representative" to read:

""Representative" means any salesperson, commission agent, manufacturer's representative, broker or other person who is authorized or employed by [an unlicensed] a seller to assist [such] the seller in selling property for use in the State, by procuring orders for [such] the sales or otherwise, and who carries on [such] those activities in the State, it being immaterial whether [such] the activities are regular or intermittent[; but the]. The term "representative" [does] shall not include [a]:

- A manufacturer's representative whose functions are wholly promo-(1)tional and to act as liaison between an unlicensed seller and a seller or sellers, and [which] that do not include the procuring, soliciting or accepting of orders for property or the making of deliveries of property, or the collecting of payment for deliveries of property, or the keeping of books of account concerning property orders, deliveries or collections transpiring between an unlicensed seller and a seller or sellers[. Any unlicensed seller who in person carries on any such activity in the State shall also be classed as a representative.]; and
- A marketplace facilitator." (2)

SECTION 3. Section 238-1, Hawaii Revised Statutes, is amended as follows:

By adding a new definition to be appropriately inserted and to read: ""Marketplace facilitator" shall have the same meaning as in section 237-1."

By amending the definition of "import" to read:

2. By amending the definition of import to read. ""Import" (or any nounal, verbal, adverbial, adjective, or other equivalent of the term) includes:

- (1)The importation into the State of property, services, or contracting owned, purchased from an unlicensed seller, or however acquired, from any other part of the United States or its possessions or from any foreign country, whether in interstate or foreign commerce, or both; [and]
- The sale and delivery of property owned, purchased from an unli-(2)censed seller, or however acquired, by a seller who is or should be licensed under the general excise tax law from an out-of-state location to an in-state purchaser, regardless of the free on board point or the place where title to the property transfers to the purchaser[-]; and
- The sale of tangible personal property, intangible property, or ser-(3)vices by a marketplace facilitator with a valid license issued pursuant to section 237-9 on behalf of an unlicensed seller for delivery to or use by a purchaser in the State."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on January 1, 2020. (Approved April 4, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 3

S.B. NO. 1361

A Bill for an Act Relating to Estate Taxes.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 236E-8, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) With respect to the estates of decedents dying after January 25, 2012, the tax based on the Hawaii net taxable estate shall be as provided in the following schedule:

If the Hawaii net taxable	
estate is:	The tax shall be:
\$1,000,000 or less	10.0% of the Hawaii net taxable estate
Over \$1,000,000 but not over \$2,000,000	\$100,000 plus 11.0% of the amount by which the Hawaii net taxable estate exceeds \$1,000,000
Over \$2,000,000 but not over \$3,000,000	\$210,000 plus 12% of the amount by which the Hawaii net taxable estate exceeds \$2,000,000
Over \$3,000,000 but not over \$4,000,000	\$330,000 plus 13% of the amount by which the Hawaii net taxable estate exceeds \$3,000,000
Over \$4,000,000 but not over \$5,000,000	\$460,000 plus 14% of the amount by which the Hawaii net taxable estate exceeds \$4,000,000
Over \$5,000,000 <u>but</u> not over \$10,000,000	\$600,000 plus 15.7% of the amount by which the Hawaii net taxable estate exceeds \$5,000,000[-]

Over \$10,000,000

\$1,385,000 plus 20% of the amount by which the Hawaii net taxable estate exceeds \$10,000,000."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval and shall apply to decedents dying or taxable transfers occurring after December 31, 2019. (Approved April 4, 2019.)

ACT 4

S.B. NO. 148

A Bill for an Act Relating to Fire Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the state fire council comprises the four county fire chiefs and is attached for administrative purposes to the department of labor and industrial relations. The state fire council is responsible for adopting the state fire code, administering the requirements for a reduced ignition propensity cigarette program, and applying for and administering federal grant assistance for fire-related projects. The state fire council may also establish qualifications for testing and certifying individuals who perform maintenance and testing of portable fire extinguishers, fire protection and fire alarm systems, and private fire hydrants.

The purpose of this Act is to specify the allowable fire protection systems certifications that an individual may obtain, more closely aligning the state fire code with nationally recognized standards.

SECTION 2. Section 132-16, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The state fire council may also:

- Appoint advisory committees comprised of representatives from each county fire department to assist in drafting the state fire code and coordinating statewide training, data collection, and contingency planning needs for firefighters;
- (2) Advise and assist the county fire departments where appropriate, may prescribe standard procedures and forms relating to inspections, investigations, and reporting of fires, may approve plans for cooperation among the county fire departments, and may advise the governor and the legislature with respect to fire prevention and protection, life safety, and any other functions or activities for which the various county fire departments are generally responsible; and
- (3) Establish, in conformance with the adopted state fire code and nationally recognized standards, statewide qualifications and procedures, to be administered by the county fire departments, for testing, certifying, and credentialing individuals who perform maintenance and testing of portable fire extinguishers, <u>water-based</u> fire protection systems, <u>other fire protection systems</u>, private fire hydrants, and fire alarm systems; provided that the county fire departments may establish and charge reasonable certification fees."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved April 12, 2019.)

ACT 5

H.B. NO. 2

A Bill for an Act Relating to the State Budget.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. SHORT TITLE. This Act shall be known and may be cited as the General Appropriations Act of 2019.

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in this Act:

"Expending agency" means the executive department, independent commission, bureau, office, board, or other establishment of the state government (other than the legislature, Office of Hawaiian Affairs, and judiciary), the political subdivisions of the State, or any quasi-public institution supported in whole or in part by state funds, which is authorized to expend specified appropriations made by this Act.

Abbreviations, where used to denote the expending agency, shall mean the following:

- AGR Department of agriculture
- AGS Department of accounting and general services
- ATG Department of the attorney general
- BED Department of business, economic development, and tourism
- BUF Department of budget and finance
- CCA Department of commerce and consumer affairs
- DEF Department of defense
- EDN Department of education
- GOV Office of the governor
- HHL Department of Hawaiian home lands
- HMS Department of human services
- HRD Department of human resources development
- HTH Department of health
- LBR Department of labor and industrial relations
- LNR Department of land and natural resources
- LTG Office of the lieutenant governor
- PSD Department of public safety
- SUB Subsidies
- TAX Department of taxation
- TRN Department of transportation
- UOH University of Hawaii
- CCH City and county of Honolulu
- COH County of Hawaii
- COK County of Kauai
- COM County of Maui

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. The letter symbols, where used, shall have the following meanings:

- A General funds
- B Special funds
- C General obligation bond fund
- D General obligation bond fund with debt service cost to be
- paid from special funds
- E Revenue bond funds
- J Federal aid interstate funds
- K Federal aid primary funds
- L Federal aid secondary funds
- M Federal aid urban funds
- N Federal funds
- P Other federal funds
- R Private contributions
- S County funds
- T Trust funds
- U Interdepartmental transfers
- W Revolving funds
- X Other funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk for permanent fulltime equivalent positions and a pound sign for temporary full-time equivalent positions.

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this Act or as provided by general law.

PROGRAM APPROPRIATIONS

				APPROPE	RIATIONS
				FISCAL M	FISCAL M
ITEM	PROG.		EXPENDING	YEAR O	YEAR O
NO.	ID	PROGRAM	AGENCY	2019-2020 F	2020-2021 F

A. ECONOMIC DEVELOPMENT

1. BED100 - STRATEGIC MARKETING AND SUPPORT

		10.00*	10.00*
		1.00#	1.00#
OPERATING	BED	2,585,988 A	2,570,997 A
	BED	1,821,915W	1,821,915W
	BED	700,000 P	700,000 P

10.00*

10 00 *

			APPROPE	RIATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING A AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
2.	BED105 - CREATIVE IN	DUSTRIES DIVISION		
			14.00* 1.00#	14.00* 1.00#
	OPERATING	BED BED	1,815,093 A 30,000 B	1,815,093 A 30,000 B
3.	BED107 - FOREIGN TR	ADE ZONE		
	OPERATING	BED	16.00* 2,438,062B	16.00* 2,445,180B
4.	BED142 - GENERAL SU	JPPORT FOR ECONOMI	C DEVELOPMEN	Г
			26.00*	26.00*
	OPERATING	BED	1.00# 2,326,258 A	1.00 <i>#</i> 2,326,258 A
5.	BED113 - TOURISM			
			3.00*	3.00*
	OPERATING	BED	29.00# 141,483,409B	29.00# 141,483,409B
6.	AGR101 - FINANCIAL	ASSISTANCE FOR AGRI	CULTURE	
	OPERATING	AGR	8.00* 1,280,984 B	8.00* 1.280.984 B
	OI ERATING	AGR	5,500,000 W	5,500,000 W
7.	AGR122 - PLANT PEST	AND DISEASE CONTRO	-	
	OPERATING	AGR	78.00* 5,721,147 A 46.00*	78.00* 5,726,907 A 46.00*
		AGR	8,784,690 B	8,796,810 B
		AGR AGR	512,962 T 212,095 U	512,962 T 212,095 U
		AGR	50,360 W	50,360 W
		AGR	2.00# 528,412P	2.00 <i>#</i> 528,412 P
8.	AGR131 - RABIES QUA	RANTINE		
			34.32*	34.32*
	OPERATING	AGR	1.00# 3,933,400B	1.00# 3,945,522B
9.	AGR132 - ANIMAL DIS	SEASE CONTROL		
	ODED ATDIC	A CD	22.68*	22.68*
	OPERATING	AGR	1,613,389 A 3.00*	1,614,083 A 3.00*
		AGR	145,074 B 3.00#	145,074 B 3.00#
		AGR	438,438 P	438,438 P
10.	LNR172 - FORESTRY -	RESOURCE MANAGEM	ENT AND DEVEL	OPMENT
			27.00* 8.00#	27.00* 8.00#
	OPERATING	LNR	3,566,192 A	3,570,330 A
		LNR	2,455,475 B 1.00*	2,455,475 B 1.00*
		LNR	3,577,901 P	877,901 P
11.	AGR151 - QUALITY AN	ND PRICE ASSURANCE	17 00 *	17 00*
	OPERATING	AGR	17.00* 1,463,935 A	17.00* 1,463,935A
			2.00*	2.00*

			APPROPR	IATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
		AGR	382,593 B	383,593 B
		AGR	300,000 T	300,000 T
		ACD	10.00# 599,020W	10.00#
		AGR AGR	138,624 P	601,859 W 138,624 P
12.	AGR171 - AGRICULTURAL	DEVELOPMENT A		
	OPERATING	AGR	13.00* 1,708,117 A	13.00* 1,708,117 A
	OFERATING	AGR	420,000 B	420,000 B
		AGR	1,007,003 N	1,007,003 N
		AGR	220,000 P	220,000 P
13.	AGR141 - AGRICULTURAL	RESOURCE MANA	GEMENT 6.00*	6.00*
	OPERATING	AGR	602,944 A	6.00* 602,944 A
	of Electrico	non	23.50*	23.50*
		AGR	2,780,761 B	2,792,881 B
		AGR	7.50* 1,281,904 W	7.50* 1,284,743 W
14.	AGR161 - AGRIBUSINESS D	DEVELOPMENT AN	D RESEARCH	
	OPERATING	AGR	1,000 A	1,000 A
		AGR	1,000 B	1,000 B
		AGR	1,000 W	1,000 W
15.	AGR192 - GENERAL ADMI	NISTRATION FOR	AGRICULTURE 26.00*	26.00*
	OPERATING	AGR	2,165,054 A 5.00*	2,165,054 A 5.00*
		AGR	1,127,044 B	1,127,044 B
16.	LNR153 - FISHERIES MANA	AGEMENT	2 00 t	0.00.1
	OPERATING	LNR	9.00* 845,514 A	9.00* 847,246 A
	OFERATING	LINK	2.00*	2.00*
		LNR	375,944 B	376,212 B
		LNR	420,000 N	420,000 N
			2.00*	2.00* 1.00#
		LNR	1.00# 475,000P	475,000 P
17.	AGR153 - AQUACULTURE	DEVELOPMENT		
		1.67	4.00*	4.00*
	OPERATING	AGR AGR	336,555 A 125,000 B	336,555 A 125,000 B
18.	BED120 - HAWAII STATE EN	NERGY OFFICE		
	OPERATING	BED	1,000 A	1,000 A
		BED	1,000 B	1,000 B
		BED	1,000 T	1,000 T
19.	BED143 - HAWAII TECHNO OPERATING	LOGY DEVELOPMI BED		
	OTERATING	BED	1,000 A 1,000 B	1,000 A 1,000 B
		BED	1,000 B	1,000 B
		BED	1,000 W	1,000 W
		BED	1,000 P	1,000 P
20.	BED145 - HAWAII STRATEC			1 000 P
	OPERATING	BED BED	1,000 B 1,000 W	1,000 B 1,000 W
		DED	1,000 ₩	1,000 W

ACT 5	
	PRO

PROGRAM	APPROPRIA	TIONS
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				APPROPR	IATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
21.	BED146 -	NATURAL ENERG	GY LABORATORY C	0F HAWAII AUTHO 22.00#	DRITY 22.00#
	OPERAT	ΓING	BED	7,900,628 B	7,908,896 B
22.	BED138 -	HAWAII GREEN I	NFRASTRUCTURE	AUTHORITY	
	OPERAT	TING	BED	5.00# 85,937,211 B	5.00# 85,937,211 B
23.			DEVELOPMENT	00,707,2110	00,007,2110
23.	LINK141 -	WATER AND LAN	ND DEVELOPMENT	24.00*	24.00*
	OPERAT	ΓING	LNR	2,281,113 A	2,287,154 A
			LNR	4.00* 795,324 B	4.00* 796,620B
			LNR	199,479 T	199,479 T
24.	BED150 -	HAWAII COMMUN	NITY DEVELOPMEN		
				11.00* 2.00#	11.00* 2.00#
	OPERAT	ΓING	BED	1,164,984 A	1,164,984A
			BED	550,000 B 10.00 *	550,000 B 10.00 *
			BED	1,645,574 W	1,645,574 W
25.	BED160 -	HAWAII HOUSING	G FINANCE AND DI	EVELOPMENT CO	RPORATION
	OPERA		BED	3,100,000 N	3,100,000 N
				29.00* 41.00#	29.00* 41.00#
			BED	11,753,751W	11,818,751W
			BED	3,000,000 P	3,000,000 P
26.	BED128 -	OFFICE OF AERO	SPACE	1 00 #	1.00.#
	OPERAT	ГING	BED	1.00# 1,213,673 A	1.00 <i>#</i> 1,213,673 A
			BED	500,000 B	500,000 B
R FM	IPLOYMEN	JT			
1.	LBRIII -	WORKFORCE DE	VELOPMENT	1.20*	1.20*
	OPERAT	ΓING	LBR	1,057,087 A	1,057,087 A
			LBR	6.00# 5,595,677B	6.00# 5.595.677B
				28.80*	28.80*
			LBR	12.00# 9,906,250 N	12.00 <i>#</i> 9,906,250 N
				20.00*	20.00*
			LBR	2,000,000 S 12.00 *	2,000,000 S 12.00*
				20.00#	20.00#
			LBR	2,887,594 U 8.00*	2,887,594 U 8.00*
			LBR	4,100,000 P	4,100,000 P
2.	LBR135 -	WORKFORCE DE	VELOPMENT COUN	ICIL	
	OPER 12		T D D	0.10*	0.10*
	OPERAT	ling	LBR	463,718 A 6.90*	463,718A 6.90*
			LBR	6,500,000 N	6,500,000 N

				APPROPI	RIATIONS
				FISCAL M	FISCAL M
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	YEAR O 2019-2020 F	YEAR O 2020-2021 F
3.	I BP 171		T INSURANCE PRO	GPAM	
5.	OPERA		LBR	2,000,000 A	1,000,000 A
			LDD	10.00#	10.00#
			LBR	3,112,993 B 167.50*	3,112,993 B 167.50*
			LBR	15,700,000 N	15,700,000 N 358,000,000 T
4		OFFICE OF COM	LBR	358,000,000 T	338,000,000 1
4.	LBK903 -	OFFICE OF COM	MUNITY SERVICES	4.00*	4.00*
	ODED M	TNIC	LDD	5.00#	5.00#
	OPERA	IING	LBR LBR	2,041,594 A 5.000 B	2,041,594 A 5,000 B
			LDI	1.00*	1.00*
			LBR	4.00# 6,071,243 N	4.00# 6,071,243 N
			LBR	240,000 P	240,000 P
5.	HMS802	- VOCATIONAL RE	EHABILITATION		
				37.76* 2.31#	37.76* 2.31#
	OPERA	TING	HMS	4,762,420 A	4,762,420 A
				69.24*	69.24*
			HMS	4.69 <i>#</i> 14,916,778 N	4.69# 14,932,508 N
			HMS	1,330,200 W	1,330,200 W
6.	LBR143 -	HAWAII OCCUPA	FIONAL SAFETY AN		
	OPERA	TING	LBR	17.10* 1,112,186 A	17.10* 1,112,186A
				22.00*	22.00*
			LBR	0.50# 3,122,624W	0.50# 3,122,624W
				19.90*	19.90*
			LBR	2,150,000 P	2,150,000 P
7.	LBR152 -	WAGE STANDAR	DS PROGRAM	19.00*	19.00*
	OPERA	TING	LBR	1,302,021 A	1,300,021 A
8.	LBR153 -	HAWAII CIVIL RI	GHTS COMMISSION	J	
			LDD	23.50*	23.50*
	OPERA	IING	LBR	1,741,080 A 0.50*	1,741,080 A 0.50*
			LDD	5.00#	5.00#
			LBR	460,000 P	460,000 P
9.	LBR183 -	DISABILITY COM	IPENSATION PROG	RAM 91.00*	91.00*
	OPERA	TING	LBR	11,597,734 A	10,800,513 A
				11.00*	11.00*
			LBR	5.00# 24,002,622 T	5.00# 24,002,622T
10.	I BR 161 -	HAWAILLABOR	ELATIONS BOARD		
10.	LDICIOI			3.00*	3.00*
	OPERA	TING	LBR	6.00# 952,806A	6.00# 952,806 A
				, , , , , , , , , , , , , , , , , , ,	
11.	LBR812 -	LABOR AND IND	USTRIAL RELATIO	NS APPEALS BOA 11.00*	ARD 11.00*
	OPERA	TING	LBR	1,065,846 A	1,065,846 A

			APPROPE	RIATIONS
ITEM	PROG. ID PROGRAM	EXPENDING	FISCAL M YEAR O	FISCAL M YEAR O 2020-2021 F
NO.	ID PROGRAM	AGENCY	2019-2020 F	2020-2021 F
12.	LBR871 - EMPLOYMENT SI	ECURITY APPEALS	REFEREES' OFFI 12.00*	CE 12.00*
	OPERATING	LBR	1,165,559 N	1,165,559 N
13.	LBR901 - RESEARCH AND	STATISTICS		
			4.38* 2.00#	4.38* 2.00#
	OPERATING	LBR	489,319 A	489,319 A
			3.67* 1.00#	3.67* 1.00#
		LBR	450,000 N	450,000 N
		LBR	13.00* 910,533P	13.00* 910,533 P
14.	LBR902 - GENERAL ADMI	NISTR ATION		
11.			16.83*	16.83*
	OPERATING	LBR	1.12 <i>#</i> 1,569,343 A	1.12# 1,569,343 A
	OI ERATING	LBR	437,400 B	200,000 B
			32.17*	32.17*
		LBR	2.88# 3,286,941 P	2.88# 3.286.941 P
			5,200,5111	0,200,9
C. TRA	ANSPORTATION FACILITIES	5		
1.	TRN102 - DANIEL K. INOU	YE INTERNATION		(02.00*
	OPERATING	TRN	684.00* 187,974,787B	692.00* 194,762,414B
		TRN	1,405,500 N	1,405,500 N
2.	TRN104 - GENERAL AVIAT	ION	• • • • •	• • • • • •
	OPERATING	TRN	30.00* 9,962,006 B	30.00* 10,069,469 B
3.	TRN111 - HILO INTERNAT	IONAL AIRPORT		
5.			86.00*	86.00*
	OPERATING	TRN	24,033,752 B	23,999,705 B
4.	TRN114 - ELLISON ONIZU	KA KONA INTERNA	ATIONAL AIRPOR	T AT
	KEAHOLE		105.00*	105.00*
	OPERATING	TRN	30,479,137 B	27,235,501 B
5.	TRN116 - WAIMEA-KOHAL	A AIRPORT	4.00*	4.00*
	OPERATING	TRN	4.00* 1,718,173 B	4.00* 1,946,044 B
6.	TRN118 - UPOLU AIRPORT	•		
	OPERATING	TRN	719,500 B	519,500 B
7.	TRN131 - KAHULUI AIRPO	RT		
	OPERATING	TRN	175.00* 39,282,581 B	175.00* 39,674,545 B
8.	TRN133 - HANA AIRPORT		, ,	, ,
	OPERATING	TRN	8.00* 1.021.833 B	8.00*
_			1,021,833 B	1,684,702 B
9.	TRN135 - KAPALUA AIRPO	RT	11.00*	11.00*
	OPERATING	TRN	3,174,047 B	2,361,221 B

PROGRAM APPROPRIATIONS	PROGR	AM API	PROPRIA	ATIONS
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			APPROPI	RIATIONS
ITEM NO.		EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
10.	TRN141 - MOLOKAI AIRPORT			
	OPERATING	TRN	14.00* 4,211,323 B	14.00* 4,119,532 B
11.	TRN143 - KALAUPAPA AIRPOR	Т		
	OPERATING	TRN	7.00* 1,029,850B	7.00* 1,033,919B
12.	TRN151 - LANAI AIRPORT		, ,	, ,
	OPERATING	TRN	12.00* 3,486,561 B	12.00* 3,915,613B
13.	TRN161 - LIHUE AIRPORT			-))
	OPERATING	TRN	116.00* 26,100,190B	116.00* 25,981,531 B
14.	TRN163 - PORT ALLEN AIRPOI		20,100,190 B	20,001,00110
14.	OPERATING	TRN	46,841 B	21,841 B
15.	TRN195 - AIRPORTS ADMINIS	TRATION	133.00*	133.00*
	ODEDATINIC	TDN	1.00#	1.00#
16	OPERATING	TRN	435,766,210 B	462,687,213 B
16.	TRN301 - HONOLULU HARBOI OPERATING	TRN	1,000 B	1,000 B
17.	TRN303 - KALAELOA BARBER OPERATING	S POINT HARB TRN	OR 1,000 B	1,000 B
18.	TRN311 - HILO HARBOR OPERATING	TRN	1,000 B	1,000 B
19.	TRN313 - KAWAIHAE HARBOR OPERATING	TRN	1,000 B	1,000 B
20.	TRN331 - KAHULUI HARBOR OPERATING	TRN	1,000 B	1,000 B
21.	TRN341 - KAUNAKAKAI HARI OPERATING	3OR TRN	1,000 B	1,000 B
22.	TRN361 - NAWILIWILI HARBO OPERATING	R TRN	1,000 B	1,000 B
23.	TRN363 - PORT ALLEN HARBO OPERATING	OR TRN	1,000 B	1,000 B
24.	TRN351 - KAUMALAPAU HARI OPERATING	BOR TRN	1,000 B	1,000 B
25.	TRN395 - HARBORS ADMINIS OPERATING	TRATION TRN	1,000 B	1,000 B
26.	TRN333 - HANA HARBOR OPERATING	TRN	1,000 B	1,000 B
27.	TRN501 - OAHU HIGHWAYS		102 00*	103 00 *
	OPERATING	TRN	192.00* 81,609,688 B	192.00* 82,064,049 B

				APPROPE	RIATIONS
ITEM NO.	PROG. ID PRO	GRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
28.	TRN511 - HAWAII	HIGHWAYS	5		
	OPERATING		TRN	119.00* 14,727,444 B	119.00* 14,895,200B
29.	TRN531 - MAUI H	IGHWAYS			
				89.00* 1.00#	89.00* 1.00#
	OPERATING		TRN	17,465,190 B	17,582,396 B
30.	TRN561 - KAUAI	HIGHWAYS		54.00*	54.00*
	OPERATING		TRN	54.00 * 9,389,613 B	54.00* 9,463,562B
31.	TRN595 - HIGHW	AYS ADMIN	ISTRATION		
				545.00* 5.00#	545.00* 5.00#
	OPERATING		TRN	178,225,132 B 1.00#	182,046,702 B 1.00#
			TRN	15,557,418 N	15,557,418 N
32.	TRN597 - HIGHW	AYS SAFET	Y	21.20 *	21.20 #
	OPERATING		TRN	31.20* 10,950,851 B	31.20* 10,950,851 B
			TRN	6.00* 4,065,433 N	6.00* 4,065,433 N
			TRN	0.80 * 754,989 P	0.80* 754,989 P
33.	TRN995 - GENER			751,7071	751,5051
55.	IRIO) - GLIVER			110.00*	110.00*
	OPERATING		TRN	2.00# 22,323,473B	2.00# 22,325,147B
			TRN	1.00 * 18,064,184 N	1.00* 18,206,911 N
			TRN	743,067 R	743,067 R
34.	TRN695 - ALOHA	TOWER DE	EVELOPMENT CO	RPORATION 1.00#	1.00#
	OPERATING		TRN	1,842,173 B	1,842,173 B
D. EN	VIRONMENTAL PF	OTECTION			
1.	HTH840 - ENVIRO				
1.	OPERATING		HTH	73.00* 5,654,144 A	76.00* 5,764,090A
	OPERATING		піп	64.00*	64.00*
			HTH	7.00# 79,802,051 B	7.00# 80,364,007 B
				32.10* 2.00#	32.10* 2.00#
			HTH	13,444,878 N 2.00*	5,002,918 N 2.00*
			HTH	241,782 U 37.00*	241,782 U 37.00*
			HTH	209,035,151 W	209,035,151 W
				7.25* 4.00#	7.25* 4.00#
			HTH	4,899,514 P	1,311,612P

	PROGRAM APPROPRIATIONS					
			APPROPR	IATIONS		
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F		
2.	AGR846 - PESTICIDES					
2.	AGROND TESTICIDES		14.00*	14.00*		
	OPERATING	AGR	864,022 A	864,022 A		
			11.00* 2.00#	11.00* 2.00#		
		AGR	1,889,954 W	1,892,793 W		
			2.00*	2.00*		
		AGR	1.00 <i>#</i> 464,629 P	1.00 <i>#</i> 464,629 P		
3.	LNR401 - ECOSYSTEM	PROTECTION AND RES	TORATION			
			26.50*	26.50*		
	OPERATING	LNR	4.00# 2,492,890A	4.00# 2,580,806A		
	OPERATING	LINK	2,492,890 A 2.00#	2,380,800 A 2.00#		
		LNR	2,266,073 N	2,341,073 N		
			0.50* 4.00#	0.50* 4.00#		
		LNR	3,755,000 P	3,615,000 P		
4.	LNR402 - NATIVE RESC	OURCES AND FIRE PRO	TECTION PROGR	AM		
			51.50*	51.50*		
	OPERATING	LNR	15,029,456 A 13.00*	15,039,001 A 13.00*		
			3.00#	3.00#		
		LNR	1,747,467 N	1,747,467 N 1.00#		
		LNR	1.00 <i>#</i> 191,384 T	191,384 T		
		LNR	7.00# 1,686,056 U	7.00# 1,686,056U		
		LINK	3.50*	3.50*		
			1.00#	1.00#		
		LNR	1,645,390 P	1,645,390 P		
5.	LNR404 - WATER RESO	URCES	22.00*	22.00*		
	OPERATING	LNR	3,323,222 A	3,327,917 A		
			6.00*	6.00*		
		LNR LNR	1,184,910 B 150,000 N	1,186,783 B 150,000 N		
6			, , , , , , , , , , , , , , , , , , ,	150,0001		
6.	LNR405 - CONSERVATIO	ON AND RESOURCES E	137.25*	137.25*		
	OPERATING	LNR	10,957,051 A	10,272,129 A		
		LNR	1,344,671 B	1,344,671 B		
		LNR	3.75* 1,319,046 N	3.75* 1,319,046 N		
		LNR	32,671 W	32,671 W		
		LNR	900,833 P	900,833 P		
7.	LNR407 - NATURAL AF	REA RESERVES AND WA				
			47.50* 23.00#	47.50* 23.00#		
	OPERATING	LNR	8,501,978 A	8,511,432A		
		LNR	500,000 N 0.50 *	500,000 N 0.50*		
		LNR	1,475,000 P	1,475,000 P		
8.	HTH850 - OFFICE OF E	NVIRONMENTAL QUAI	LITY CONTROL			
			5.00*	5.00*		
	OPERATING	HTH	410,149 A	410,149 A		

				APPROPR	IATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
9.	LNR906 -	LNR - NATURAL	AND PHYSICAL EN	VIRONMENT	
				40.25*	40.25*
				15.00#	15.00#
	OPERAT	TING	LNR	4,105,352 A	4,115,292 A
				19.00*	19.00*
				1.00#	1.00#
			LNR	2,474,946 B	2,479,948 B
			LND	1.75*	1.75*
			LNR LNR	312,183 N 1.277 T	312,183 N 1,277 T
			LINK	1,2771	1,2771
10.	HTH849 -	ENVIRONMENTA	AL HEALTH ADMIN	ISTRATION	
				22.00*	22.00*
				1.25#	1.25#
	OPERAT	TING	HTH	3,766,858 A	3,766,858 A
				0.50*	0.50*
			HTH	79,580 B	79,580 B
				2.30*	2.30*
			НТН	0.60#	0.60#
			пін	144,440 N 11.00*	144,440 N 11.00*
			HTH	2,600,465 W	2,600,465 W
			11111	2,000,403 W 11.20*	2,000,403 W
				2.15#	2.15#
			HTH	2,571,855 P	2,626,604 P

PROGRAM APPROPRIATIONS

E. HEALTH

1. HTH100 - COMMUNICABLE DISEASE AND PUBLIC HEALTH NURSING					
		239.87*	239.87*		
		3.00#	3.00#		
OPERATING	HTH	28,858,933 A	28,957,152 A		
	HTH	13,343 B	13,343 B		
		21.00#	21.00#		
	HTH	8,723,375 N	8,723,375 N		
		3.00*	3.00*		
		1.00#	1.00#		
	HTH	759,649 U	759,649 U		
		14.00*	14.00*		
		25.50#	25.50#		
	HTH	8,841,474 P	4,841,474 P		
2. HTH131 - DISEASE OUTBRE	AK CONTROL				
		22.60*	22.60*		
OPERATING	HTH	1,947,434 A	1,947,434 A		
		23.40*	23.40*		
		10.00#	10.00#		
	HTH	18,887,619 N	3,778,582 N		
		29.50#	29.50#		
	HTH	15,400,816 P	4,954,506 P		

3. HTH730 - EMERGENCY MEDICAL SERVICES AND INJURY PREVENTION SYSTEM

		12.00*	12.00*
		1.40#	1.40#
OPERATING	HTH	69,143,593 A	69,143,593 A
		6.00#	6.00#
	HTH	22,275,925 B	22,275,925 B
		3.00#	2.00#
	HTH	630,000 P	340,000 P

				APPROPE	
				FISCAL M	FISCAL M
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	YEAR O 2019-2020 F	YEAR O 2020-2021 F
NU.	ID	PROGRAM	AGENCY	2019-2020 F	2020-2021 F
4.	HTH560	- FAMILY HEALTH	I SERVICES	108.00*	108.00*
				2.50#	2.50#
	OPERA	TING	HTH	31,499,929 A	31,499,929 A
				15.00*	15.00*
				2.00#	2.00#
			HTH	18,439,145 B	18,439,145 B
				119.50* 12.30#	119.50*
			HTH	39,310,996 N	12.30# 38,710,996 N
			НТН	203.441 U	203,441 U
				17.00*	17.00*
				6.70#	6.70#
			HTH	12,097,543 P	11,397,543 P
5.	HTH590	- CHRONIC DISEA	SE PREVENTION A		
				40.50*	40.50*
	ODED A	TINC	UTU	5.00#	5.00#
	OPERA	IING	HTH HTH	7,202,672 A 48,656,356 B	7,210,148 A 48,656,356 B
			НТН	1,000,000 U	1,000,000 U
			11111	10.50*	10.50*
				22.50#	22.50#
			HTH	7,216,912 P	6,994,004 P
6.	HTH595	- HEALTH RESOU	RCES ADMINISTRA	TION	
				6.00*	6.00*
		TINC		2.00#	2.00#
	OPERA	TING	HTH	586,121 A 7.00*	586,121 A 7.00*
				3.00#	3.00#
			HTH	1,462,165 B	1,462,165 B
7.	HTH210	- HAWAII HEALTH	SYSTEMS CORPOR		
		TINC		54.50*	54.50 *
	OPERA	IING	HTH	17,509,280 B	17,509,280 B
8.		- KAHUKU HOSPI'		1 000 000 4	1 000 000 4
	OPERA	IING	HTH	1,800,000 A	1,800,000 A
9.	HTH212	- HAWAII HEALTH	SYSTEMS CORPOR	ATION - REGION	S
	OPERA	TING	HTH	125,701,003 A	105,701,003 A
				2,780.75*	2,780.75*
			HTH	579,200,129 B	580,483,912 B
10.		- ALII COMMUNIT		2 500 000 D	2 500 000 D
	OPERA	IING	HTH	3,500,000 B	3,500,000 B
11.			ALS AND MEDICAL		
	OPERA	FING	SUB	942,000 A	942,000 A
12.	HTH420	- ADULT MENTAL	HEALTH - OUTPAT		01 5 00 #
				215.00*	215.00*
	OPERA	TING	ити	130.50#	130.50#
	OPERA	IING	HTH HTH	62,483,432 A 11,610,000 B	62,490,458 A 11,610,000 B
			11111	1.00#	1.00#
			HTH	2,333,370 N	2,333,370 N
13.	HTH430	- ADULT MENTAL	HEALTH - INPATIE	ENT	
				650.50*	777.50*

PROGRAM APPROPRIATIONS

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				APPROPR	RIATIONS
				FISCAL M	FISCAL M
ITEM	PROG.		EXPENDING	YEAR O	YEAR O
NO.	ID	PROGRAM	AGENCY	2019-2020 F	2020-2021 F
				27.00#	27.00#
	OPERA	ΓING	HTH	77,946,272 A	87,140,174 A
14.	HTH440 -	ALCOHOL AND I	ORUG ABUSE DIVIS	SION	
				29.00*	29.00*
	OPERA	TING	HTH	20,246,936 A	20,246,936 A
			HTH	750,000 B	750,000 B
			HTH	8,857,980 N 7.50#	8,857,980 N 7.50#
			HTH	5,019,276 P	6,570,543 P
15	UTU460		N ESCENT MENTAI		
15.	H1H400 -	CHILD AND ADC	DLESCENT MENTAL	170.00*	170.00*
				13.00#	13.00#
	OPERA	ГING	HTH	44,020,134 A	44,020,134 A
				17.00*	17.00*
				6.00#	6.00#
			HTH	15,133,262 B	15,133,262 B
				5.00#	5.00#
			HTH	2,329,630 N	2,339,630 N
			UTU	2.00#	2.00#
			HTH	2,281,992 U 8,50#	2,281,992 U #
			HTH	2,318,223 P	P P
16	117711201				
16.	H1H501-	DEVELOPMENTA	AL DISABILITIES	215.75*	215.75*
				3.00#	3.00#
	OPERA	FING	HTH	91,875,295 A	89,989,491 A
				3.00*	3.00*
			HTH	1,063,165 B	1,063,165 B
17.	HTH495.	BEHAVIORAL HE	EALTH ADMINISTR	ATION	
171				45.50*	45.50*
				50.50#	50.50#
	OPERA	ΓING	HTH	6,997,306 A	6,997,306A
				1.00#	1.00#
			HTH	137,363 P	137,363 P
18.	HTH610 -	ENVIRONMENTA	AL HEALTH SERVIC	ES	
				129.00*	129.00*
	OPERA	TING	HTH	8,428,221 A	8,440,534 A
			HTH	30.00* 3,715,505 B	30.00* 3,715,505 B
			11111	2.00*	2.00*
			HTH	158,000 N	158,000 N
				3.00*	3.00*
			HTH	245,963 U	249,740 U
			HTH	2.00* 364,150P	2.00* 364,150P
19.	HTH710 -	STATE LABORAT	ORY SERVICES	75.00*	75.00*
				1.00#	1.00#
	OPERA	ΓING	HTH	9,151,752A	8,292,944 A
		. =		9.00#	9.00#
			HTH	5,146,110 N	1,029,222 N
				2.00#	2.00#
			HTH	176,112 P	176,112 P

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			APPROPR	RIATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
20.	HTH720 - HEALTH CARE	EASSURANCE		
20.			28.00*	28.00*
	OPERATING	HTH	2.00# 3,767,847 A	2.00# 3,767,847 A
	OI ERATING	HTH	421,000 B	421,000 B
		НТН	16.00* 4,388,679 P	16.00* 4,388,679 P
21.	HTH906 - STATE HEALTI		, ,	
21.	HIH900 - STATE HEALT	A PLANNING AND DE	6.00*	6.00*
	OPERATING	HTH	590,549 A	590,549 A
		HTH	114,000 B	114,000 B
22.	HTH760 - HEALTH STAT	US MONITORING	22.50*	22.50*
	OPERATING	HTH	33.50* 1,965,390 A	33.50* 1,715,390A
			2.00#	2.00#
		HTH	504,643 B 4.00*	504,643 B 4.00*
		HTH	342,300 P	342,300 P
23.	HTH905 - DEVELOPMEN	TAL DISABILITIES CO	DUNCIL	
	OPERATING	ити	2.50* 238.005 A	2.50*
	OPERATING	HTH	238,003 A 5.00*	238,005 A 5.00*
		HTH	514,000 N	514,000 N
24.	HTH907 - GENERAL ADI	MINISTRATION		
			126.00*	126.00*
	OPERATING	HTH	5.00# 10,123,239 A	5.00 <i>#</i> 10,123,239 A
			8.00*	8.00*
		HTH	20.00# 24,054,695 N	20.00# 4,810,939 N
			5.00#	5.00#
		HTH	800,000 P	800,000 P
25.	HTH908 - OFFICE OF LA	NGUAGE ACCESS	5.00*	5.00*
	OPERATING	HTH	469,261 A	469,262 A
F. SO	CIAL SERVICES			
1.	HMS301 - CHILD PROTE	CTIVE SERVICES	222.20*	222.20*
	OPERATING	HMS	223.30* 36,903,174 A	223.30* 36,903,174 A
	012101110	HMS	1,007,587 B	1,007,587 B
		HMS	175.20* 44,063,972 N	175.20* 44,098,588 N
		HMS	106,225 P	106,225 P
2.	HMS302 - GENERAL SUF	PORT FOR CHILD CA		
	OPERATING	HMS	25.85* 1,847,899 A	25.85* 1.846.899 A
	OFERATING	111/15	25.15*	25.15*
		HMS	11,921,864 N	11,920,864 N
3.	HMS303 - CHILD PROTE	CTIVE SERVICES PAY	MENTS	
	OPERATING	HMS HMS	47,765,586 A 26,110,014 N	47,765,586 A 26,110,014 N
		111015	20,110,0141	20,110,0141

				APPROPRIATIONS		
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F		
4.	HMS305 -	CASH SUPPORT	FOR CHILD CARE			
	OPERAT	ΓING	HMS	25,011,811 A	25,011,811 A	
			HMS	38,530,754 N	38,530,754 N	
5.	HMS501 -	IN-COMMUNITY	YOUTH PROGRAM	1S		
				14.50*	14.50*	
	OPERAT	ΓING	HMS	8,556,157 A	8,556,157 A	
				0.50*	0.50*	
			111.60	0.50#	0.50#	
			HMS	2,456,919 N	2,456,919 N	
6.	HMS503 -	HAWAII YOUTH	CORRECTIONAL FA		105.00*	
	OPERAT	TING	HMS	105.00* 9,964,073 A	105.00* 10,082,161 A	
	OI ERAI		111015	9,90 4 ,075A	10,002,101 A	
7.	DEF112 -	SERVICES TO VET	ΓERANS	28.00*	28.00*	
	OPERAT	TINC	DEF	28.00*	28.00*	
	UPERAL	ling	DEF	2,072,678 A	2,078,986 A	
8.	HMS601 -	ADULT PROTECT	FIVE AND COMMU			
				72.48*	72.48*	
	OPERAT	IING	HMS	6,144,028 A	6,144,028 A	
				7.02*	7.02*	
				3.00#	3.00#	
			HMS	3,986,561 N	3,988,661 N	
			HMS	10,000 R	10,000 R	
			HMS HMS	387,560 U 1,321,390 P	387,560 U 1,321,390 P	
0	111 (0202				<u> </u>	
9.	OPERAT		ND DISABLED PAYN HMS	4,029,480 A	4,029,480 A	
	OILKA		111115	4,02),400A	4,029,40071	
10.			TANCE PAYMENTS			
	OPERAT	ΓING	HMS	23,889,056 A	23,889,056 A	
			HMS	3,000,000 B	3,000,000 B	
11.	HMS206 -	FEDERAL ASSIS	TANCE PAYMENTS			
	OPERAT		HMS	5,703,592 N	5,703,592 N	
12.	UM\$211	CASH SUDDODT I	FOR FAMILIES - SEI	E SUFFICIENCY		
12.	OPERAT		HMS	22,694,156 A	22,694,156 A	
	OI LIGH		HMS	44,000,000 N	44,000,000 N	
13.	HMS220 -	RENTAL HOUSIN	NG SERVICES			
				2.00*	2.00*	
	OPERAT	ΓING	HMS	4,486,122 A	4,487,455 A	
				181.00*	181.00*	
				4.50#	4.50#	
			HMS	80,540,197 N	80,637,015 N	
			HMS	15.00* 4,714,828 W	15.00* 4,716,166W	
14.	HMS229 -	HAWAII PUBLIC	HOUSING AUTHOR			
				76.00* 41.00#	76.00*	
	OPERAT	TING	HMS	40,373,761 N	41.00# 40,373,761 N	
	OI LIKAI		111115	40,375,701 N 51.00*	40,575,701 N 51.00*	
				19.00#	19.00#	
			HMS	6.345.633W	6 345 633 W	

19.00# 6,345,633W

HMS

6,345,633 W

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				APPROP	RIATIONS
				FISCAL M	FISCAL M
ITEM	PROG.		EXPENDING	YEAR O	YEAR O
NO.	ID	PROGRAM	AGENCY	2019-2020 F	2020-2021 F
15.	HMS222	- RENTAL ASSISTA	ANCE SERVICES		
	ODED A	TINC	UMC	2.25*	2.25*
	OPERA	IING	HMS	1,089,869 A 23.75*	1,089,869 A 23.75*
				1.00#	1.00#
			HMS	26,393,471 N	26,397,150 N
16.	HMS224	- HOMELESS SERV	ICES	11.00*	11.00*
	OPERA	TINC	HMS	11.00*	11.00*
	OPEKA	IING	HMS	15,773,111 A 649,448 N	15,773,111 A 649,448 N
			HMS	2,366,839 P	2,366,839 P
17.	HM\$605	- COMMUNITY-BA	SED RESIDENTIAI	SUPPORT	, ,
17.	OPERA		HMS	17,810,955 A	17,810,955 A
18.	HMS401	- HEALTH CARE P	AYMENTS		
	OPERA	TING	HMS	927,597,598 A	982,477,598 A
			HMS	1,376,660 B	1,376,660 B
			HMS	1,803,909,546 N	1,803,909,546 N
			HMS	6,781,921 U	6,781,921 U
			HMS	13,216,034 P	13,216,034 P
19.	HMS236	- CASE MANAGEM	IENT FOR SELF-SU	VFFICIENCY 296.33*	296.33*
	OPERA	TING	HMS	16,131,531 A	16.131.531 A
	OILIUI	1110	11110	233.67*	233.67*
			HMS	26,244,772 N	26,275,954 N
			HMS	30,237 P	30,237 P
20.	HMS238	- DISABILITY DET	ERMINATION		
		-		49.00*	49.00*
	OPERA	TING	HMS	8,183,015 N	8,197,582 N
21.	ATG500 ·	- CHILD SUPPORT	ENFORCEMENT SI	ERVICES	
				70.72*	70.72*
		TDIO		0.34#	0.34#
	OPERA	IING	ATG	4,483,525 A	4,483,525 A
			ATG	2,231,224 T 137.28 *	2,231,224 T 137.28 *
				0.66#	0.66#
			ATG	15,880,241 P	15,880,241 P
22.	нм 5 237	- EMPLOYMENT A	ND TRAINING		
22.	OPERA		HMS	469,505 A	469,505 A
	OI LIUI		HMS	1,245,750 N	1,245,750 N
23.	HHI 602	- PLANNING AND	DEVELOPMENT F	OR HAWAIIAN H	OMESTEADS
23.	OPERA		HHL	4,824,709 B	4,824,709 B
	OI LIUI		IIIIL	4.00*	4.00*
				2.00#	2.00#
			HHL	23,318,527 N	23,318,527 N
			HHL	3,740,534 T	3,740,534 T
24.	HHL625	- ADMINISTRATIC	N AND OPERATIN	G SUPPORT	
		TINC		200.00*	200.00*
	OPERA	UIING	HHL	18,638,060 A	18,644,280 A
25.	HTH904	- EXECUTIVE OFF	ICE ON AGING		
				8.54*	8.54*
				2.35#	2.35#

	P R O G R A M	APPROPRIA	TIONS	
				RIATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
			0.0((.(70.)	0.266.670.1
	OPERATING	HTH	9,366,678 A 6.46*	9,366,678 A 6.46*
			2.00#	2.00#
		HTH	7,680,000 N	7,680,000 N
		HTH	8.00# 1,223,791 P	8.00# 1,223,791 P
26.	HTH520 - DISABILITY AND C	OMMUNICATIO		
	OPERATING	HTH	11.00* 1,048,420 A	11.00* 1,048,420 A
	OI ERMING	11111	8.00*	8.00*
		HTH	1,043,264 B	1,043,264 B
		HTH	2.00 * 292,599 U	2.00 * 292,600 U
27.	HMS902 - GENERAL SUPPOR	T FOR HEALTH (CARE PAYMENTS	S
_//			136.50*	136.50*
	OPER ATING	HMS	5.70 <i>#</i> 16,223,893 A	5.70 <i>#</i> 14,953,093 A
	OPERATING	пиз	0.56*	0.56*
		HMS	1,542,576 B	1,542,576B
			144.69*	144.69*
		HMS	19.30# 54,221,657 N	19.30# 54,237,783 N
		HMS	843,987 P	843,987 P
28.	HMS903 - GENERAL SUPPOR	T FOR SELF-SUF		
			48.75*	48.75*
	OPERATING	HMS	1.59 <i>#</i> 42,498,088 A	1.59 <i>#</i> 44,359,614 A
			44.25*	44.25*
		HMS	1.41 <i>#</i> 68,271,830 N	1.41 <i>#</i> 68,933,152 N
		HMS	3,000 P	3,000 P
29.	HMS904 - GENERAL ADMINI	STRATION - DHS	5	
			141.65*	141.65*
	OPERATING	HMS	10.00# 11,071,603 A	10.00# 11,107,603 A
	OI ERATING	111015	29.35*	29.35*
		HMS	4,373,183 N	4,457,183 N
		HMS	1,500 P	1,500 P
30.	HMS901 - GENERAL SUPPOR	T FOR SOCIAL S	ERVICES 19.45*	19.45*
	OPERATING	HMS	2,527,248 A	2,527,248 A
			9.55*	9.55*
		HMS	2,074,339 N	2,074,339 N
G. FO	RMAL EDUCATION			
1.	EDN100 - SCHOOL-BASED BU	DGETING		
			12,421.25*	12,421.25*
	OPERATING	EDN	680.25# 1,020,200,131A	680.25# 1,041,075,903A
		EDN	5,244,829 B	5,245,466 B
		EDN EDN	138,670,617 N 13,390,000 T	138,670,617 N 13,390,000 T
		EDN	7,495,605 U	7,495,605 U
		EDN	2,402,454 W	2,413,937 W
		EDN	9,249,999 P	9,249,999 P

PROGRAM APPROPRIATIONS

ACT 5

$\begin{array}{cccccccccccccccccccccccccccccccccccc$	O YEAR O 0 F 2020-2021 I 50* 5,240.50* . . 25# 1,228.25# . . 27A 387,816,237 A . . 000 B 250,000 B . . 000* 2.00* . . . 001 N 52,164,701 N 004* 3,536,708 W .
NO. ID PROGRAM AGENCY 2019-2020 2. EDN150 - SPECIAL EDUCATION AND STUDENT SUPPOR 5,240, 1,228, OPERATING EDN 5,240, 1,228, OPERATING OPERATING EDN 378,885,1 EDN 250,0 2, 33, EDN 378,885,1 EDN 3. EDN200 - INSTRUCTIONAL SUPPORT 6 EDN 3,534,5 3. EDN200 - INSTRUCTIONAL SUPPORT 403, 83, 0PERATING 83, 0PERATING 4. EDN300 - STATE ADMINISTRATION 2 5. EDN400 - SCHOOL SUPPORT 696, 3, 0PERATING 516, 6, 696, 3, 0PERATING 5. EDN400 - SCHOOL SUPPORT 696, 3, 0PERATING 11, EDN 201,462,7 11, EDN 11, 8, 718, 718, 718, 718, 718, 718, 718	F 2020-2021 I T SERVICES 50* 5,240.50* .55# 1,228.25# 1,228.25# .27 A 387,816.237 A 300 B .00 B 250,000 B 200* .00 # 33.00# 701 N .00 * 6.00* 6.00* .00 * 6.00* 83.00# .00 * 403.00* 6.00* .00 * 403.00* 83.00# .00 # 58,743,659 A 0.00* .00 * 11.00* 10.0*
$\begin{array}{cccccccccccccccccccccccccccccccccccc$.50* 5,240.50* .25# 1,228.25# .1,228.25# 387,816,237A .000 B 250,000 B .000* 2,00* .00# 33.00# 701 N 52,164,701 N .00* 6,00* .00* 403.00* .00# 83.00# .00# 83.00# .00# 83.00# .00# 83.00# .00# 83.00# .00# 83.00# .00# 83.00# .00# 2,382,128 B
$\begin{array}{cccccccccccccccccccccccccccccccccccc$.25 # 1,228.25 # .27 A 387,816,237 A .000 B 250,000 B .00 * 2.00 * .00 # 33.00 # 701 N 52,164,701 N .00 * 6.00 * .00 * 3,536,708 W .00 * 403.00 * .00 # 83.00 # .00 # 83.00 # .00 # 83.00 # .00 # 11.00 * .088 B 2,382,128 B
OPERATING EDN 378,885,1 EDN 250,0 33 EDN 52,164,7 6 EDN 3,534,9 3. EDN200 - INSTRUCTIONAL SUPPORT 403, 83, 0PERATING 6 0PERATING EDN 57,965,7, 11, EDN 2, 60,02, 2, EDN 10, 11, EDN 2,369,0 2. EDN 500,0, 1, EDN 2,369,0 2, 11, EDN 2,369,0 4. EDN300 - STATE ADMINISTRATION 11, EDN 500,0, 30,0 11, EDN 500,0, 30,0 11, EDN 66, 30,0 66, 30,0 69,6 30,0 30,0 11, EDN 11, 44,081,8, 718, 718, 98, EDN 69,6 30,0	127 A 387, §16,237 A 000 B 250,000 B 0.00* 2.00* 0.00 H 33.00 H 001 N 52,164,701 N 0.00* 6.00* 056 W 3,536,708 W .00* 6.00* 0.00* 403.00* .00* 83.00 H .00# 83.00 H .00# 83.00 H .00# 83.00 H .00# 11.00* .088 B 2,382,128 B
$\begin{array}{c} \text{EDN} & 250,0 \\ 2,33, \\ \text{EDN} & 52,164,7, \\ \text{EDN} & 3,534,9 \\ \end{array}$ 3. EDN200 - INSTRUCTIONAL SUPPORT 403, 0PERATING EDN 57,965,7 11, \\ 11, \\ \text{EDN} & 2,369,0 \\ 2, \\ \text{EDN} & 500,0 \\ 1, \\ \text{EDN} & 273,7 \\ 4. EDN300 - STATE ADMINISTRATION 516, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6, 6	000 B 250,000 B .00 * 2.00 * .00 # 33.00 # .00 * 52,164,701 N .00 * 6.00 * .00 * 3,536,708 W .00 * 403.00 * .00 * 83.00 # .00 * 83.00 * .00 * 83.00 * .00 * 11.00 * .08 B 2,382,128 B
$\begin{array}{cccccccccccccccccccccccccccccccccccc$.00* 2.00* .00# 33.00 # .01N 52,164,701 N .00* 6.00* .00* 3,536,708 W .00* 403.00* .00* 83.00 # .00* 58,743,659 A .00* 11.00* .08 B 2,382,128 B
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	701 N 52,164,701 N 6.00* .00* .6.00* .00* .00* .00* .3,536,708 W .00* .00* .00* .403.00* .00* .00* .00# .83.00# .00* .00* .00# .83.00# .00* .00* .00# .58,743,659 A .00* .11.00* .088 B 2,382,128 B .382,128 B .382,128 B
$\begin{array}{cccccccccccccccccccccccccccccccccccc$.00* 6.00* 256 W 3,536,708 W .00* 403.00* .00# 83.00# 758 A 58,743,659 A .00* 11.00* .008 B 2,382,128 B
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$.00* 403.00* .00# 83.00# .00# 83.00# .758 A 58,743,659 A .00* 11.00* .088 B 2,382,128 B
3. EDN200 - INSTRUCTIONAL SUPPORT 403 83 OPERATING EDN 57,965,7 11. EDN 2,369,0 2 EDN 500,0 2 EDN 500,0 1 EDN 273,7 4. EDN300 - STATE ADMINISTRATION 6 OPERATING EDN 53,287,9 EDN 30,0 5. EDN400 - SCHOOL SUPPORT 696. 3 OPERATING EDN 201,462,7 1. EDN 44,081,8 98 EDN 66,097,3 EDN 150,0 4,	.00* 403.00* .00# 83.00# 758 A 58,743,659 A .00* 11.00* 988 B 2,382,128 B
$\begin{array}{cccccccccccccccccccccccccccccccccccc$.00# 83.00# 758 A 58,743,659 A .00* 11.00* 088 B 2,382,128 B
OPERATING EDN 57,965,7 11. EDN 2,369,0 2. EDN 2,069,0 2. EDN 500,0 1. EDN 273,7 4. EDN300 - STATE ADMINISTRATION 516. OPERATING 510. OPERATING 50,0 5. EDN400 - SCHOOL SUPPORT 696. OPERATING 201,462,7 II. EDN 44,081,8 98. 200 66,097,3 EDN 66,097,3 200 EDN 66,097,3 44,081,4	.00# 83.00# 758 A 58,743,659 A .00* 11.00* 088 B 2,382,128 B
OPERATING EDN 57,965,7 11. EDN 2,369,0 EDN 500,0 EDN 500,0 EDN 273,7 4. EDN300 - STATE ADMINISTRATION OPERATING EDN 53,287,9 EDN 30,0 5. EDN400 - SCHOOL SUPPORT 696. 3. OPERATING EDN 201,462,7 11. EDN 444,081,8 98. EDN 66,097,3 EDN 150,0 4.	758 A 58,743,659 A .00* 11.00* 2,382,128 B 2,382,128 B
11. EDN 2,369,0 2. EDN 500,0 EDN 273,7 4. EDN300 - STATE ADMINISTRATION 516. OPERATING EDN 53,287,9 EDN 30,0 5. EDN400 - SCHOOL SUPPORT 696. OPERATING EDN 201,462,7 11. EDN 444,081,8 718. 98. EDN 66,097,3 EDN 150,0 4.	.00* 11.00* 088 B 2,382,128 B
$\begin{array}{c cccc} & EDN & 2,369,0 \\ 2, \\ EDN & 500,0 \\ 1, \\ EDN & 273,7 \\ \end{array}$ 4. EDN300 - STATE ADMINISTRATION $& 516, \\ 6, \\ OPERATING & EDN & 53,287,9 \\ EDN & 30,0 \\ \end{array}$ 5. EDN400 - SCHOOL SUPPORT $& 696, \\ 3, \\ OPERATING & EDN & 201,462,7 \\ 11 \\ EDN & 44,081,8 \\ 98, \\ 8, \\ 98, \\ EDN & 66,097,3 \\ EDN & 150,0 \\ 4, \\ \end{array}$	088 B 2,382,128 B
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$\begin{array}{c c} EDN & 273,7 \\ EDN & 273,7 \\ \hline \\ 4. EDN300 - STATE ADMINISTRATION & 516. \\ 6. \\ OPERATING & EDN & 53,287,9 \\ EDN & 30,0 \\ \hline \\ 5. EDN400 - SCHOOL SUPPORT & 696. \\ 3. \\ OPERATING & EDN & 201,462,7 \\ 11. \\ EDN & 44,081,8 \\ 718 \\ 98. \\ EDN & 66,097,3 \\ EDN & 150,0 \\ 4. \\ \hline \end{array}$,
4. EDN300 - STATE ADMINISTRATION 516. 6. 0PERATING EDN 53,287,9 EDN 30,0 5. EDN400 - SCHOOL SUPPORT 696. 3. 0PERATING EDN 201,462,7 11. EDN 44,081,8 98. EDN 66,097,3 EDN 150,0 4.	.00# 1.00# 794P 273,794P
516. OPERATING EDN 53,287,5 EDN 30,0 5. EDN400 - SCHOOL SUPPORT 696. OPERATING EDN 201,462,7 11. EDN 44,081,8 98. EDN 66,097,3 EDN 150,0 4.	275,7941
OPERATING EDN 53,287,9 EDN 30,0 5. EDN400 - SCHOOL SUPPORT OPERATING OPERATING EDN 201,462,7 11. EDN 44,081,8 98. EDN 66,097,3 EDN 150,0 4.	50* 516 50*
OPERATING EDN 53,287,9 EDN 30,0 5. EDN400 - SCHOOL SUPPORT 696. 3. OPERATING EDN 201,462,7 11 EDN 44,081,8 98. EDN 66,097,3 EDN 150,0 4.	.50* 516.50* .00# 6.00#
EDN 30,0 5. EDN400 - SCHOOL SUPPORT OPERATING EDN 201,462,7 EDN 44,081,8 98 EDN 66,097,3 EDN 150,0 4,	
696. 3 OPERATING EDN 201,462,7 11, EDN 44,081,8 718. 98. EDN 66,097,3 EDN 150,0 4,	000 P 30,000 P
696. 3 OPERATING EDN 201,462,7 11, EDN 44,081,8 718. 98. EDN 66,097,3 EDN 150,0 4,	
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11. EDN 44,081,8 718. 98. EDN 66,097,3 EDN 150,0 4.	.00# 3.00#
EDN 44,081,8 718 98. EDN 66,097,3 EDN 150,0 4.	
718. 98 EDN 66,097,3 EDN 150,0 4.	.00* 11.00* 817 B 44,081,817 B
98. EDN 66,097,3 EDN 150,0 4.	
EDN 150,0 4.	.50# 98.50#
4.	
2	.00* 4.00* .00# 2.00#
EDN 8,031,6	
6. EDN500 - SCHOOL COMMUNITY SERVICES	, ,
	.00* 35.00*
	.00# 5.00#
OPERATING EDN 4,259,2	
	1.00* $1.00*$
EDN 1,731,0	000 B 1,731,000 B .00 # 2.00 #
EDN 3,266,7	
EDN 2,260,0	000 T 2,260,000 T
EDN 11,700,0	000 W 11,700,000 W
7. EDN600 - CHARTER SCHOOLS	
OPERATING EDN 96,210,5	541 A 101,405,111 A
EDN 5,042,0	
9 EDM(1) CHARTER COLOOLS COMMISSION AND ADMI	NIGTD ATION
 EDN612 - CHARTER SCHOOLS COMMISSION AND ADMIN 17 	.12* 17.12*
OPERATING EDN 1,651,0	
6.	.88* 6.88*
EDN 1,800,0	

PROGRAM APPROPRIATIONS					
			APPROPI	RIATIONS	
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
9.	EDN700 - EARLY LEARNING	Ĵ			
	OPERATING	EDN	66.00* 4,095,184 A 1.00#	66.00* 4,234,308 A 1.00#	
		EDN	125,628 N	125,628 N	
10.	BUF745 - RETIREMENT BEN OPERATING	IEFITS - DOE BUF	422,894,279 A	471,930,022 A	
11.	BUF765 - HEALTH PREMIUN OPERATING	M PAYMENTS - DO BUF	E 142,378,724 A	145,226,298 A	
12.	BUF725 - DEBT SERVICE PAY OPERATING	MENTS - DOE BUF	341,091,607 A	338,865,983 A	
13.					
	OPERATING	AGS	80.00* 5,715,743 A 7.00*	80.00* 5,783,347 A 7.00*	
		AGS	1,790,434 U	1,790,434 U	
14.	EDN407 - PUBLIC LIBRARIE	ES	561.50*	561.50*	
	OPERATING	EDN	1.00# 38,512,179A	1.00# 38,582,681 A	
		EDN EDN	4,000,000 B 1,365,244 N	4,000,000 B 1,365,244 N	
15.	DEF114 - HAWAII NATIONA	L GUARD YOUTH	CHALLENGE AC	ADEMY	
	OPERATING	DEF	24.50# 1,783,507 A 73.50#	24.50# 1,783,507 A 73.50#	
		DEF	5,594,962 P	5,594,962 P	
16.	UOH100 - UNIVERSITY OF H	HAWAII, MANOA		• • • • • • • •	
			3,253.88* 47.25#	3,253.88* 47.25#	
	OPERATING	UOH	234,782,615 A 377.25* 2.00#	238,158,774 A 377.25* 2.00#	
		UOH	363,217,455 B	363,706,629 B	
		UOH	77.06* 6,873,565 N 28.00*	77.06* 6,873,565 N 28.00*	
		UOH	65,255,168 W	65,293,844 W	
17.	UOH110 - UNIVERSITY OF H	IAWAII, JOHN A. E	218.60*	218.60*	
	OPERATING	UOH UOH	3.50# 20,000,817 A 27,958,949 B	3.50# 20,395,095 A 27,958,949 B	
		UOH	7,783,094 W	7,783,094 W	
18.	UOH210 - UNIVERSITY OF H	HAWAII, HILO	548.25*	548.25*	
	OPERATING	UOH	7.00# 37,489,390 A 64.00*	7.00# 38,048,748 A 64.00*	
		UOH UOH	46,848,430 B 443,962 N	46,893,444 B 443,962 N	
		UOH	2.00* 7,438,008 W	2.00* 7,439,992W	

			APPROPR	RIATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
19.	UOH220 - SMALL BUSINESS I	DEVELOPMENT		
	OPERATING	UOH	1.00# 978,941 A	1.00# 978,941 A
20.	UOH700 - UNIVERSITY OF HA	AWAII WEST OAH	Ĩ	,
20.			247.70*	247.70*
	OPERATING	UOH UOH UOH UOH	1.50# 18,291,413 A 20,312,209 B 802,037 N 2,069,957 W	1.50# 18,562,223 A 20,348,581 B 802,037 N 2,070,663 W
21.	UOH800 - UNIVERSITY OF HA	AWAII. COMMUNI	TY COLLEGES	
211			1,924.00*	1,924.00*
	OPERATING	UOH	54.50# 150,761,199A 34.00*	54.50# 153,022,004 A 34.00*
		UOH	100,508,863 B 0.50*	100,630,837 B 0.50*
		UOH UOH	4,428,296 N 6,564,293 W	4,428,296 N 6,566,997 W
22.	UOH900 - UNIVERSITY OF HA	AWAII, SYSTEMWI		100.00*
	OPERATING	UOH	462.00* 1.00# 54.394.172A	462.00* 1.00# 56,533,226A
		UOH	20.00* 17,214,396 B	20.00* 17,229,806 B
			4.00* 4.00#	4.00* 4.00#
		UOH	1,094,875 N	1,094,875 N
		UOH	15.00* 17,364,423 W	15.00* 17,377,422W
23.	BUF748 - RETIREMENT BENE OPERATING	EFITS - UH BUF	189,431,048 A	209,187,118 A
24.	BUF768 - HEALTH PREMIUM OPERATING	PAYMENTS - UH BUF	53,903,313 A	54,981,380 A
25.	BUF728 - DEBT SERVICE PAYN OPERATING	MENTS - UH BUF	126,237,547 A	125,413,846 A
H. CU	LTURE AND RECREATION			
1.	UOH881 - AQUARIA			
	OPERATING	UOH	13.00* 783,030 A 7.00*	13.00* 788,141 A 7.00*
		UOH UOH	3,417,141 B 996,499 W	3,517,141 B 996,499 W
2.	AGS881 - STATE FOUNDATIO	N ON CULTURE A	ND THE ARTS	·
	OPERATING	AGS	0.50* 956,442 A 17.00*	0.50* 956,442 A 17.00*
		AGS	1.00# 5,573,625B 4.50*	1.00# 5,573,625 B 4.50*
		AGS AGS	756,802 N 606,936 P	756,802 N 606,936 P

PROGRAM APPROPRIATIONS APPROPRIATIONS						
ITEM	PROG.	EXPENDING	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O		
NO.	ID PROGRAM	AGENCY	2019-2020 F	2020-2021 F		
3.	AGS818 - KING KAMEHA	MEHA CELEBRATIO	N COMMISSION 1.00*	1.00*		
	OPERATING	AGS	48,912 A 1.00#	48,912 A 1.00#		
		AGS	70,070 T	70,070 T		
4.	LNR802 - HISTORIC PRES	ERVATION				
	OPERATING	LND	34.00*	34.00*		
	OPERATING	LNR LNR	2,564,800 A 495,450 B	2,519,933 A 495,902 B		
			6.00*	6.00*		
		LNR	591,360 N	591,360 N		
5.	LNR804 - FOREST AND O	UTDOOR RECREATI		22.00*		
	OPERATING	LNR	33.00* 1,867,235 A	33.00* 1,871,488A		
			3.00*	3.00*		
		LNR	837,466 B 6.00*	839,231 B 6.00*		
			13.00#	13.00#		
		LNR	4,400,000 N 3.00*	4,400,000 N 3.00*		
		LNR	644,164 W	645,490 W		
6.	LNR805 - DISTRICT RESO	URCE MANAGEMEN	JT			
0.			19.00*	19.00*		
	OPERATING	LNR	1,095,524 A 0.25 #	1,097,814 A 0.25#		
		LNR	103,088 B	103,180 B		
		LND	0.75#	0.75#		
		LNR	1,870,000 N	2,070,000 N		
7.	LNR806 - PARKS ADMINI	STRATION AND OPE		86 00 *		
	OPERATING	LNR	86.00* 6,284,914 A	86.00* 6,296,554 A		
		LNR	48.00* 10,356,938 B	48.00* 10,367,258 B		
		LNR	1,000,000 P	Р		
8.	LNR801 - OCEAN-BASED	RECREATION				
	OPERATING	LNR	10.00* 641.944 A	10.00*		
	OPERAIIING	LINK	641,944 A 115.00*	643,023 A 115.00*		
		LNR	20,528,379 B	20,551,330 B		
		LNR	1,500,626 N	1,500,626 N		
9.	AGS889 - SPECTATOR EVI	ENTS AND SHOWS - A	ALOHA STADIUM 36.50*	36.50*		
			1.00#	1.00#		
	OPERATING	AGS	9,297,877 B	9,315,701 B		
I. PUI	BLIC SAFETY					
1.	PSD402 - HALAWA CORRI	ECTIONAL FACILITY				
, in the second s	OPERATING	PSD	411.00* 30,172,479 A	411.00* 30,272,479 A		
			30,172,479A	30,272,479A		
2.	PSD403 - KULANI CORRE	ECTIONAL FACILITY	82.00*	82.00*		
	OPERATING	PSD	6,322,596 A	6,160,077 A		

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ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
3.	PSD404 -	WAIAWA CORREC	TIONAL FACILITY		
	OPERAT	ГING	PSD	113.00* 7,723,265 A	113.00* 7,744,275 A
4.	PSD405 -	HAWAII COMMUN	NITY CORRECTION		
	OPERAT	ГING	PSD	171.00* 11,761,134 A	171.00* 11,657,752A
5.	PSD406 -	MAUI COMMUNI'	TY CORRECTIONAL		
	OPERAT	ГING	PSD	187.00* 13,166,254 A	187.00* 13,221,786 A
			PSD	3.00 <i>#</i> 209,721 S	3.00 <i>#</i> 209,721 S
6.	PSD407 -	OAHU COMMUNI	TY CORRECTIONA		
	OPERAT	ГING	PSD	501.00* 36,611,027 A	501.00* 36,899,444 A
7.	PSD408 -	KAUAI COMMUN	ITY CORRECTIONA		- 4 00 4
	OPERAT	ГING	PSD	74.00* 5,667,010A	74.00* 5,706,829 A
8.	PSD409 -	WOMEN'S COMM	UNITY CORRECTIO		
	OPERAT	ГING	PSD	136.00* 8,942,178 A	136.00* 9,173,834 A
9.	PSD410 -	INTAKE SERVICE	CENTERS		
	OPERAT	ГING	PSD	61.00* 4,011,759 A	61.00* 4,051,209 A
10.	PSD420 -	CORRECTIONS PI	ROGRAM SERVICES		
	OPERAT	ГING	PSD	167.00* 23,436,146 A	167.00* 23,530,685 A
11	DCD 421		PSD	1,015,989 N	1,015,989 N
11.		HEALTH CARE	DCD	208.60*	208.60*
10	OPERAT		PSD	26,252,680 A	26,468,193 A
12.	PSD422 -	HAWAII CORREC	FIONAL INDUSTRI	2.00*	2.00*
	OPERAT	ГING	PSD	42.00# 10,350,018W	42.00# 10,350,018W
13.	PSD808 -	NON-STATE FACI	LITIES	0.00*	0.00*
	OPERAT	ΓING	PSD	9.00* 47,717,061 A	9.00* 47,721,859 A
14.	PSD502 -	NARCOTICS ENFO	DRCEMENT	12.00*	12.00*
	OPERAT	ΓING	PSD	13.00* 1,351,162A	13.00* 1,261,757 A
			PSD	8.00* 955,477 W	8.00* 955,477 W
15	DED502	CLIEDIEE	PSD	200,000 P	200,000 P
15.		SHERIFF	DOD	312.00*	312.00*
	OPERAT	ling	PSD PSD	21,526,549 A 600,000 N	21,796,980 A 600,000 N
			PSD	80.00* 8,971,865 U	80.00* 8,852,030 U

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ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
16.	PSD611 -	ADULT PAROLE I	DETERMINATIONS		
	OPERA	TING	PSD	7.00* 532,674 A	7.00* 549,479 A
17.	PSD612 -	ADULT PAROLE S	UPERVISION AND C	OUNSELING	
	OPERA	TING	PSD	61.00* 4,746,369 A	61.00* 4,529,508 A
18.	PSD613 -	CRIME VICTIM C	OMPENSATION CON	MISSION	, ,
				5.00*	5.00*
	OPERA	TING	PSD	477,964 A	479,645 A
			PSD	8.00* 2,137,732B	8.00* 2,137,732B
				1.00#	1.00#
			PSD	859,315 P	859,315 P
19.	PSD900 -	GENERAL ADMI	NISTRATION		
			202	139.00*	139.00*
	OPERA	TING	PSD	18,082,100 A	18,068,237 A
			PSD PSD	978,501 B 75,065 T	978,501 B 75,065 T
				,	,
20.	ATG231 ·	- STATE CRIMINAL	L JUSTICE INFORMA	ATION AND IDEN 25.50*	NTIFICATION 25.50*
	OPERA	TING	ATG	2,382,060 A	2,382,060 A
	01 2101			22.50*	22.50*
			ATG	3,455,603 W	3,455,603 W
			ATG	1.00# 1,246,182P	1.00 <i>#</i> 1,246,182 P
			7110	1,240,1021	1,240,1021
21.	LNR810	- PREVENTION OF	NATURAL DISASTI		0.00*
	OPERA	TING	LNR	8.00* 2,373,653B	8.00* 2,376,401 B
	OI LIGH	1110	LNR	510,454 P	540,454 P
22	DEE110		OF NUVELOAL DIGA	CTED C	
22.	DEFII0.	AMELIORATION	OF PHYSICAL DISA	134.00*	134.00*
				55.25#	55.25#
	OPERA	TING	DEF	21,702,368 A	21,596,994 A
				9.50*	9.50*
			DEF	14.00 <i>#</i> 11,187,528 N	14.00# 10.759.428 N
			DEI	94.50*	94.50*
			DEE	43.75#	43.75#
			DEF	67,726,768 P	67,726,768 P
J. INI	DIVIDUAL	RIGHTS			
	GG 1 103		0.11		
1.	OPERA	- CABLE TELEVISI	CCA	1,000 B	1.000 B
	OI LIKA	IIIQ	CCA	1,000 D	1,000 D 1,000 T
2	001102	CONGLUED ADD		<i>,</i>	·
2.			OCATE FOR COMM	UNICATION, UTI	ILITIES, AND
	IKANSP	PORTATION SERVI	LES	20.00*	20.00*
	OPERA	TING	CCA	3,910,086 B	3,910,086 B
2	CCA 104	EINIANCIAI CEDI	UCES DECULATION	T	
3.	OPERA		ICES REGULATION/ CCA	1,000 B	1,000 B
	01 2.101		CCA	1,000 D	1,000 D

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ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
4.	CCA105 - PROFESSIONAI	L AND VOCATIONAL	LICENSING	
	OPERATING	CCA CCA	1,000 B 1,000 T	1,000 B 1,000 T
5.	CCA106 - INSURANCE R			1 000 D
	OPERATING	CCA CCA	1,000 B 1,000 T	1,000 B 1,000 T
		CCA	1,000 P	1,000 P
6.	CCA107 - POST-SECONDA	ARY EDUCATION AU		2 00 *
	OPERATING	CCA	2.00* 297,904 B	2.00* 297,904 B
7.	CCA901 - PUBLIC UTILIT	TIES COMMISSION		
			65.00*	65.00*
	OPERATING	CCA	16,902,917 B	18,462,917 B
8.	CCA110 - OFFICE OF CO	NSUMER PROTECTIO	N 18.00*	18.00*
	ODED ATDIC	004	1.00#	1.00#
	OPERATING	CCA CCA	2,645,483 B 100,681 T	2,645,483 E 100,681 T
9.	AGR812 - MEASUREMEN	NT STANDARDS		
	OPERATING	AGR	6.00* 396,217 A	6.00* 396,911 <i>A</i>
	OFERATING	AGR	134,808 B	134,808 B
10.	CCA111 - BUSINESS REG	ISTRATION AND SEC		
	OPERATING	CCA	79.00* 8,387,589B	79.00* 8,387,589 B
11.	CCA112 - REGULATED II		· · ·	-,
11.	CCATI2 - REGULATED II	NDUSTRIES COMPLA	66.00*	66.00*
	OPERATING	CCA	1.00 <i>#</i> 7,800,160B	1.00# 7,500,160B
12.	CCA191 - GENERAL SUP	PORT		
12.	Gentin Genteldie Solt		50.00*	50.00*
	OPERATING	CCA	1.00 <i>#</i> 8,525,388 B	1.00# 8,450,388 E
13.	AGS105 - ENFORCEMEN	T OF INFORMATION	PRACTICES	
	OPERATING	AGS	8.50* 769,837 A	8.50* 769,837 A
14			·	109,0377
14.	BUF151 - OFFICE OF THE	E PUBLIC DEFENDER	139.50*	139.50*
	OPERATING	BUF	12,609,534 A	12,473,680 A
15.	LNR111 - CONVEYANCE	S AND RECORDINGS	58.00*	58.00*
			3.00#	3.00#
	OPERATING	LNR	7,555,316B	8,068,196 E
16.	HMS888 - COMMISSION	ON THE STATUS OF V		1 00 *
			1.00* 1.00#	1.00* 1.00#
	OPERATING	HMS	174,035 A	174,035 A

				APPROPR	RIATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
K. GOV	VERNMEN	T-WIDE SUPPOR	Г		
1.	GOV100 -	OFFICE OF THE	GOVERNOR		
				22.00* 22.00#	22.00* 22.00#
	OPERAT	TING	GOV	3,613,903 A	3,613,903 A
2.	LTG100 -	OFFICE OF THE I	LIEUTENANT GOVE	RNOR	
2.	LIGIOU			3.00*	3.00*
	OPERAT	TINC	LTG	10.00# 977,555A	10.00# 977,555A
				,	977,555A
3.	BED144 -	STATEWIDE PLA	NNING AND COOR		15.00*
				15.00* 3.00#	15.00* 3.00#
	OPERAT	TING	BED	2,007,999 A	1,900,499 A
				5.00*	5.00*
			BED	5.00# 2,364,265 N	5.00# 2.364.265 N
			BED	2,000,000 W	2,000,000 W
4.	DED102	STATEWIDE I AN	D USE MANAGEMI	ENIT	
4.	BED103 -	STATEWIDE LAN	D USE MANAOEMI	7.00*	7.00*
	OPERAT	TING	BED	698,711 A	698,711 A
5.	BED130 -	ECONOMIC PLAN	NNING AND RESEA	RCH	
	OPERAT	TINC	BED	14.00* 1,316,317 A	14.00* 1,316,317 A
	OI ERAI		BED	1,510,517A	1,510,517 A
6.	BUF101 -	DEPARTMENTAL	ADMINISTRATION	NAND BUDGET D 47.00*	VIVISION 47.00*
	OPERAT	TING	BUF	11,880,515 A	11,880,515A
			BUF	363,944,000 B	377,575,000 B
7.	BUF103 - OPERAT	VACATION PAYO TING	UT - STATEWIDE BUF	9,700,000 A	9,700,000 A
8.	AGS871 -	CAMPAIGN SPEN	DING COMMISSIO	N	
			100	5.00*	5.00*
	OPERAT	lind	AGS AGS	560,452 A 343,732 T	553,452 A 343,732 T
0	100000		TIONS	,	,
9.	AG58/9 -	OFFICE OF ELEC	TIONS	17.50*	17.50*
				8.44#	12.44#
	OPERAT	TING	AGS	3,153,919 A	4,082,947 A
				0.50* 1.00#	0.50* 1.00#
			AGS	99,694 N	99,694 N
10.	TAX100 -	COMPLIANCE			
10.	11111100-	COMI LIMITOL		192.00*	192.00*
	ODED 47		75 A 37	5.00#	5.00#
	OPERAT	IING	TAX	11,840,056 A	11,840,056 A
11.	TAX105 -	TAX SERVICES A	ND PROCESSING	1=0.007	
				128.00*	128.00*
				100.00#	100.00#

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ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
12.	TAX107 - SUPPORTING SE	RVICES - REVENUE	COLLECTION	
12.	MARIO, SOTTORING SE	Reference -	81.00*	81.00*
	OPERATING	TAX	12.00 <i>#</i> 14,548,532 A	12.00# 15,708,532A
	0124011110		13.00#	13.00#
		TAX	3,145,136B	3,145,136B
13.	AGS101 - ACCOUNTING SY	YSTEM DEVELOPME	NT AND MAINT 9.00*	
			9.00* 3.00#	9.00* 3.00#
	OPERATING	AGS	1,074,813 A	1,074,813 A
14.	AGS102 - EXPENDITURE E	EXAMINATION		
			17.00* 1.00#	17.00* 1.00#
	OPERATING	AGS	1,410,803 A	1,410,803 A
15.	AGS103 - RECORDING AN	D REPORTING		
101			13.00*	13.00*
	OPERATING	AGS	992,680 A	992,680 A
16.	AGS104 - INTERNAL POST	AUDIT	7.00*	7.00*
			3.00#	3.00#
	OPERATING	AGS	928,635 A	928,635 A
17.	BUF115 - FINANCIAL ADM	INISTRATION		
	OPERATING	BUF	15.00* 2,184,653 A	15.00* 2,184,653 A
	OI ERMINO		9.00*	9.00*
		BUF	11,715,179T	11,715,179T
18.	BUF721 - DEBT SERVICE P OPERATING	AYMENTS - STATE BUF	395,538,560 A	392,957,669 A
19.	ATG100 - LEGAL SERVICE	S		
			258.92* 23.02#	258.92* 23.02#
	OPERATING	ATG	28,955,373 A	28,620,373 A
		ATG	24.60* 3,993,217B	24.60* 3,993,217 B
			5.20*	5.20*
		ATG	7.70 <i>#</i> 11,628,390 N	7.70# 11,628,390 N
		ATG	3,943,508 T	3,943,508 T
			108.56* 27.50#	106.56* 27.50#
		ATG	17,392,037 U	17,154,637 U
			4.90* 1.00#	4.90* 1.00#
		ATG	3,317,725 W	3,317,725W
			18.60* 2.50#	18.60* 2.50#
		ATG	4,091,332 P	4,091,332 P
20.	AGS130 - ENTERPRISE TEO	CHNOLOGY SERVIC	ES - GOVERNAN	CE AND

20.	AGS130 - ENTERPRISE TECHNOLOGY	SERVICES - GOVERNANCE AND)
	INNOVATION		
		35.00*	35.00*

		35.00	35.00
		13.00#	13.00#
OPERATING	AGS	19,576,458 A	19,576,458 A

			APPROPE	RIATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
		AGS AGS	7.00* 1,469,669 B 3,000,000 U	7.00* 1,469,669 B 3,000,000 U
21.	AGS131 - ENTERPRISE T STRUCTURE MAINTENA		CES - OPERATION	S AND INFRA-
	OPERATING	AGS	92.00* 15,050,939 A 1.00#	92.00* 15,050,939A 1.00#
		AGS	173,560 B 33.00*	173,560 B 33.00*
		AGS	3,312,584 U	3,312,584 U
22.	AGS111 - ARCHIVES - RE	CORDS MANAGEME	NT 16.00*	16.00*
	OPERATING	AGS	1,086,463 A 3.00*	1,086,463 A 3.00*
		AGS	736,932 B	536,932 B
23.	AGS891 - ENHANCED 911	BOARD	2 00 #	2 00 #
	OPERATING	AGS	2.00# 9,003,028B	2.00# 9,003,028B
24.	HRD102 - WORKFORCE A EFFECTIVENESS	ATTRACTION, SELEC	TION, CLASSIFIC	ATION, AND
	OPERATING	HRD	90.00* 18,896,841 A	90.00* 18,893,841 A
	012/01/01	HRD	700,000 B	700,000 B
		HRD	2.00* 5,161,214U	2.00* 5,161,214 U
25.	HRD191 - SUPPORTING S	SERVICES - HUMAN R	RESOURCES DEVE 9.00*	ELOPMENT 9.00*
	OPERATING	HRD	1,448,570 A	1,448,570 A
26.	BUF141 - EMPLOYEES' R	ETIREMENT SYSTEM	[111.00*	111.00*
	OPERATING	BUF	2.00# 20,427,078X	2.00# 18,679,890X
27.	BUF143 - HAWAII EMPLO	YER UNION TRUST F		
	OPERATING	BUF	60.00* 3.00# 18,531,620T	60.00* 3.00# 8,823,787T
28.	BUF741 - RETIREMENT I	RENEFITS - STATE	, ,	, ,
20.	OPERATING	BUF BUF	396,996,921 A 10,865,887 U	434,422,195 A 10,865,887 U
29.	BUF761 - HEALTH PREM OPERATING	IUM PAYMENTS - STA BUF	ATE 119,680,888 A	122,074,506 A
30.	BUF762 - HEALTH PREM BUTION (ARC).	IUM PAYMENT FOR A	ANNUAL REQUIR	RED CONTRI-
	OPERATING	BUF	814,659,000 A	842,456,000 A
31.	LNR101 - PUBLIC LANDS	S MANAGEMENT	1.00.11	1.00.11
	OPERATING	LNR	1.00# 205,000 A 56.00*	1.00# 205,000 A 56.00*
		LNR	21,639,761 B	21,655,066 B

PROGRAM APPROPRIATIONS

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ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
32.	AGS203 - STA OPERATIN		AGEMENT AND IN AGS	9,987,995 A	9,987,995 A
			AGS	4.00* 25,383,819W	4.00* 25,383,819W
33.	AGS211 - LA	ND SURVEY			
	OPERATIN	G	AGS AGS	10.00* 769,420 A 285,000 U	10.00* 769,420 A 285,000 U
34.	AGS223 - OF	FICE LEASING			
	OPERATIN	G	AGS AGS	4.00* 10,141,167 A 5,500,000 U	4.00* 10,141,167 A 5,500,000 U
35.	AGS221 - PU	BLIC WORKS -	PLANNING, DESIG		
				91.00* 1.00#	91.00* 1.00#
	OPERATIN	G	AGS AGS	11,332,109 A 4,000,000 W	7,082,109 A 4,000,000 W
36.	AGS231 - CE	NTRAL SERVIC	ES - CUSTODIAL S		122.00*
	OPERATIN	G	AGS	123.00* 2.00# 20,141,268 A	123.00* 2.00# 20,232,627 A
			AGS AGS	58,744 B 1,699,084 U	58,744 B 1,699,084 U
37.	AG\$232 - CE	NTRAL SERVIC	ES - GROUNDS MA		
	OPERATIN	G	AGS	30.00* 2,360,586 A	30.00* 2,082,949 A
38.	AGS233 - CE	NTRAL SERVIC	ES - BUILDING RE		RATIONS
	OPERATIN	G	AGS	33.00* 3,365,285 A	33.00* 3,390,498 A
39.	AGS240 - STA	ATE PROCUREN	MENT		
	OPERATIN	G	AGS	24.00* 1,699,101 A	24.00* 1,699,101 A
40.			TY MANAGEMEN		J J -
	OPERATIN	G	AGS	5.00* 1,865,795W	5.00* 1,867,127W
41.			NAGEMENT - MO		1,007,127 ()
	OPERATIN		AGS	13.00* 3,020,155W	13.00* 3,031,265W
42.			NAGEMENT - PAR		3,031,203 11
42.	OPERATIN		AGS	27.00* 3,838,016W	27.00*
42					3,838,856W
43.	AU3901 - UE	INERAL ADMIN	VISTRATIVE SERVI	36.00*	36.00*
	OPERATIN	G	AGS	1.00# 3,492,885 A	1.00# 3,492,885 A
			AGS	2.00* 190,466 U	2.00* 190,466 U

PART III. PROGRAM APPROPRIATION PROVISIONS

ECONOMIC DEVELOPMENT

SECTION 4. Provided that the Hawaii community development authority shall submit a comprehensive transition plan and proposed legislation to transfer control of the authority's Kakaako development district twenty days prior to the convening of the regular session of 2020.

FORMAL EDUCATION

SECTION 5. Provided that of the general fund appropriation for state administration (EDN300), the sum of \$1,100,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended to support the existing alternative teacher preparation program that provides recruitment, certification, and professional development services to strengthen the pipeline of teachers and leaders in underserved communities; provided further that any funds not expended for this purpose shall lapse to the general fund.

PUBLIC SAFETY

SECTION 6. Provided that of the general fund appropriation for amelioration of physical disasters (DEF110), the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for relief from major disasters pursuant to section 127A-11, Hawaii Revised Statutes; provided further that any funds not expended for this purpose shall lapse to the general fund.

GOVERNMENT-WIDE SUPPORT

SECTION 7. Provided that of the general fund appropriation for the office of the governor (GOV100), the sum of \$10,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be used for the governor's "contingent fund" pursuant to section 37-71(f), Hawaii Revised Statutes; provided further that these funds may be transferred to other programs and agencies and allotted, with the approval of the governor, to meet contingencies as they arise.

SECTION 8. Provided that of the general fund appropriation for vacation payout - statewide (BUF103), the sum of \$9,700,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for the purposes of reimbursing all executive departments and agencies for vacation payouts for general funded employees who have left the employ of the executive branch; provided further that any unexpended funds shall lapse to the general fund at the end of the respective fiscal year for which the appropriation was made; provided further that the department of budget and finance shall only expend up to \$9,700,000 for vacation payouts and any additional expenses incurred above this amount shall be the responsibility of the individual departments and agencies.

SECTION 9. Provided that of the general fund appropriations for debt service payments (BUF721-BUF728), the following sums specified in fiscal biennium 2019-2021 shall be expended for principal and interest payments on general obligation bonds only as follows:

<u>Program I.D.</u>	FY 2019-2020	<u>FY 2020-2021</u>
BUF721	\$395,538,560	\$392,957,669
BUF725	\$341,091,607	\$338,865,983
BUF728	\$126,237,547	\$125,413,846;

provided further that unrequired balances may be transferred only to retirement benefits payments (BUF741-BUF748) and health premium payments (BUF761-BUF768); provided further that the funds shall not be expended for any other purpose; provided further that any unexpended funds shall lapse into the general fund at the end of the respective fiscal year for which the appropriation was made.

SECTION 10. Provided that of the general fund appropriations for retirement benefits payments (BUF741-BUF748), the following sums specified in fiscal biennium 2019-2021 shall be expended for the state employer's share of the employee's retirement pension accumulation and the social security/medicare payment for employees only as follows:

Program I.D.	FY 2019-2020	<u>FY 2020-2021</u>
BUF741	\$396,996,921	\$434,422,195
BUF745	\$422,894,279	\$471,930,022
BUF748	\$189,431,048	\$209,187,118;

provided further that unrequired balances may be transferred only to debt service payments (BUF721-BUF728) and health premium payments (BUF761-BUF768); provided further that the funds shall not be expended for any other purpose; provided further that any unexpended funds shall lapse into the general fund at the end of the respective fiscal year for which the appropriation was made.

SECTION 11. Provided that of the general fund appropriations for health premium payments (BUF761-BUF768), the following sums specified in fiscal biennium 2019-2021 shall be expended for the state employer's share of health premiums for active employees and retirees only as follows:

Program I.D.	FY 2019-2020	FY 2020-2021
BUF761	\$119,680,888	\$122,074,506
BUF762	\$814,659,000	\$842,456,000
BUF765	\$142,378,724	\$145,226,298
BUF768	\$53,903,313	\$54,981,380;

provided further that unrequired balances may be transferred only to debt service payments (BUF721-BUF728) and retirement benefits payments (BUF741-BUF748); provided further that the funds shall not be expended for any other purpose; provided further that any unexpended funds shall lapse into the general fund at the end of the respective fiscal year for which the appropriation was made.

PART IV. SPECIAL PROVISIONS

SECTION 12. Notwithstanding any provision in part III of this Act, the governor may transfer savings or unrequired balances as may be available from the appropriated funds of any program in this Act to supplement the appropriation for any other program in this Act to cope with the effects of natural disasters or other unforeseen emergencies; provided that the effects of the natural disasters or emergencies create an urgent need to pursue a course of action that is in the best interest of the State; provided further that the use of these funds does not conflict with general law; provided further that no funds shall be expended without a formal declaration of a natural disaster or emergency by the governor.

SECTION 13. No appropriation authorized in this Act for expenditure by a political subdivision of this State shall be considered to be a mandate to undertake new programs or to increase the level of services under existing programs of that political subdivision. If any appropriation authorized in this Act constitutes such a mandate within the provisions of section 5 of article VIII of the Hawaii State Constitution such authorization shall be void.

SECTION 14. Whenever the expending agency to which an appropriation is made is changed due to legislation enacted during any session of the legislature, which affects the appropriations made by this Act, the governor shall transfer the necessary funds and positions to the proper expending agency as provided by law.

SECTION 15. If the State should assume the direct operation of any non-governmental agency receiving state funds under the provisions of this Act, all related state funds shall constitute a credit to the State against the costs of acquiring all or any portion of the property, real, personal, or mixed, of the non-governmental agency. This credit shall be applicable regardless of when the acquisition takes place.

SECTION 16. Any provision of this Act to the contrary notwithstanding, the federal fund or other federal fund appropriations made for operating costs authorized under this Act shall not lapse at the end of the fiscal year for which the appropriation is made; provided that all federal fund or other federal fund appropriations made to be expended in fiscal year 2019-2020 which are unencumbered as of June 30, 2022 shall lapse as of that date and fiscal year 2020-2021 which are unencumbered as of June 30, 2023 shall lapse as of that date.

SECTION 17. If unanticipated federal funding cutbacks diminish or curtail essential, federally funded state programs, the governor may utilize savings as determined to be available from other state programs for the purpose of maintaining the programs until the next legislative session.

SECTION 18. The governor may approve the expenditure of all federal funds that are in excess of levels authorized by the legislature; provided that the governor may allow for an increase in the appropriate federal fund authorization ceiling for the program to accommodate the expenditure of the funds.

SECTION 19. Any provision of this Act to the contrary notwithstanding, the governor may approve the extension of the lapse dates for federal fund or other federal fund appropriations and appropriations of other means of financing, except general funds, deemed necessary to qualify for federal aid financing and/or reimbursement, provided in this Act or authorized by the governor pursuant to section 18 of this Act as necessary to meet the intent of the federal grant awards.

SECTION 20. Where an agency is authorized to secure funds or other property from private organizations or individuals to be expended or utilized in connection with any authorized program, the agency, with the governor's approv-

al, may enter into the undertaking; provided that the provisions of the undertaking comply with applicable state constitutional and statutory requirements.

SECTION 21. Except as otherwise provided by general law, negotiations for the purchase of land by state agencies shall be subject to the approval of the governor and the department of land and natural resources, or other appropriate agency; provided that private lands may be acquired for the purpose of exchange for federal lands when the department of land and natural resources and the governor determine that the acquisition and exchange are necessary for the completion of any project specifically authorized by this Act.

SECTION 22. Except as otherwise provided, or except as prohibited by specific grant conditions, all federal or non-general fund reimbursements received by state programs shall be returned to the general fund or fund of originating expenses.

SECTION 23. Unless otherwise provided in this Act, each department or agency may transfer operating funds between appropriations within the same fund, within an expending agency, for operating purposes; provided that the department or agency shall submit a report to the legislature and the department of budget and finance within five days of each use of this authority; provided further that the report shall include the date of transfer, the amount of the transfer, the program ID from which funds were transferred, the program ID to which funds were transferred, the impact to the program ID the funds are transferred from, and a detailed explanation of the public purposes served by the transfer of resources; provided further that each department shall submit to the legislature a summary report containing the aforementioned information for each use of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 24. Except as otherwise provided in this Act, each department or agency may transfer positions within its respective authorized position ceiling for the purpose of maximizing the utilization of personnel resources and staff productivity; provided that all of these actions shall be consistent with appropriations provided in this Act and with provisions of part II of chapter 37, Hawaii Revised Statutes; provided further that each department shall submit a report to the legislature within five days of each use of this authority; provided further that the report shall include the date of the transfer, the position transferred, the program from which the position was transferred, the program to which the position was transferred, responsibilities of the position prior to transfer, the responsibilities of the position after the transfer, and the manner in which the transfer maximizes the utilization of personnel resources and staff productivity; provided further that each department shall submit to the legislature a summary report of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 25. Any law or provision to the contrary notwithstanding, in expending funds for social welfare programs, education programs, and other programs and agencies having appropriations that are based on population and workload data as specified in the executive budget document, only so much as is necessary to provide the level of services intended by the legislature shall be expended. Affected agencies shall reduce expenditures below appropriations under procedures prescribed by the department of budget and finance if the actual population and workload trends are less than the figures projected.

SECTION 26. With the approval of the governor, expending agencies that use appropriations authorized in part II of this Act for audit services may delegate that responsibility and transfer funds to internal post audit (AGS104) when it is determined by the agencies that it is advantageous to do so.

SECTION 27. Except as otherwise provided by law, agencies with appropriations authorized in part II of this Act for risk management costs shall transfer funds authorized for that purpose to risk management (AGS203) for the administration and implementation of state risk management costs and expenses.

SECTION 28. With the approval of the governor, the Hawaii health systems corporation in the department of health may transfer to the department of human services funds appropriated to the Hawaii health systems corporation for the care and treatment of patients whenever the department of human services can utilize the funds to match federal funds that may be available to help finance the cost of outpatient, acute hospital, or long term care of indigents or medical indigents in designated critical access hospitals.

SECTION 29. With the approval of the governor, the department of health may transfer to the department of human services funds appropriated to the department of health for the care and treatment of patients whenever the department of human services can utilize the funds to match federal funds to finance the cost of outpatient, hospital, or skilled nursing home care of indigents or medical indigents.

SECTION 30. The department of human services may enter into agreements with the department of health to furnish outpatient, hospital, and skilled nursing home care of indigents or medical indigents and to pay the department of health for the care; provided that with the approval of the director of finance, the department of health may deposit part of the receipts into the appropriations from which transfers were made as provided elsewhere in this Act.

SECTION 31. Provided that of the appropriation for each principal state department, as defined by section 26-4, Hawaii Revised Statutes, the sum of \$2,500 for fiscal year 2019-2020 and the same sum for fiscal year 2020-2021 shall be made available in each department to be established as a separate account for a protocol fund to be expended at the discretion of the executive head of the department or agency (i.e., director, chairperson, comptroller, adjutant general, superintendent, president, or attorney general).

SECTION 32. Provided that of the general fund appropriation for Hawaii state public library system (EDN407), the sum of \$2,500 for fiscal year 2019-2020 and the same sum for fiscal year 2020-2021 may be used to establish a separate account for a protocol fund to be expended at the discretion of the state librarian.

SECTION 33. Provided that of the general fund appropriation for financial administration (BUF115), the sum of \$4,000 for fiscal year 2019-2020 and the same sum for fiscal year 2020-2021 may be used to establish a separate account for a protocol fund to be expended at the discretion of the director of finance for the promotion and improvement of state bond ratings and sales.

SECTION 34. Provided that of the special fund appropriation for spectator events and shows - aloha stadium (AGS889), the sum of \$2,500 for fiscal year 2019-2020 and the same sum for fiscal year 2020-2021 may be expended at the discretion of the stadium manager for the promotion of spectator events and shows and other stadium related purposes.

SECTION 35. Except as otherwise provided, the appropriation for the office of the governor (GOV100) shall be expended at the discretion of the governor.

SECTION 36. Except as otherwise provided, the appropriation for the office of the lieutenant governor (LTG100) shall be expended at the discretion of the lieutenant governor.

SECTION 37. Provided that of the appropriations authorized for executive programs in part II of this Act for fiscal year 2019-2020 and fiscal year 2020-2021, settlements and judgments approved by the legislature in the final version of House Bill No. 942,¹ Making Appropriations for Claims Against the State, Its Officers, or Its Employees, shall be funded within each program's departmental allocation for the respective fiscal year.

SECTION 38. Provided that the amount of settlements and judgments approved by the legislature in the final version of House Bill No. 942,¹ Making Appropriations for Claims Against the State, Its Officers, or Its Employees, exceeds program allocations for fiscal year 2019-2020 or fiscal year 2020-2021, as applicable, for the purposes of meeting these obligations:

- (1) A department, with the approval of the governor, may utilize allocated savings determined to be available from any other program within the department; and
- (2) Unless otherwise provided by general law, the governor may transfer funds between allocations of appropriations within a department for the purposes of paying settlements and judgments of a program.

SECTION 39. The director of finance may expend general fund, special fund, and revolving fund savings or balances determined to be available from authorized general fund, special fund, and revolving fund program appropriations up to an aggregate total of \$20,000,000 for fiscal year 2019-2020 and \$20,000,000 for fiscal year 2020-2021, for municipal lease payments under financing agreements entered into pursuant to chapter 37D, Hawaii Revised Statutes, to finance the acquisition of depreciable assets including but not limited to automobiles, computers, printers, and telecommunications equipment; provided that designated expending agencies (including the department of education and the University of Hawaii), for municipal lease payments and for depreciable assets including but not limited to automobiles, computers, printers, and telecommunications equipment authorized in this Act, may delegate to the director of finance the implementation of the acquisitions when it is determined by all involved agencies that it is advantageous to do so.

SECTION 40. Notwithstanding any provision in part III of this Act, the governor may transfer savings or unrequired balances as may be available of general funds from any program in this Act to supplement the department of land and natural resources' firefighter's contingency fund; provided that these funds shall be used to prevent, control, and extinguish wildland fires within forest reserves, public hunting areas, wildlife and plant sanctuaries, and natural area reserves, and to fulfill mutual aid agreements in cooperation with fire control agencies of the counties and federal government.

SECTION 41. Provided that the director of finance shall ensure that non-facility per pupil general fund amounts allocated for department of education and charter school students are equal on an annualized fiscal year basis; provided further that, for the purposes of this section, all general fund appropriations for school-based budgeting (EDN100), instructional support (EDN200), state administration (EDN300), and school support (EDN400) shall be considered non-facility appropriations for department of education; provided further that for the purposes of this section, the general fund appropriation for charter schools (EDN600) shall be considered the non-facility appropriation for charter schools; provided further that, for the purposes of this section, all grant appropriations issued pursuant to chapter 42F, Hawaii Revised Statutes, shall be excluded from non-facility appropriations for the department of education and charter schools; provided further that, notwithstanding any other law to the contrary, for fiscal year 2019-2020 and fiscal year 2020-2021, the director of finance shall:

- (1) Determine the sum of general fund appropriations made for the department of education and charter school student non-facility costs;
- (2) Determine the sum of department of education and charter school student enrollment based upon verified actual student enrollment counts as of October 15;
- (3) Determine a per pupil amount by dividing the sum of general fund appropriations determined under paragraph (1) by the sum of student enrollment determined under paragraph (2);
- (4) Transfer a general fund amount between the department of education and charter schools prior to November 1, 2019, and November 1, 2020, respectively, that shall provide each with a per pupil allocation equal to the amount determined on an annualized fiscal year basis under paragraph (3); and
- (5) Account for all calculations and transfers made pursuant to this section in a report to the legislature, governor, department of education, and charter schools within ten days of any transfer made pursuant to this section.

SECTION 42. (a) Provided that, pursuant to section 37-74(f), Hawaii Revised Statutes, no funds shall be expended to fill a permanent or temporary position for the lowest level of the program if the filling of that position causes the position ceiling for that level of the program to be exceeded; provided further that this prohibition shall not apply to a:

- (1) Position established by the University of Hawaii or the Hawaii health systems corporation;
- (2) Position that is entirely federally funded;
- (3) Position necessary for compliance without undue delay with a court order or decree if the director of human resources development determines that the recruitment through normal civil service procedures would result in delay or noncompliance;
- (4) Position approved by the governor for a special, research, or demonstration project of an agency;

- (5) Position approved by the governor to perform an emergency management function under the department of defense pursuant to the authority of section 127A-12(b)(9), Hawaii Revised Statutes;
- (6) Casual hire position;
- (7) Vicing position;
- (8) Position established by an agency pursuant to express statutory authority to establish the position; and
- (9) Position established by an agency for a program or project funded by an appropriation in an act other than a general or supplemental appropriations act.

(b) Provided further that with regard to any of the positions identified in subsection (a)(1), (2), (3), (4), (5), (8), and (9), the respective agency or department shall submit a report to the legislature within five days of each use of the authority established in this section; provided further that the report shall include the:

- (1) Authority used to establish the position;
- (2) Date the position was established;
- (3) Projected date the position will be filled;
- (4) Amounts projected to be expended in fiscal year 2019-2020 and in fiscal year 2020-2021;
- (5) Source of funds used to pay for the position; and
- (6) Functions to be performed by the position.

SECTION 43. If the governor imposes a restriction on an allotment to the department of accounting and general services that may affect the expenditure of the appropriation for school repair and maintenance, neighbor island districts (AGS807), the comptroller shall consult with the superintendent of education before enforcing the restriction.

SECTION 44. Notwithstanding any law to the contrary, provided that position ceilings and funds appropriated in any other Act deemed necessary for the operations of a program may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),² for program execution and expenditure; provided that the transferred appropriations shall be subject to the provisions of the General Appropriations Act of 2019; and provided further that the transferred appropriations shall be incorporated into all budgetary details of the General Appropriations Act of 2019.

PART V. MISCELLANEOUS AND EFFECTIVE DATE

SECTION 45. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 46. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor may correct the errors.

SECTION 47. This Act shall take effect on July 1, 2019.

(Approved April 12, 2019.)

Notes

1. HB942 HD2, SD2, CD1 became Act 99. 2. Act 5.

A Bill for an Act Relating to the Department of Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. Unless otherwise clear from the context, as used in this Act:

"Expending agency" means the department of transportation.

Abbreviations, where used to denote the expending agency, shall mean the following:

TRN Department of Transportation

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. Such letter symbols, where used, shall have the following meanings:

- A General funds
- B Special funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk for permanent fulltime equivalent positions and a pound sign for temporary full-time equivalent positions.

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 2. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this Act or as provided by general law.

				APPROPRIATIONS	
				FISCAL M	FISCAL M
ITEM	PROG.		EXPENDING	YEAR O	YEAR O
NO.	ID	PROGRAM	AGENCY	2019-2020 F	2020-2021 F
1	TP N301	- HONOLULU HAI	RUB		
1.	11(1)(01 -	- HONOLULU HAI	NDOK	114.00*	114.00*
				1.00#	1.00#
	OPERAT	ſING	TRN	20,371,905 B	20,456,061 B
2.	TRN303 - KALAELOA BARBERS POINT HARBOR				
				6.00*	6.00*
	OPERAT	ΓING	TRN	1,279,755B	1,282,209 B

PROGRAM APPROPRIATION	\mathbf{S}
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				APPROPRIATIONS		
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
3.	TRN311 -	HILO HARBOR				
	OPERAT	TING	TRN	15.00 * 2,285,410 B	15.00* 2,293,812 B	
4		KAWAIHAE HARI		_,,	_,_,_,	
	OPERAT		TRN	2.00* 793,376B	2.00 * 793,376 B	
5.		KAHULUI HARB		795,570 B	/95,570B	
э.				18.00*	18.00*	
	OPERAT		TRN	3,241,146 B	3,252,271 B	
6.	TRN333 - OPERAT	HANA HARBOR TING	TRN	12,519B	12,519B	
7.	TRN341 -	KAUNAKAKAI H	ARBOR	1.00*	1.00*	
	OPERAT	TING	TRN	206,158 B	206,157 B	
8.	TRN351 -	KAUMALAPAU H	ARBOR	1.00*	1.00*	
	OPERAT	TING	TRN	132,006 B	132,006 B	
9.	TRN361 -	NAWILIWILI HAR	BOR	15.00*	15.00*	
	OPERAT	TING	TRN	15.00 * 2,608,331 B	15.00* 2,619,836B	
10.	TRN363 -	PORT ALLEN HAI	RBOR			
	OPERAT	TING	TRN	1.00 * 188,223 B	1.00 * 188,222 B	
11.	TRN395 -	HARBORS ADMIN	NISTRATION			
				77.00* 1.00#	77.00* 1.00#	
	OPERAT	TING	TRN	92,980,358 B	92,980,358 B	
12.	TRN104 –	GENERAL AVIAT	ION	1.00*	1.00*	
	OPERAT	TING	TRN	72,984 B	72,984 B	
13.	TRN114 - KEAHOL		KA KONA INTERNA			
	ODED AT		TDN	2.00*	2.00*	

PROGRAM APPROPRIATIONS

OPERATINGTRN90,888 B90,888 BSECTION 3. There is appropriated out of the general revenues of the

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$15,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of transportation.

The sum appropriated shall be expended by the department of transportation; provided that:

- (1) The moneys appropriated pursuant to this section shall not lapse at the end of the fiscal year for which the moneys are appropriated; provided that any unexpended or unencumbered balances from the appropriation shall lapse to the credit of the general fund on June 30, 2021; and
- (2) The governor may transfer any amount appropriated pursuant to this section and the authority to expend the transferred amount to

other state departments, agencies, or programs as may be needed to facilitate the purposes of the respective department, agency, or program.

PART III. PROVISIONS

SECTION 4. Provided that of the special fund appropriation for general aviation (TRN104), the sum of \$72,984 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for an airport fire commander.

SECTION 5. Provided that of the special fund appropriation for Ellison Onizuka Kona international airport at Keahole (TRN114), the sum of \$57,168 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for an assistant superintendent IV.

SECTION 6. Provided that of the special fund appropriation for Ellison Onizuka Kona international airport at Keahole (TRN114), the sum of \$33,720 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for a visitor information program assistant I.

SECTION 7. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 that appropriates funds and establishes position ceilings, the positions authorized in section 2 shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws.

SECTION 8. Notwithstanding any law to the contrary, provided that the funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 9. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 10. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor may correct the errors.

SECTION 11. This Act shall take effect on June 28, 2019; provided that section 3 shall take effect upon its approval.

(Approved April 12, 2019.)

1. Act 5.

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 514B-154, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) After any association meeting, and not earlier, unit owners shall be permitted to examine proxies, tally sheets, ballots, owners' check-in lists, and the certificate of election; provided that:

- (1) Owners shall make a request to examine the documents within thirty days after the association meeting;
- (2) The board may require owners to furnish to the association a duly executed and acknowledged affidavit stating that the information is requested in good faith for the protection of the interest of the association or its members or both; and
- (3) Owners shall pay for administrative costs in excess of eight hours per year.

[If there are no requests to examine proxies and ballots, the] The documents may be destroyed [thirty days] ninety days after the association meeting[. If there are requests to examine proxies and ballots, the documents shall be kept for an additional sixty days, after which they may be destroyed.]; provided that in the event of a contested election, the documents shall be retained until the contested election is resolved. Copies of tally sheets, owners' check-in lists, and the certificates of election from the most recent association meeting shall be provided to any owner upon the owner's request; provided that the owner pays a reasonable fee for duplicating, postage, stationery, and other administrative costs associated with handling the request."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved April 12, 2019.)

ACT 8

H.B. NO. 165

A Bill for an Act Relating to Campaign Reports.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-339, Hawaii Revised Statutes, is amended to read as follows:

"[[]§11-339[] Final election period report for candidate committee or noncandidate committee] Candidate committees or noncandidate committees receiving and expending \$1,000 or less [during the] in an election period. (a) Any provision of law to the contrary notwithstanding, a candidate committee or noncandidate committee whose aggregate contributions and aggregate expenditures for the election period total \$1,000 or less, shall electronically file only a final election period report, and need not file a preliminary and final primary report, a preliminary and final general report, or a special election report. (b) By June 30 of an election year, a candidate committee that does not intend to receive contributions, or make expenditures, that aggregate more than \$1,000 in an election period shall notify the commission of its intent in the candidate committee's organizational report.

(c) By the fifth calendar day before the due date of the preliminary primary report, a noncandidate committee that does not intend to receive contributions, or make expenditures, that aggregate more than \$1,000 in an election period shall notify the commission of its intent in the noncandidate committee's organizational report.

[(b)] (d) Until the candidate committee's or noncandidate committee's registration is terminated as provided in section 11-326, supplemental reports and other reports required by this part shall be filed."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved April 15, 2019.)

ACT 9

H.B. NO. 1180

A Bill for an Act Relating to Natural Disasters.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 as a subsidy to the county of Hawaii (SUB301) to provide relief, recovery, mitigation, and remediation assistance for disaster damage, losses, and suffering caused by the Kilauea eruption in the county of Hawaii.

The sum appropriated shall be expended by the county of Hawaii (SUB301) for the purposes of this Act.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$40,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 as a loan to the county of Hawaii as may be necessary to obtain non-state funds, including federal funds, available to the county of Hawaii to provide relief, recovery, mitigation, and remediation assistance for disaster damage, losses, and suffering caused by the Kilauea eruption in the county of Hawaii. The loan terms shall be negotiated by the director of finance; provided that the director of finance may waive any interest accrued on said loan.

The sum appropriated shall be expended by the department of budget and finance for the purposes of this Act.

SECTION 3. No sums appropriated under section 1 and section 2 of this Act shall be released to the county of Hawaii unless the Hawaii county council adopts a resolution requesting the release of such sums. The county of Hawaii shall report monthly expenditures to the department of budget and finance.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 16, 2019.)

A Bill for an Act Relating to Voting.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 15, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§15- Eligibility of voter after absentee ballot cast. The absentee ballot of any voter who was eligible to vote at the time the ballot was cast shall not be deemed invalid solely because the voter became ineligible to vote after casting the ballot. For the purposes of this section, "cast" means that the voter has:

- (1) Deposited the absentee ballot in the mail for ballots mailed in accordance with section 15-9(a)(1);
- (2) Delivered the absentee ballot to the appropriate county clerk or polling place in accordance with section 15-9(a)(2) or (3); or
- (3) Completed voting in person at an absentee polling place."

SECTION 2. Chapter 15D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§15D- Eligibility of covered voter after ballot cast. The militaryoverseas ballot of any covered voter who was eligible to vote at the time the ballot was cast in accordance with this chapter shall not be deemed invalid solely because the covered voter became ineligible to vote after casting the ballot."

SECTION 3. Section 15-14, Hawaii Revised Statutes, is amended to read as follows:

"§15-14 Ballots; where voting machines are used. In all precincts in which voting machines are used, sections 15-1 to [15-13] <u>15-12</u> shall apply; provided that the number and type of absentee ballots to be printed shall be determined at the discretion of the officer charged with printing and furnishing them. The officer may use reasonable facsimiles of the sample ballot used in voting machine precincts."

SECTION 4. Section 15-13, Hawaii Revised Statutes, is repealed.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval.

(Approved April 17, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 11

A Bill for an Act Relating to Names.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 574-1, Hawaii Revised Statutes, is amended to read as follows:

"§574-1 Married persons; civil union partners. Upon marriage or civil union, each of the parties to a marriage or partners in a civil union shall declare the middle and last names each will use as a married person or civil union partner. [The last name or names chosen may be any middle or last name legally used at any time, past or present, by either spouse or partner, or any combination of such names, which may, but need not, be separated by a hyphen. The middle name or names chosen may be any middle or last name legally used at any time, past or present, by either spouse or partner, or any combination of such names, which may, but need not, be separated by a hyphen. The middle name or present, by either spouse or partner, or any combination of such names, which may, but need not, be separated by a hyphen.] No person shall be required to change that person's middle or last name upon entering into a marriage or civil union. Parties to a marriage and partners in a civil union shall not be required to have the same middle or last name. Every person may adopt any middle or last name upon entering into a marriage or civil union."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved April 17, 2019.)

ACT 12

S.B. NO. 325

A Bill for an Act Relating to Parentage.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Hawaii supreme court's majority opinion in LC v. MG and Child Support Enforcement Agency, No. SCAP-16-0000837 (HAW. Oct. 4, 2018) held, in part, that the Hawaii Uniform Parentage Act, chapter 584, Hawaii Revised Statutes, precludes a spouse from rebutting the marital presumption of parentage with evidence that demonstrates a clear and convincing lack of consent to the other spouse's artificial insemination procedure. The legislature also finds that the court's majority based this holding on speculation regarding the legislature's intent in removing a provision relating to artificial insemination when it adopted the Uniform Parentage Act in 1973. The provision at issue specifically identified a husband's written consent to his wife's artificial insemination procedure as evidence relating to paternity. The legislature finds that the court's majority overreached in its conclusion that the legislature's removal of this provision in its initial adoption of the Uniform Parentage Act indicates express legislative intent to preclude any evidence of non-consent to an artificial insemination procedure as a rebuttal to the presumption of parentage.

The purpose of this Act is to clarify that evidence of an alleged parent's non-consent to an artificial insemination procedure that resulted in the birth of

a child may be considered as evidence relating to paternity in an action regarding the parentage of that child.

SECTION 2. Section 584-12, Hawaii Revised Statutes, is amended to read as follows:

"§584-12 Evidence relating to paternity. Evidence relating to paternity may include:

- (1) Evidence of sexual intercourse between the mother and the alleged father at any possible time of conception;
- (2) An expert's opinion concerning the statistical probability of the alleged father's paternity based upon the duration of the mother's pregnancy;
- (3) Genetic test results, including blood test results, weighted in accordance with evidence, if available, of the statistical probability of the alleged father's paternity;
- (4) Medical or anthropological evidence relating to the alleged father's paternity of the child based on tests performed by experts. If a man has been identified as a possible father of the child, the court may, and upon request of a party shall, require the child, the mother, and the man to submit to appropriate tests;
- (5) A voluntary, written acknowledgment of paternity;
- (6) Bills for pregnancy and childbirth, including medical insurance premiums covering this period and genetic testing, without the need for foundation testimony or other proof of authenticity or accuracy, and these bills shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child; [and]
- (7) Evidence of consent to an artificial insemination procedure that resulted in the birth of the child; and
- [(7)] (8) All other evidence relevant to the issue of paternity of the child."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved April 17, 2019.)

ACT 13

S.B. NO. 464

A Bill for an Act Relating to Private Property.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that albizia trees are an invasive species that are prone to breaking and falling during high winds and tropical storms. Fallen albizia trees caused power outages and other structural damage on the island of Hawaii during tropical storm Iselle in 2014. Albizia trees fell over highways, roads, and driveways in such large numbers during that storm that many people were left trapped in their homes and rescue personnel were prevented from reaching them or, in some cases, returning to their base of operations.

The legislature further finds that albizia trees located on private properties often create hazardous conditions for adjacent properties and that the development of these hazardous conditions should be prevented wherever possible. Albizia trees have been successfully controlled on many properties, but some property owners have been unresponsive to inquiries from owners of adjacent properties.

The legislature therefore finds that property owners should have the authority to enter adjacent properties to control albizia trees to prevent or address hazardous conditions, subject to certain conditions.

SECTION 2. Chapter 708, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§708- Control of albizia trees on private property. (a) An owner of real property or the owner's agent shall be authorized to enter vacant real property that is privately owned and directly adjacent to the entering owner's property to control one or more albizia trees located on the adjacent property; provided that that¹ the entering owner:

- (1) Has consulted with a tree risk assessment qualification certified arborist to confirm that the albizia trees on the adjacent property:
 - (A) Create a condition that could become hazardous to the entering owner's property or persons thereupon if left untreated; and
 - (B) May be felled and removed or otherwise treated according to current established methods that minimize risk to human health and safety, and without damaging any structure, utility pole, or utility line;
- (2) Has unsuccessfully made two or more reasonable attempts within the previous thirty days to contact the owner of record of the adjacent property via telephone or registered mail; and
- (3) Has given written notice to the adjacent property owner prior to accessing the adjacent property, to prevent the property from mistakenly being determined vacant where the land is not in production because it is, for example, resting pasture land at the intended time of entry.

(b) It shall be a defense to citation or prosecution under sections 708-814, 708-815, 708-820, 708-821, 708-822, 708-823, and 708-823.5 that the entering property owner or agent entered an adjacent property for the purposes of and in compliance with this section.

(c) As used in this section:

"Albizia tree" means any tree of the species Falcataria moluccana or Albizia chinensis.

"Vacant" means improved or unimproved but having no reasonable indication of use or maintenance for one year or more."

SECTION 3. Section 708-816, Hawaii Revised Statutes, is amended to read as follows:

"§708-816 Defense to trespass. It is a defense to prosecution for trespass as a violation of sections 708-814 and 708-815 that the defendant entered upon and passed along or over established and well-defined roadways, pathways, or trails leading to public beaches over government lands, whether or not under lease to private persons[-], or for the purposes of and in compliance with section 708-..."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.²

SECTION 6. This Act shall take effect on July 1, 2019.

(Became law on April 17, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Notes

1. So in original.

2. Edited pursuant to HRS §23G-16.5

ACT 14

S.B. NO. 1288

A Bill for an Act Relating to Condominium Voting.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that many condominiums are governed by declarations and bylaws that require secret ballots at their association meetings. This can be unduly burdensome for condominiums that need to ballot with different common interests.

The purpose of this Act is to authorize the use of an electronic voting device at all condominium association meetings regardless of whether a secret ballot is used or required; provided that the board of directors establishes procedures to ensure a reasonable level of ballot secrecy and integrity.

SECTION 2. Section 514B-106, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) At any regular or special meeting of the association, any member of the board may be removed and successors shall be elected for the remainder of the term to fill the vacancies thus created. The removal and replacement shall be by a vote of a majority of the unit owners and, otherwise, in accordance with all applicable requirements and procedures in the bylaws for the removal and replacement of directors and, if removal and replacement is to occur at a special meeting, section [514B-121(b).] 514B-121(c)."

SECTION 3. Section 514B-110, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) Election of the new board in accordance with an amendment adopted pursuant to this section shall be held at the next regular meeting of the association or at a meeting called in accordance with section [514B-121(b)]514B-121(c) for this purpose."

SECTION 4. Section 514B-121, Hawaii Revised Statutes, is amended to read as follows:

"§514B-121 Association meetings. (a) A meeting of the association shall be held at least once each year.

(b) Notwithstanding any other provision of this chapter or the declaration or bylaws of a condominium to the contrary, at any association meeting the

board may direct the use of an electronic voting device regardless of whether a secret ballot is used or required. Such use shall be subject to the following:

- (1) The electronic voting device and all associated equipment shall be isolated from any connection to an external network, including the Internet;
- (2) <u>The board shall establish reasonable procedures to provide for the secrecy and integrity of the unit owners' votes, including but not limited to procedures that ensure the availability of a printed audit trail containing:</u>
 - (A) The reference number of the electronic voting device;
 - (B) Each common interest voted; and
 - (C) The vote that was tabulated;
- (3) A copy of the printed audit trail shall be available to owners after the meeting in the same manner provided by sections 514B-154 and 514B-154.5; and
- (4) <u>A copy of the procedures established pursuant to paragraph (2)</u> <u>shall be available at no charge to any owner and a copy shall be</u> <u>available at any meeting at which the association uses an electronic</u> <u>voting device.</u>

[(b)] (c) Special meetings of the association may be called by the president, a majority of the board, or by a petition to the secretary or managing agent signed by not less than twenty-five per cent of the unit owners as shown in the association's record of ownership; provided that if the secretary or managing agent fails to send out the notices for the special meeting within fourteen days of receipt of the petition, the petitioners shall have the authority to set the time, date, and place for the special meeting and to send out the notices and proxies for the special meeting at the association's expense in accordance with the requirements of the bylaws and of this part; provided further that a special meeting based upon a petition to the secretary or managing agent shall be set no later than sixty days from receipt of the petition.

 $[(\underline{e})](\underline{d})$ Not less than fourteen days in advance of any meeting, the secretary or other officer specified in the bylaws shall cause notice to be:

- (1) Hand-delivered;
- (2) Sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit owner; or
- (3) At the option of the unit owner, expressed in writing, by electronic mail to the electronic mailing address designated in writing by the unit owner.

The notice of any meeting must state the date, time, and place of the meeting and the items on the agenda, including the general nature and rationale of any proposed amendment to the declaration or bylaws, and any proposal to remove a member of the board; provided that this subsection shall not preclude any unit owner from proposing an amendment to the declaration or bylaws or to remove a member of the board at any annual association meeting.

[(d)] (e) All association meetings shall be conducted in accordance with the most recent edition of Robert's Rules of Order Newly Revised. If so provided in the declaration or bylaws, meetings may be conducted by any means that allow participation by all unit owners in any deliberation or discussion.

[(e)] (f) All association meetings shall be held at the address of the condominium or elsewhere within the State as determined by the board; provided that in the event of a natural disaster, such as a hurricane, an association meeting may be held outside the State." SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2019. (Approved April 23, 2019.)

ACT 15

S.B. NO. 638

A Bill for an Act Relating to Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that an ongoing problem in several communities across the State is the sale of liquor by unlicensed operators or entities that are not under the jurisdiction of the liquor control agencies. Liquor control agencies are restricted from executing compliance checks on establishments without liquor licenses. The reportedly widespread unlicensed sale of liquor on private properties within the State, if true, undermines the mission of liquor control agencies to control the sale of liquor.

The legislature also finds that on November 1, 2017, the Honolulu city council expressed the will of the people through the unanimous adoption of Resolution 17-280, CD1, entitled "Requesting the Hawaii State Legislature to increase the penalty for the unlicensed manufacture or sale of liquor to a felony and to add the crime to the class of organized criminal activities under Hawaii Revised Statutes Chapter 842."

The resolution states, "because these unlicensed operators and establishments are operating without regulation, they draw crowds and attract other illegal activity that poses health, safety, and community concerns, as evidenced by the recent fatal shooting at a well-known, but unlicensed, bar establishment that has been in operation for a number of years . . . "

Under existing law, the penalty for the misdemeanor offense of unlicensed manufacture or sale of liquor is a fine of not more than \$2,000, imprisonment for not more than one year, or both. The intent of this Act is to deter future illegal liquor sales, not occurring under the oversight of liquor control agencies, by increasing the consequences of subsequent conviction and allow greater latitude to judges in their sentencing options.

The purpose of this Act is to:

- (1) Increase the penalty for the unlicensed sale of liquor;
- (2) Add unlicensed sale and unlicensed manufacture of liquor to the list of offenses eligible for civil asset forfeiture; and
- (3) Amend the definitions of "organized crime" and "racketeering activity" to include the unlicensed sale of liquor.

SECTION 2. Section 281-101, Hawaii Revised Statutes, is amended to read as follows:

"§281-101 [Manufacture or sale without license;] Unlicensed manufacture or sale of liquor; penalty. (a) If any person, acting in person or by or through any agent, servant, or employee, manufactures [or sells] any liquor, either directly or indirectly, or upon any pretense or by any subterfuge, except as authorized pursuant to this chapter, the person shall be fined not more than \$2,000 or imprisoned not more than one year, or both.

(b) If any person, acting in person or by or through any agent, servant, or employee, sells any liquor, either directly or indirectly, or upon any pretense or by any subterfuge, except as authorized pursuant to this chapter, the person shall be guilty of a class C felony."

SECTION 3. Section 712A-4, Hawaii Revised Statutes, is amended to read as follows:

"§712A-4 Covered offenses. Offenses for which property is subject to forfeiture under this chapter are:

- All offenses that specifically authorize forfeiture; (a)
- (b) Murder, kidnapping, labor trafficking, unlicensed sale of liquor, unlicensed manufacture of liquor, gambling, criminal property damage, robbery, bribery, extortion, theft, unauthorized entry into motor vehicle, burglary, money laundering, trademark counterfeiting, insurance fraud, promoting a dangerous, harmful, or detrimental drug, commercial promotion of marijuana, methamphetamine trafficking, manufacturing of a controlled substance with a child present, promoting child abuse, promoting prostitution, sex trafficking, solicitation of a minor for prostitution, habitual solicitation of prostitution, or electronic enticement of a child that is chargeable as a felony offense under state law;
- The manufacture, sale, or distribution of a controlled substance in (c) violation of chapter 329, promoting detrimental drugs or intoxicating compounds, promoting pornography, promoting pornography for minors, or solicitation of prostitution near schools or public parks, which is chargeable as a felony or misdemeanor offense, but not as a petty misdemeanor, under state law; and
- (d) The attempt, conspiracy, solicitation, coercion, or intimidation of another to commit any offense for which property is subject to forfeiture."

SECTION 4. Section 842-1, Hawaii Revised Statutes, is amended as follows:

By amending the definition of "organized crime" to read: 1.

""Organized crime" means any combination or conspiracy to engage in criminal activity as a significant source of income or livelihood, or to violate, aid, or abet the violation of criminal laws relating to prostitution, gambling, loan sharking, drug abuse, illegal drug distribution, counterfeiting, extortion, labor trafficking, unlicensed sale of liquor, or corruption of law enforcement officers or other public officers or employers."

By amending the definition of "racketeering activity" to read:

2. By amending the definition of Tacketeering activity "Racketeering activity" means any act or threat involving but not limited to murder, kidnapping, gambling, criminal property damage, robbery, bribery, extortion, labor trafficking, unlicensed sale of liquor, theft, or prostitution, or any dealing in narcotic or other dangerous drugs that is chargeable as a crime under state law and punishable by imprisonment for more than one year."

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval. (Approved April 23, 2019.)

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ACT 16 S.B. NO. 1211
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A Bill for an Act Relating to Forms Submitted to the Insurance Commissioner.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 481R-4, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Before conducting business in this State or issuing any warranty, a warrantor shall register with the commissioner, on a form prescribed by the commissioner, and shall pay to the commissioner a fee as provided under section 431:7-101. A person who sells or solicits a vehicle protection product, but who is not a warrantor, shall not be required to register with the commissioner as a warrantor.

(b) Warrantor registration records shall be updated annually and shall contain the following information:

- (1) The address of the principal office of the warrantor;
- (2) The name and address of the warrantor's agent for the service of process in this State, if other than the warrantor;
- (3) The identities of the warrantor's executive officer or officers directly responsible for the warrantor's vehicle protection product business;
- (4) The name, address, and telephone number of any administrators designated by the warrantor to be responsible for the administration of vehicle protection product warranties in this State; and
- [(5) A copy of each warranty form the warrantor proposes to use in this State; and
- (6)] (5) A statement that the warrantor is in compliance with the financial security requirements of section 481R-5 and that details how the warrantor intends to meet the requirements, and proof of compliance with the requirements."

SECTION 2. Section 481X-3, Hawaii Revised Statutes, is amended to read as follows:

"[[]§481X-3[]] Registration. (a) Before conducting business in this State, a provider shall register with the commissioner, on a form prescribed by the commissioner, and shall pay to the commissioner a fee as provided under section 431:7-101.

(b) Provider registration shall be updated annually and shall contain the following information:

- (1) The address of the principal office of the provider;
- (2) The name and address of the provider's agent for the service of process in this State, if other than the provider;
- (3) The identities of the provider's executive officer or officers directly responsible for the provider's service contract business;
- (4) The name, address, and telephone number of any administrators designated by the provider to be responsible for the administration of service contracts in this State; and

- [(5) A copy of each service contract form the provider proposes to use in this State; and
- (6)] (5) A statement that the provider is in compliance with the financial responsibility requirements of section 481X-4 and that details how the provider intends to meet the requirements, and proof of compliance with the requirements."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved April 23, 2019.)

ACT 17 H.B. NO. 114

A Bill for an Act Relating to Amending or Repealing Hawaii Income Tax Laws for the Purpose of Deleting Obsolete or Unnecessary Provisions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to repeal section 235-103, Hawaii Revised Statutes. The legislature finds that section 231-3.1, Hawaii Revised Statutes, which relates to consideration paid not being indicative of fair market value, applies to all taxes. Consequently, section 235-103, Hawaii Revised Statutes, which only pertains to income tax, is unnecessary.

SECTION 2. Section 235-103, Hawaii Revised Statutes, is repealed.¹

SECTION 3. Statutory material to be repealed is bracketed and stricken.

SECTION 4. This Act, upon its approval, shall apply to taxable years beginning after December 31, 2018.

(Approved April 23, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 18

H.B. NO. 122

A Bill for an Act Relating to Non-General Funds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to abolish the juvenile accountability block grant trust fund pursuant to the recommendation by the auditor in auditor's report no. 18-11.

SECTION 2. The juvenile accountability block grant trust fund administratively established in 2011 by the department of defense is abolished, and any remaining unencumbered balances shall be transferred to the general fund. SECTION 3. This Act shall take effect on July 1, 2019. (Approved April 23, 2019.)

ACT 19

H.B. NO. 764

A Bill for an Act Relating to Motor Vehicle Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that existing language in the State's motor vehicle insurance code requires insurers to maintain a "brick and mortar" sales and claims service office. When originally written, the code did not envision the Internet, cellular smart phones, or computerization. Today, many of the functions once done in a physical office are being accomplished through mobile smart phone or internet technology. Insureds can now go on their mobile device and purchase motor vehicle insurance or file a claim. Consequently, in 2016, the legislature passed legislation allowing electronic insurance cards, in addition to paper insurance cards, to be used as proof of insurance for motor vehicles, motorcycles, and motor scooters. Act 216, Session Laws of Hawaii 2018, allows licensed producers of motor vehicle insurers to satisfy the requirement that insurers provide a complete sales and claims office in the State by instead allowing an insurer's licensed producer to establish and maintain a sales and claims office in every county in which the insurer does business.

The legislature also finds that the county of Kalawao is the smallest county in the United States, both by population and land area. Considering its size, requirement of a "brick and mortar" motor vehicle insurance office for each insurer who does business in the county of Kalawao is unnecessary.

Accordingly, the purpose of this Act is to remove the requirement that an insurer must maintain a "brick and mortar" sales and claims service office in the county of Kalawao.

SECTION 2. Section 431:10C-119, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Prior to licensing an insurer to transact a motor vehicle insurance business in this State, the commissioner:

- (1) Shall effect a thorough examination of the insurer's business experience, financial soundness, and general reputation as an insurer in this and other states. In the discretion of the commissioner, this examination may include an examination of any or all of the business records of the insurer, and an audit of all or any part of the insurer's motor vehicle insurance business, each to be performed by the commissioner's staff or by independent consultants. No license shall be issued until the commissioner is satisfied as to the business experience, financial solvency, and the economic soundness of the insurer;
- (2) Except for a member-owned reciprocal insurer and its wholly owned insurer subsidiaries, as specified in subsection (c), shall require of each insurer, and determine that satisfactory arrangements have been made for, the provision of a complete sales and claims service office in the State; provided that the establishment and maintenance of an office by licensed producers of an insurer in every county the insurer does business shall meet the requirements of this paragraph; provided further that the preceding shall not be required for the county of Kalawao; and

(3) Notwithstanding any other requirements of this section or of the insurance code, may require a bond in a reasonable amount and with deposits or sureties determined in the commissioner's discretion of any applicant for a license hereunder. The commissioner may, at any time, make and enforce such a requirement of any licensed insurer or self-insurer."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved April 23, 2019.)

ACT 20

S.B. NO. 380

A Bill for an Act Relating to the Transient Accommodations Tax.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 237D-1, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read: ""Resort fee" means any mandatory charge or surcharge imposed by an operator, owner, or representative thereof to a transient for the use of the transient accommodation's property, services, or amenities."

2. By amending the definition of "gross rental" or "gross rental proceeds" to read:

"Gross rental" or "gross rental proceeds" means the gross receipts, cash or accrued, of the taxpayer received as compensation for the furnishing of transient accommodations or entering into arrangements to furnish transient accommodations and the value proceeding or accruing from the furnishing of transient accommodations or entering into arrangements to furnish transient accommodations, including resort fees, without any deductions on account of the cost of property or services sold, the cost of materials used, labor cost, taxes, royalties, interest, discounts, or any other expenses whatsoever. Every taxpayer shall be presumed to be dealing on a cash basis unless the taxpayer proves to the satisfaction of the department of taxation that the taxpayer is dealing on an accrual basis and the taxpayer's books are so kept, or unless the taxpayer employs or is required to employ the accrual basis for the purposes of the tax imposed by chapter 237 for any taxable year in which event the taxpayer shall report the taxpayer's gross income for the purposes of this chapter on the accrual basis for the same period.

The words "gross rental" or "gross rental proceeds" shall not be construed to include the amounts of taxes imposed by chapter 237 or this chapter on operators of transient accommodations, transient accommodations brokers, travel agencies, and tour packagers and passed on, collected, and received from the consumer as part of the receipts received as compensation for the furnishing of transient accommodations or entering into arrangements to furnish transient accommodations.

Where transient accommodations are furnished through arrangements made by a transient accommodations broker, travel agency, or tour packager at noncommissionable negotiated contract rates and the gross income is divided between the operator of transient accommodations on the one hand and the transient accommodations broker, travel agency, or tour packager on the other hand, the tax imposed by this chapter shall apply to each operator and transient accommodations broker, travel agency, or tour packager with respect to that person's respective portion of the proceeds and no more.

For purposes of this definition, where the operator maintains a schedule of rates for identifiable groups of individuals, such as kamaainas, upon which the accommodations are leased, let, or rented, gross rental or gross rental proceeds means the receipts collected and received based upon the scheduled rates and recorded as receipts in its books and records."

SECTION 2. The department of taxation shall adopt rules, pursuant to chapter 91, Hawaii Revised Statutes, to further define the definitions added or amended by this Act; provided that this Act shall not be construed to prevent the department of taxation from levying, assessing, or collecting taxes resulting from the imposition of resort fees prior to the adoption of these rules.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved April 23, 2019.)

ACT 21

H.B. NO. 121

A Bill for an Act Related to Non-General Funds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose and intent of this Act is to repeal and abolish certain non-general funds and accounts pursuant to the recommendations by the auditor in auditor's report no. 18-21 and to transfer the unencumbered balances to the general fund.

SECTION 2. The Captain Cook memorial fund, repealed by Act 147, Session Laws of Hawaii 2015, is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 3. The custodial services special fund administratively established in 2003 is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 4. The donations for voter registration drive trust account administratively established in 1984 is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 5. The information technology trust fund administratively established in 2014 is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved April 23, 2019.)

ACT 22

A Bill for an Act Relating to Election Nomination Papers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 12-3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No candidate's name shall be printed upon any official ballot to be used at any primary, special primary, or special election unless a nomination paper was filed on the candidate's behalf and in the name by which the candidate is commonly known. The nomination paper shall be in a form prescribed and provided by the chief election officer containing substantially the following information:

- (1) A statement by the registered voters signing the form that they are eligible to vote for the candidate;
- (2) A statement by the registered voters signing the form that they nominate the candidate for the office identified on the nomination paper issued to the candidate;
- (3) The residence address and county in which the candidate resides;
- (4) The legal name of the candidate, the name by which the candidate is commonly known, if different, the office for which the candidate is running, and the candidate's party affiliation or nonpartisanship; all of which are to be placed on the nomination paper by the chief election officer or the clerk prior to releasing the form to the candidate;
- (5) Space for the name, signature, <u>month and date portions of the</u> date of birth, [last four digits of the social security number,] and residence address of each registered voter signing the form, and other information as determined by the chief election officer; provided that [no more than the last four digits of] a voter's social security number <u>or any portion thereof and the year portion of the voter's</u> <u>date of birth</u> shall <u>not</u> be required;
- (6) A sworn certification by self-subscribing oath by the candidate that the candidate qualifies under the law for the office the candidate is seeking and that the candidate has determined that, except for the information provided by the registered voters signing the nomination papers, all of the information on the nomination papers is true and correct;
- (7) A sworn certification by self-subscribing oath by a party candidate that the candidate is a member of the party;
- (8) For candidates seeking elective county office, a sworn certification by self-subscribing oath by the candidate that the candidate has complied with the relevant provisions of the applicable county charter and county ordinances pertaining to elected officials;
- (9) A sworn certification by self-subscribing oath, where applicable, by the candidate that the candidate has complied with the provisions of article II, section 7, of the Hawaii State Constitution;
- (10) A sworn certification by self-subscribing oath by the candidate that the candidate is in compliance with section 831-2, dealing with felons, and is eligible to run for office; and
- (11) The name the candidate wishes to be printed on the ballot and the mailing address of the candidate."

SECTION 2. Section 12-4, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Any registered voter who, after signing a nomination paper, seeks to withdraw the voter's signature shall do so by providing written notice to the chief election officer, or clerk in the case of a county office, any time before the filing of the candidate's nomination paper; provided that the notice is received by the chief election officer, or clerk in the case of a county office, no later than 4:30 p.m. on the fourth business day prior to the close of filing pursuant to section 12-6. The written notice shall include the voter's name, [social security number,] residence address, the month and date portions of the voter's date of birth, the voter's signature, the name of the candidate, and a statement that the voter wishes to remove the voter's signature from the candidate's nomination paper[-]; provided that the written notice shall not require the voter's social security number or any portion thereof and the year portion of the voter's date of birth. Any request by a registered voter to remove the voter's signature from a candidate's nomination paper that is received by the chief election officer, or clerk in the case of a county office, after the candidate's nomination paper has been filed or after 4:30 p.m. on the fourth business day prior to the close of filing shall not be accepted.'

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved April 23, 2019.)

ACT 23

H.B. NO. 720

A Bill for an Act Relating to Firearms.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii's existing laws do not adequately address the reporting of lost or stolen firearms. As a matter of public safety, the State requires the permitting of firearms owners and the registration of firearms to ensure that firearms remain in the possession of individuals who are properly vetted and meet the stringent requirements to own or possess firearms. Law enforcement officers must have knowledge and an accurate record of lost or stolen firearms to protect the public.

Access to accurate information in the national and local databases for lost or stolen firearm enhances police officer safety in situations involving firearm ownership and possession issues. The information allows police officers to timely investigate and seize lost and stolen weapons quickly and surely.

The purpose of this Act is to strengthen the system of firearm reporting in the State by requiring firearm owners to report lost, stolen, or destroyed firearms.

SECTION 2. Chapter 134, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

(%134- Reporting lost, stolen, or destroyed firearms; penalties. (a) Every person shall report the loss, theft, or destruction of a firearm that the person owns or possesses within twenty-four hours upon the discovery of such loss, theft, or destruction to:

- (1) The police department of the county within which the person resides; and
- (2) The police department of the county where the theft, loss, or destruction occurred.

If a person is unable to comply with this subsection, the person's designee shall make the report.

(b) The report of a lost, stolen, or destroyed firearm pursuant to subsection (a) shall include:

- (1) The caliber of the firearm;
- (2) The make of the firearm;
- (3) The model of the firearm;
- (4) The manufacturer of the firearm;
- (5) The serial number of the firearm;
- (6) Any other distinguishing number or identification mark on the firearm, if known by the person; and
- (7) Any additional relevant information required by the county police department taking the report.

(c) Upon receipt of a report of a lost, stolen, or destroyed firearm pursuant to subsection (a), a county police department shall enter the reported information into the National Crime Information Center database.

(d) A person who intentionally or knowingly fails to report the loss, theft, or destruction of any firearm pursuant to this section shall:

- (1) For the first offense, be guilty of a petty misdemeanor;
- (2) For the second and each subsequent offense, be guilty of a misdemeanor; and
- (3) For the third and each subsequent offense:
 - (A) Surrender all firearm registrations, ammunition, and firearms to the police department for the county within which the person resides within seven days of receiving a notice of violation of this section; and
 - (B) Be prohibited from registering, possessing, or owning a firearm.

(e) If a person fails to surrender all firearm registrations, ammunition, and firearms as required in subsection (d), the chief of police of the county within which the person resides or within which any of the person's firearm registrations, ammunitions, or firearms are present shall seize all firearm registrations, firearm ammunition, and firearms registered to and in possession of the person.

(f) For the purposes of this section, an incident involving multiple firearms arising in the same occurrence shall constitute a single offense.

(g) No person shall report to any law enforcement agency that a firearm has been lost, stolen, or destroyed knowing the report to be false. If a person falsely reports a lost, stolen, or destroyed firearm, the person shall be in violation of this section and subject to the same penalties as provided in subsection (d).

(h) A person shall not be in violation of this section if the failure to report is the result of:

- (1) An act of God or act of war;
- (2) The inability of a law enforcement agency to receive the report; or
- (3) The person who is required to report being hospitalized, unconscious, incapacitated, or otherwise seriously physically or mentally impaired as to prevent the person from reporting."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval. (Approved April 24, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5

ACT 24

H.B. NO. 1053

A Bill for an Act Relating to State Identification Cards.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the state civil identification card was erroneously produced with the inscription "Hawaii Identification Card" instead of the statutorily mandated inscription of "State of Hawaii Identification Card". The legislature further finds that many cardholders are currently carrying Hawaii civil identification cards with the erroneous inscription. Instead of requiring these cardholders to obtain new identification cards, which would be inconvenient for the cardholders and cause long lines at the county offices that issue the cards, the legislature believes that it is more expedient, convenient, and economical to amend the statutorily mandated inscription. The purpose of this Act is to amend the mandatory inscription for civil identification cards to conform with the inscription currently in use.

SECTION 2. Section 286-305, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Each identification card issued by the examiner of drivers shall display a distinguishing number assigned to the cardholder, and shall display the following inscription:

"[STATE OF] HAWAII IDENTIFICATION CARD""

SECTION 3. Statutory material to be repealed is bracketed and stricken.

SECTION 4. This Act shall take effect upon its approval. (Approved April 25, 2019.)

ACT 25

H.B. NO. 123

A Bill for an Act Relating to Non-General Funds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to abolish the Hawaii department of agriculture biocontrol foreign exploration special fund pursuant to the recommendation by the auditor in auditor's report no. 18-15 and to transfer the unencumbered balances to the general fund. SECTION 2. The Hawaii department of agriculture biocontrol foreign exploration special fund administratively established in 2010 is abolished and any remaining unencumbered balances shall be transferred to the general fund.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved April 25, 2019.)

ACT 26

H.B. NO. 422

A Bill for an Act Relating to the Hawaii Tourism Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 201B-7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The authority may enter into contracts and agreements that include the following:

- (1) Tourism promotion, marketing, and development;
- (2) Market development-related research;
- (3) Product development and diversification issues focused on visitors;
- (4) Promotion, development, and coordination of sports-related activities and events;
- (5) Promotion of Hawaii, through a coordinated statewide effort, as a place to do business, including high technology business, and as a business destination;
- (6) Reduction of barriers to travel;
- (7) Marketing, management, use, operation, or maintenance of the convention center facility, including the purchase or sale of goods or services, logo items, concessions, sponsorships, and license agreements, or any use of the convention center facility as a commercial enterprise; provided that effective January 1, [2003,] 2020, and thereafter, [the contract for management of] contracts issued pursuant to this paragraph for the marketing of all uses of the convention center facility [shall include marketing for all uses of the] may be issued separately from the management, use, operation, or maintenance of the facility;
- (8) Tourism research and statistics to:
 - (A) Measure and analyze tourism trends;
 - (B) Provide information and research to assist in the development and implementation of state tourism policy; and
 - (C) Provide tourism information on:
 - (i) Visitor arrivals, visitor characteristics, and expenditures;
 - (ii) The number of transient accommodation units available, occupancy rates, and room rates;
 - (iii) Airline-related data including seat capacity and number of flights;
 - (iv) The economic, social, and physical impacts of tourism on the State; and
 - (v) The effects of the marketing programs of the authority on the measures of effectiveness developed pursuant to section 201B-6(b); and
- (9) Any and all other activities necessary to carry out the intent of this chapter;

provided that the authority shall periodically submit a report of the contracts and agreements entered into by the authority to the governor, the speaker of the house of representatives, and the president of the senate."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved April 25, 2019.)

ACT 27

S.B. NO. 1325

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 514B-3, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

""Government money market fund" means any money market fund that invests 99.5 per cent or more of its total assets in cash, the obligations of the United States government, the State of Hawaii, or their respective agencies or repurchase agreements that are collateralized by United States government securities or cash."

SECTION 2. Section 514B-149, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

- "(c)(1) All funds collected by an association, or by a managing agent for any association, shall be:
 - (A) Deposited in a financial institution, including a federal or community credit union, located in the State, pursuant to a resolution adopted by the board, and whose deposits are insured by an agency of the United States government;
 - (B) Held by a corporation authorized to do business under article 8 of chapter 412;
 - (C) Held by the United States Treasury;
 - (D) Purchased in the name of and held for the benefit of the association through a securities broker that is registered with the Securities and Exchange Commission, that has an office in the State, and the accounts of which are held by member firms of the New York Stock Exchange or National Association of Securities Dealers and insured by the Securities Insurance Protection Corporation; or
 - (E) Placed through a federally insured financial institution located in the State for investment in certificates of deposit issued through the Certificate of Deposit Account Registry Service in federally insured financial institutions located in the United States.
 - (2) All funds collected by an association, or by a managing agent for any association, shall be invested only in:
 - (A) Deposits, investment certificates, savings accounts, and certificates of deposit;
 - (B) Obligations of the United States government, the State of Hawaii, or their respective agencies; provided that those obliga-

tions shall have stated maturity dates no more than ten years after the purchase date unless approved otherwise by a majority vote of the unit owners at an annual or special meeting of the association or by written consent of a majority of the unit owners;

- (C) Mutual funds comprised solely of investments in the obligations of the United States government, the State of Hawaii, or their respective agencies; government money market funds; or shares or units of another mutual fund satisfying the requirements of this subparagraph; provided that those obligations shall have stated maturity dates no more than ten years after the purchase date unless approved otherwise by a majority vote of the unit owners at an annual or special meeting of the association or by written consent of a majority of the unit owners; or
- (D) Certificates of deposit issued through the Certificate of Deposit Account Registry Service in an amount at least equal in their market value, but not to exceed their par value, to the amount of the deposit with the depository;

provided that before any investment longer than one year is made by an association, the board must approve the action; and provided further that the board must clearly disclose to owners all investments longer than one year at each year's association annual meeting.

Records of the deposits and disbursements shall be disclosed to the commission upon request. All funds collected by an association shall only be disbursed by employees of the association under the supervision of the association's board. All funds collected by a managing agent from an association shall be held in a client trust fund account and shall be disbursed only by the managing agent or the managing agent's employees under the supervision of the association's board."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 25, 2019.)

ACT 28

H.B. NO. 1561

A Bill for an Act Relating to Agribusiness Development.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. The purpose of parts I, II, and III of this Act is to establish the operating budget for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021, for state executive branch programs.

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in parts I, II, and III:

"Expending agency" means the department of agriculture.

Abbreviations, where used to denote the expending agency, shall mean the following:

AGR Department of agriculture

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in parts I, II, and III. All appropriations are followed by letter symbols. The letter symbols, where used, shall have the following meanings:

- A General funds
- B Special funds
- W Revolving funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk for permanent fulltime equivalent positions and a pound sign for temporary full-time equivalent positions.

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this part or as provided by general law.

		PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
ITEM NO.	PROG. ID			FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
1.	AGR161	- AGRIBUSINESS I	DEVELOPMENT AN	D RESEARCH	
				10.00*	10.00*
				2.00#	2.00#
	OPERA	TING	AGR	2,030,293 A	930,293 A
			AGR	500,000 B	500,000 B
				12.00#	12.00#
			AGR	4,741,879W	4,544,718W

PROGRAM APPROPRIATIONS

PART III. MISCELLANEOUS BUDGET PROVISIONS

SECTION 4. Provided that any funds appropriated pursuant to part II shall be included in the base budget of the AGR161 - agribusiness development and research, as established in the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1).¹

SECTION 5. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1)¹ that appropriates funds and establishes position ceilings, the positions authorized in part II shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by an applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws.

SECTION 6. Provided that, notwithstanding any law to the contrary, the position ceilings and funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 7. If any portion of parts I, II, and III or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of the appropriation to the extent possible.

SECTION 8. If manifest clerical, typographical, or other mechanical errors are found in parts I, II, and III, the governor may correct the errors.

PART IV. STATUTORY PROVISIONS

SECTION 9. Section 163D-19, Hawaii Revised Statutes, is amended to read as follows:

"[[]§163D-19[]] Annual report. (a) The corporation shall submit to the governor and the legislature, no later than twenty days prior to the convening of each regular session, a complete and detailed report of its plans and activities.

(b) The following information shall be included in the annual report and shall be posted on the corporation's website:

- (1) The number of lots the corporation leased or used, by size and island;
- (2) The number of lots the corporation leased or used, by island, that contain protocols and conditions supporting specialty farm products;
- (3) The number of vacant parcels and unoccupied parcels in the leasing process, by island, including the parcel size, location, and date the parcel was last occupied by a tenant; and
- (4) <u>A description of any lease sales or transfers approved by the corporation, including:</u>
 - (A) <u>A description of the type of farm products produced by the transferring lessee and the farm products to be produced by the accepting lessee on the leased lands; and</u>
 - (B) The date and description of the transferring lessee's last lease approved by the corporation."

PART V. PERFORMANCE AND FINANCIAL AUDIT

SECTION 10. The auditor shall conduct a performance audit of the agribusiness development corporation, established pursuant to chapter 163D, Hawaii Revised Statutes. The auditor may conduct a financial audit if sufficient

funds are available. The auditor shall submit a report to the legislature of its findings and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the regular session of 2021.

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the office of the auditor to contract with an accounting firm to conduct a financial audit of the agribusiness development corporation.

The sum appropriated shall be expended by the office of the auditor for the purposes of this part.

PART VI. ENVIRONMENTAL ASSESSMENT AND APPRAISAL

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000 or so much thereof as may be necessary for fiscal year 2019-2020 for an environmental assessment and appraisal of the property identified as TMK (1) 9-2-001:011-0000.

The sum appropriated shall be expended by the department of agriculture for the purposes of this section.

PART VII. RAMSEYERING PROVISIONS AND EFFECTIVE DATE

SECTION 13. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 14. This Act shall take effect on June 28, 2019. (Approved April 26, 2019.)

Note

1. Act 5.

ACT 29

S.B. NO. 812

A Bill for an Act Relating to the Department of Commerce and Consumer Affairs.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. The purpose of parts I, II, and III of this Act is to establish the operating budget for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021, for state executive branch programs under the purview of the house of representatives standing committee on intrastate commerce.

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in parts I, II, and III of this Act:

Abbreviations, where used to denote the expending agency, shall mean the following:

CCA Department of commerce and consumer affairs

"Expending agency" means the executive department, independent commission, bureau, office, board, or other establishment of the state government (other than the legislature, office of Hawaiian affairs, and judiciary), the political subdivisions of the State, or any quasi-public institution supported in whole or in part by state funds, which is authorized to expend specified appropriations made by this Act.

⁴ Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. These letter symbols, where used, shall have the following meanings:

- B Special funds
- P Other federal funds
- T Trust funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk for permanent fulltime equivalent positions and a pound sign for temporary full-time equivalent positions.

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agency designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the number indicated for each fiscal year, except as provided elsewhere in this Act, or as provided by general law.

				APPROPRIATIONS		
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
1.	CCA102 - C	ABLE TELEVISI	ON	8.00*	8.00*	
	OPERATI	NG	CCA CCA	2,647,986 B T	2,647,986 B T	
2.	CCA104 - F	INANCIAL SERV	VICES REGULATION	V		
	OPERATI	NG	CCA CCA	40.00* 5,174,488 B 300,000 T	40.00* 5,174,488 B 300,000 T	
3.	CCA105 - PROFESSIONAL AND VOCATIONAL LICENSING					
	OPERATI	NG	CCA	63.00* 11.00# 7,891,944 B 8.00* 5.00#	63.00* 11.00# 7,891,944B 8.00* 5.00#	
			CCA	2,802,844 T	2,802,844 T	

PROGRAM APPROPRIATIONS

				APPROPRIATIONS	
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
4.	CCA106 -	INSURANCE REC	ULATORY SERVICE		
				95.00*	95.00*
				1.00#	1.00#
	OPERAT	ING	CCA	21,360,950 B	19,360,950 B
			CCA	200,000 T	200,000 T
				6.00#	6.00#
			CCA	250,000 P	250,000 P

PROGRAM APPROPRIATIONS

PART III. PROGRAM APPROPRIATION PROVISIONS

SECTION 4. Provided that of the special fund appropriations for financial services regulation (CCA104):

- (1) The sum of \$40,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended on the maintenance and software licensing costs of the financial services regulation program's database and records management system; and
- (2) The sum of \$25,074 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for fringe benefit costs for collective bargaining and salary adjustments.

SECTION 5. Provided that of the special fund appropriations for the professional and vocational licensing division (CCA105):

- (1) The sum of \$300,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for software licensing costs to replace the professional and vocational licensing division's applicant/licensee integrated automated system; and
- (2) The sum of \$108,806 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for two fulltime equivalent (2.0 FTE) permanent positions to perform work pertaining to Act 44, Session Laws of Hawaii 2018.

SECTION 6. Provided that of the special fund appropriations for insurance regulatory services (CCA106):

- (1) The sum of \$2,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for replacement of the Hawaii insurance data system and corresponding licensing, maintenance, and independent verification and validation costs; and
- (2) The sum of \$417,736 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for fringe benefit costs for collective bargaining and salary adjustments.

PART IV. STATUTORY PROVISIONS

SECTION 7. Section 444-26, Hawaii Revised Statutes, is amended to read as follows:

"§444-26 Contractors recovery fund; use of fund; person injured; fees. (a) The board is authorized to establish and maintain a contractors recovery fund from which any person injured by an act, representation, transaction, or conduct of a duly licensed contractor, which is in violation of this chapter or the rules adopted pursuant thereto, may recover by order of the circuit court or district court of the judicial circuit where the violation occurred, an amount of not more than \$12,500 per contract, regardless of the number of persons injured under the contract, for damages sustained by the act, representation, transaction, or conduct. Recovery from the fund shall be limited to the actual damages suffered by the claimant, including court costs and fees as set by law, and reasonable attorney fees as determined by the court; provided that recovery from the fund shall not be awarded to persons injured by an act, representation, transaction, or conduct of a contractor whose license was suspended, revoked, forfeited, terminated, or in an inactive status at the time the claimant entered into the contract with the contractor.

(b) For purposes of this chapter, "person injured" or "injured person" means and is limited to owners or lessees of private residences, including condominium or cooperative units, who have contracted with a duly licensed contractor for the construction of improvements or alterations to the owners' or lessees' own private residences and owners or lessees of real property who have contracted with a duly licensed contracted with a duly licensed contracted with a duly licensed contracter for the construction of the owners' or lessees' own private residences on the owners' or lessees' real property.

(c) When any person applies for a contractors license, the person shall pay, in addition to the person's original license fee, a fee of \$150 for deposit in the contractors recovery fund, and a fee for deposit in the contractors education fund as provided in rules adopted by the director pursuant to chapter 91. In the event that the board does not issue the license, these fees shall be returned to the applicant.

(d) When the contractors recovery fund attains a funding level of \$420,893 in any fiscal year, the board shall either:

(1) <u>Cease accepting payments made by renewing licensees; or</u>

(2) Develop a process to refund monies in excess of the \$420,893 fund

balance to licensees who paid into the fund, and refund such monies. If acceptance of payments is ceased, it shall remain ceased until the funding level falls below \$420,893."

SECTION 8. Section 444-29, Hawaii Revised Statutes, is amended to read as follows:

"[[]§444-29[]] Management of fund. (a) The sums received by the contractors license board for deposit in the contractors recovery fund shall be held by the contractors license board in trust for carrying out the purposes of the contractors recovery fund. The contractors license board, as trustee of the recovery fund, shall be authorized to retain private legal counsel to represent the board in any action which may result in collection from the contractors recovery fund. These funds may be invested and reinvested in the same manner as funds of the state employees' retirement system, and the interest from these investments shall be deposited to the credit of the contractors education fund[-and which].

(b) The contractors education fund, which is hereby created, shall be available to the contractors license board for educational purposes[, which is

hereby created.]; provided that when the contractors education fund attains a funding level of \$15,315 in any fiscal year, the board shall either:

(1) <u>Cease accepting payments made by renewing licensees; or</u>

(2) Develop a process to refund monies in excess of the \$15,315 fund balance to licensees who paid into the fund, and refund such monies.

If acceptance of payments is ceased, it shall remain ceased until the funding level falls below \$15,315."

SECTION 9. Section 454F-41, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) The commissioner shall establish and maintain a fund that shall be known as the mortgage loan recovery fund from which any person aggrieved by an act, representation, transaction, or conduct of a licensee involving fraud, misrepresentation, or deceit may recover, by order of the circuit court or district court of the county where the violation occurred, an amount of <u>ten per cent</u> of the residential mortgage loan, but not more than [\$25,000 per transaction,] \$150,000, including court costs and fees as set by law and reasonable attorney fees as determined by the court, for damages sustained by the fraud, misrepresentation, or deceit of a licensee."

2. By amending subsection (d) to read:

"(d) When the mortgage loan recovery fund attains a funding level of \$750,000, the commissioner may make a finding to adjust the fees [generated by renewals] payable to the fund or may determine that payments made by [renewing] licensees shall cease. If acceptance of payments is ceased, it shall remain ceased until the funding level falls below \$750,000. If the funding level falls below \$250,000 after the first five years of the establishment of the fund, the commissioner may adjust the fees to a reasonable level for the purpose of attaining a funding level of \$750,000."

SECTION 10. Section 467-11, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

"(h) If [beginning on July 1, 1987,] the education fund balance [at the end of any fiscal biennium exceeds \$1,200,000, there shall be a moratorium on renewal contributions and the commission shall review and consider a reduction in the amount of license fees.] attains a funding level of \$1,713,510 in any fiscal year, the commission shall either:

- (1) <u>Cease accepting payments made by renewing licensees; or</u>
- (2) Develop a process to refund monies in excess of the \$1,713,510 fund balance to licensees who paid into the fund, and refund such monies.

If acceptance of payments is ceased, it shall remain ceased until the funding level falls below \$1,713,510."

SECTION 11. Section 467-16, Hawaii Revised Statutes, is amended to read as follows:

"§467-16 Real estate recovery fund; use of fund; fees. (a) The commission shall establish and maintain a trust fund which shall be known as the real estate recovery fund from which any person aggrieved by an act, representation, transaction, or conduct of a duly licensed real estate broker, or real estate salesperson, upon the grounds of fraud, misrepresentation, or deceit, may recover upon the commission's settlement of a claim or by order of the circuit court or district court of the county where the violation occurred, an amount of not more than \$25,000 per transaction for damages sustained by the fraud, misrepresentation of the circuit court of the fraud, misrepresentation of the fraud, misrepresentation of the fraud, misrepresentation for damages sustained by the fraud, misrepresentation of the fraud, misreprese

resentation, or deceit, including court costs and fees as set by law, and reasonable attorney fees as determined by the court.

(b) When any person makes application for an original license to practice as a real estate broker or salesperson the person shall pay, in addition to the person's original license fee, a real estate recovery fund fee as provided in rules adopted by the director of commerce and consumer affairs pursuant to chapter 91 for deposit in the real estate recovery fund. If the commission does not issue the license, this fee shall be returned to the applicant.

(c) The commission, as the trustee of the real estate recovery fund, shall be authorized to expend the funds to:

- (1) Retain private legal counsel to represent the commission in any action involving or which may result in payment from the real estate recovery fund;
- (2) Retain a certified public accountant for accounting and auditing of the real estate recovery fund;
- (3) Employ necessary personnel, not subject to chapter 76, to assist the commission in exercising its powers and duties with respect to the real estate recovery fund; and
- (4) Retain a consultant to recover and collect any payments from the real estate recovery fund plus interest from the judgment debtor.

(d) When the real estate recovery fund attains a funding level of \$481,799 in any fiscal year, the commission shall either:

- (1) <u>Cease accepting payments made by renewing licensees; or</u>
- (2) Develop a process to refund monies in excess of the \$481,799 fund balance to licensees who paid into the fund, and refund such monies.

If acceptance of payments is ceased, it shall remain ceased until the funding level falls below \$481,799."

SECTION 12. Section 514B-72, Hawaii Revised Statutes, is amended to read as follows:

"§514B-72 Condominium education trust fund; payments by associations and developers. (a) Each project or association with more than five units shall pay to the department of commerce and consumer affairs:

- (1) A condominium education trust fund fee within one year after the recordation of the purchase of the first unit or within thirty days of the association's first meeting, and thereafter, on or before June 30 of every odd-numbered year, as prescribed by rules adopted pursuant to chapter 91; and
- (2) Beginning with the July 1, 2015, biennium registration, an additional annual condominium education trust fund fee in an amount equal to the product of \$1.50 times the number of condominium units included in the registered project or association to be dedicated to supporting mediation or voluntary binding arbitration of condominium related disputes. The additional condominium education trust fund fee shall total \$3 per unit until the commission adopts rules pursuant to chapter 91. On June 30 of every odd-numbered year, any unexpended additional amounts paid into the condominium education trust fund and initially dedicated to supporting mediation or voluntary binding arbitration of condominium education trust fund and initially dedicated to supporting mediation or voluntary binding arbitration of condominium related disputes, as required by this paragraph, shall be used for educational purposes as provided in section 514B-71(a)(1), (2), and (3).

(b) Each developer shall pay to the department of commerce and consumer affairs the condominium education trust fund fee for each unit in the project, as prescribed by rules adopted by the director of commerce and consumer affairs pursuant to chapter 91. The project shall not be registered and no effective date for a developer's public report shall be issued until the payment has been made.

(c) Payments of any fees required under this section shall be due on or before the registration due date and shall be nonrefundable[. Failure] except as specified in subsection (e). Unless acceptance of payments is ceased pursuant to subsection (e), failure to pay the required fee by the due date shall result in a penalty assessment of ten per cent of the amount due and the association shall not have standing to bring any action to collect or to foreclose any lien for common expenses or other assessments in any court of this State until the amount due, including any penalty, is paid. Failure of an association to pay a fee required under this section shall not impair the validity of any claim of the association for common expenses or other assessments, or prevent the association from defending any action in any court of this State.

(d) The department of commerce and consumer affairs shall allocate the fees collected under this section to the condominium education trust fund established pursuant to section 514B-71. The fees collected pursuant to this section shall be administratively and fiscally managed together as one condominium education trust fund established by section 514B-71.

(e) When the condominium education trust fund attains a funding level of \$1,819,971 in any fiscal year, the commission shall either:

- (1) Cease accepting payments made by projects and associations at each biennial registration; or
- (2) Develop a process to refund monies in excess of the \$1,819,971 fund balance to projects and associations that paid into the fund at applicable biennial registrations, and refund such monies.

If acceptance of payments is ceased, it shall remain ceased until the funding level falls below \$1,819,971."

PART V. MISCELLANEOUS AND EFFECTIVE DATE

SECTION 13. Notwithstanding any law to the contrary, provided that the funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 14. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 that appropriates funds and establishes position ceilings, the positions authorized in section 3 shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws.

SECTION 15. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of the appropriation to the extent possible. To this end, the provisions of this Act are severable.

SECTION 16. If manifest clerical, typographical, or other mechanical errors are found in part I, part II, or part III of this Act, the governor may correct the errors.

SECTION 17. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 18. This Act shall take effect on July 1, 2019; provided that:

- (1) Section 3 shall take effect on June 28, 2019; and
- (2) Sections 7, 8, 10, 11, and 12 of this Act shall take effect on July 1, 2020, and shall be repealed on June 30, 2022; provided further that sections 444-26, 444-29, 467-11, 467-16, and 514B-72, Hawaii Revised Statutes, shall be reenacted in the form in which it read prior to the effective date of this Act.

(Approved April 26, 2019.)

Note

1. Act 5.

ACT 30

S.B. NO. 491

A Bill for an Act Relating to the Department of Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. Unless otherwise clear from the context, as used in this Act:

"Expending agency" means the department of agriculture.

Abbreviations, where used to denote the expending agency, shall mean the following:

AGR Department of agriculture

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. Such letter symbols, where used, shall have the following meanings:

- A General funds
- B Special funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk for permanent fulltime equivalent positions and a pound sign for temporary full-time equivalent positions. "Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 2. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this Act or as provided by general law.

				APPROPRIATIONS		
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
1.	AGR151 - QUALITY AND PRICE ASSURANCE					
	OPERA	TING	AGR	3.00* 221,422 A	3.00* 221,422 A	
			AGR	1.00* 66,708 B	1.00 * 66,708 B	
2.	AGR192 - GENERAL ADMINISTRATION FOR AGRICULTURE					
	OPERA	TING	AGR	1.00* 94,932 A	1.00 * 94,932 A	
3.						
	OPERA	TING	AGR	4.00* 231,192B	4.00 * 231,192 B	

PROGRAM APPROPRIATIONS

PART III. PROVISIONS

SECTION 3. Provided that of the general fund appropriation for quality and price assurance (AGR151), the sum of \$89,878 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for a commodities program manager.

SECTION 4. Provided that of the general fund appropriation for quality and price assurance (AGR151), the sum of \$84,612 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for an agricultural commodities marketing specialist V.

SECTION 5. Provided that of the special fund appropriation for quality and price assurance (AGR151), the sum of \$66,708 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for an agricultural commodities marketing specialist V.

SECTION 6. Provided that of the general fund appropriation for quality and price assurance (AGR151), the sum of \$46,932 or so much thereof as may

be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for an agricultural commodities marketing specialist III.

SECTION 7. Provided that of the special fund appropriation for measurement standards (AGR812), the sum of \$153,936 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for three (3.00) measurement standards inspector V.

SECTION 8. Provided that of the special fund appropriation for measurement standards (AGR812), the sum of \$77,256 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for a measurement standards program manager.

SECTION 9. Provided that of the general fund appropriation for general administration (AGR192), the sum of \$94,932 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for an administrative services officer.

SECTION 10. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 that appropriates funds and establishes position ceilings, the positions authorized in section 2 shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws.

SECTION 11. Notwithstanding any law to the contrary, provided that the funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 12. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 13. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor may correct the errors.

SECTION 14. This Act shall take effect on June 28, 2019. (Approved April 26, 2019.)

1. Act 5.

ACT 31

S.B. NO. 1378

A Bill for an Act Relating to Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 286-47, Hawaii Revised Statutes, is amended to read as follows:

(3) (3)

- (1)Both the certificate of registration and the certificate of ownership shall contain upon the face thereof, the date issued, the registration number assigned to the owner and to the vehicle, the name and address of the owner and legal owner in typewriting, also such description of the registered vehicle as may be determined by the director of finance. If any of the information subsequently proves to be a typographical error, the dealer, as defined in section 437-1.1, shall notify the director of finance of the error by a written certificate stating the reasons for and nature of the error and the correction which should be made in the certificate of registration and the certificate of ownership. Upon receipt of the dealer's certificate by the director of finance, the certificate of registration and the certificate of ownership shall be corrected accordingly so long as the correction does not constitute a change of the vehicle originally registered. A fee shall be paid to the director of finance for each instance of correction of the registration records. The fee charged for each instance of correction of the registration records shall be established by the county's legislative body;
- (2) In addition to the requirements provided for in paragraph (1) above, the face of the certificate of ownership shall contain endorsement lines for the transfer of title or interest of the registered owner and legal owner, and the odometer reading of the vehicle on the date of transfer. The reverse side of the certificate of ownership shall contain the application for registration by the transfere[i].

[(3)(A)] (b) Every owner shall keep the certificate of registration within the vehicle for which it is registered and shall present the same at the request of a police officer, or in the event the vehicle is a motorcycle, shall carry such certificate in a convenient receptacle attached to the vehicle and which shall be presented at the request of a police officer; provided that this subsection shall not apply to:

[(B)] (1) [This shall not apply to state] <u>State</u> or county vehicles readily identified by the license plates and markings on sides of such vehicles;

[(C)] (2) [This shall not apply to commercial] Commercial vehicles defined as rental motor vehicles, or cars shipped by licensed car dealerships or repossession companies. These businesses may keep

a duplicate copy of the certificate of registration within the vehicle for which it is registered, in which case the certificate of registration shall be available for inspection at their principal place of business within the State; and

(3) Chassis used for transporting shipping containers. The owner of a chassis used for transporting shipping containers shall not be required to keep the original or a copy of the certificate of registration, motor vehicle identification card, certificate of insurance, and certificate of inspection on the chassis. These businesses may keep the original certificate of registration, motor vehicle identification card, certificate of inspection available for inspection at their principal place of business within the State.

[(D)] This [requirement to carry the certificate of registration with the vehicle] subsection shall not apply when [such] the certificate is removed from the vehicle for the purpose of application for renewal, transfer of registration, or to record a change in the registration."

SECTION 2. Section 286-271, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Except as provided in subsection (b), a legal owner of a vehicle shall not ship that vehicle interisland in this State unless the legal owner first presents to the carrier the legal owner's current certificate of registration showing that the person is the registered owner of the vehicle, identification, and proof of motor vehicle insurance. If the registered owner of the vehicle is not the legal owner of the vehicle, the registered owner shall present to the carrier, the registered owner's current certificate of registration, identification, and proof of motor vehicle insurance. Duplicate copies of the current registration and proof of motor vehicle insurance shall be acceptable for commercial vehicles as defined in section $\left[\frac{286-47(3)(C)}{286-47(b)(2)}\right]$ 286-47(b)(2). An authorized agent of the legal or registered owner may ship the vehicle by presenting the current certificate of registration, identification, proof of motor vehicle insurance, and a notarized letter from the registered or legal owner authorizing the shipment. For an unrecorded owner pending a lawful transfer, a certificate of ownership signed by the previous owner may be submitted for the current certificate of registration for a vehicle purchased within thirty days of shipping. A facsimile of proof of motor vehicle insurance from an insurance company may be accepted for a vehicle purchased within thirty days of shipping. Presentation of proof of motor vehicle insurance shall not be required for:

- (1) Unlicensed propelled vehicles that are not intended for on-road use;
- (2) New unregistered vehicles shipped with a bill of lading; or
- (3) Vehicles owned by the federal, state, or county government."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved April 26, 2019.)

ACT 32

A Bill for an Act Relating to the Licensure of Midwives.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. As determined by Senate Concurrent Resolution No. 64, S.D.1 (1998), subsequent Auditor's Report No. 99-14 (1999), House Concurrent Resolution No. 65, H.D.1 (2016), and the subsequent Auditor's Report No. 17-01 (2017), the legislature finds that it is necessary to establish a mandatory regulatory process for the midwifery profession.

Hawaii regulated midwifery starting with registration in 1931, which progressed into certification and then licensure. However, the regulation of midwifery was repealed in 1998 when nurse-midwives were placed under the purview of the board of nursing. Since 1998, there has been a lapse in regulation, yet individuals in the community have continued to practice midwifery and offer birth services to the public.

The legislature finds that mothers and families seek out alternatives to hospital births and they find significant value in community or home birth services. These services are currently provided by individuals identifying themselves as traditional or cultural practitioners, midwives, certified professional midwives, lay midwives, direct entry midwives, birth keepers, or birth attendants. This Act will continue to allow a woman to choose where and with whom she gives birth.

The legislature further finds that the profession of midwifery has continued to evolve since the lapse in regulation. Common definitions, training, and competency standards for the practice of midwifery have developed on both a global and national level. However, not all practitioners easily fit into these definitions, categories, and standards. Hawaii currently has many individuals offering birth services under different titles and at varying levels of competency and training.

The legislature further finds the term "midwife" connotes an expectation of a minimum level of care by consumers and the community. The Hawaii regulatory licensing reform act requires the State to regulate professions or vocations where the health, safety, or welfare of the consumer may be jeopardized by the nature of the service offered by the provider. The practice of midwifery meets these criteria, and, therefore, must be regulated by the State.

The purpose of this Act is to resolve the lapse in regulation of midwifery and to regulate midwives engaged in the practice of midwifery by establishing licensure and regulatory requirements under the department of commerce and consumer affairs. This Act also exempts a separate category of birth attendants for a three-year period, to allow this community to define themselves and develop common standards, accountability measures, and disclosure requirements. By the end of the three-year period, the legislature intends to enact statutes that will incorporate all birth practitioners and allow them to practice to the fullest extent under the law. The legislature also notes that practicing midwifery according to this Act does not impede one's ability to incorporate or provide cultural practices.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER MIDWIVES

Findings and purpose. The legislature finds that: -1

- **§** (1) Midwives offer maternity and newborn care from the antepartum period through the intrapartum period to the postpartum period;
- The improper practice of midwifery poses a significant risk of harm (2)to the mother or newborn, and may result in death; and
- (3) The regulation of the practice of midwifery is reasonably necessary to protect the health, safety, and welfare of mothers and their newborns.

-2 Definitions. As used in this chapter:

§ -2 Definitions. As used in this chapter. "Accreditation Commission for Midwifery Education" means the United States Department of Education-recognized commission that provides accreditation and pre-accreditation of certificates, post-baccalaureates, graduate degrees, and pre-certificate programs in nurse-midwifery and midwifery.

"American Midwifery Certification Board" means the national certifying body for certified nurse-midwife candidates and certified midwife candidates who have received their graduate level education in programs accredited by the Accreditation Commission for Midwifery Education.

"Certified midwife" means a person who holds a current and valid national certification as a certified midwife from the American Midwifery Certification Board, or any successor organization.

"Certified professional midwife" means a person who holds a current and valid national certification as a certified professional midwife from the North American Registry of Midwives, or any successor organization.

"Client" means a person under the care of a licensed midwife, as well as the person's fetus and newborn child.

"Department" means the department of commerce and consumer affairs.

"Director" means the director of commerce and consumer affairs.

"Interconception" means care provided to mothers between pregnancies to improve health outcomes for women, newborns, and children.

"International Confederation of Midwives" means the accredited nongovernmental organization and representative of midwives and midwifery to organizations worldwide to achieve common goals in the care of mothers and newborns.

"Midwife" means a person licensed under this chapter.

"Midwifery" means the provision of one or more of the following services:

- (1)Assessment, monitoring, and care during pregnancy, labor, childbirth, post-partum and interconception periods, and for newborns, including ordering and interpreting screenings and diagnostic tests, and carrying out appropriate emergency measures when necessary;
- Supervising the conduct of labor and childbirth; and (2)
- Provision of advice and information regarding the progress of (3) childbirth and care for newborns and infants.

"Midwifery Education Accreditation Council" means the indepen-dent, nonprofit organization recognized by the United States Department of Education as an accrediting agency of direct-entry midwifery institutions and programs.

"North American Registry of Midwives" means the organization that sets national standards for the certified professional midwife credential.

"Postpartum" means the period of time immediately after and up to eight weeks following the birth of the baby.

"Qualified midwife preceptor" means a licensed and experienced midwife, or other maternal health professional licensed in the State, who participates in the clinical education of individuals enrolled in a midwifery education program accredited by the Midwifery Education Accreditation Council or Accreditation Commission For Midwifery Education and who meets the criteria for midwife preceptors set forth by the applicable organization.

§ -3 Midwives licensing program. There is established a midwives licensing program within the department to be administered by the director.

§ -4 Powers and duties of the director. In addition to any other powers and duties authorized by law, the director shall have the power and duties to:

- (1) Grant permission to a person to use the title of "midwife" or "licensed midwife" and engage in the practice of midwifery in this State pursuant to this chapter and the rules adopted pursuant thereto;
- (2) Adopt, amend, or repeal rules pursuant to chapter 91 to carry out the purposes of this chapter;
- (3) Administer, coordinate, and enforce this chapter and rules adopted pursuant thereto;
- (4) Discipline a licensee for any cause described by this chapter or for any violation of rules or refuse to license a person for failure to meet the licensing requirements or for any cause that would be grounds for disciplining a licensee;
- (5) Appoint an advisory committee to assist with the implementation of this chapter and the rules adopted pursuant thereto. The advisory committee shall consist of the following:
 - (A) Three midwives who are certified professional midwives or certified midwives;
 - (B) Two members of the public; and
 - (C) A certified nurse midwife; and
- (6) Add, remove, or otherwise modify the authorized non-controlled legend drugs and legend devices listed in -11 by rule under chapter 91.

§ -5 License required. (a) Beginning July 1, 2020, except as provided in this chapter, no person shall engage in the practice of midwifery, or use the title "midwife", "licensed midwife", or the abbreviation "L.M.", or any other words, letters, abbreviations, or insignia indicating or implying that the person is a licensed midwife without a valid license issued pursuant to this chapter.

(b) Nothing in this section shall preclude a person holding a national certification as a midwife from identifying the person as holding such certification, so long as the person is not practicing midwifery or professing to be authorized to practice midwifery in the State unless that person is licensed in accordance with this chapter.

§ -6 Exemptions. (a) A person may practice midwifery without a license to practice midwifery if the person is:

- (1) A certified nurse-midwife holding a valid license under chapter 457;
- (2) Licensed and performing work within the scope of practice or duties of the person's profession that overlaps with the practice of midwifery;
- (3) A student midwife who is currently enrolled in a midwifery educational program under the direct supervision of a qualified midwife preceptor;

- (4) A person rendering aid in an emergency where no fee for the service is contemplated, charged, or received; or
- (5) A person acting as a birth attendant on or before July 1, 2023, who:
 (A) Does not use legend drugs or devices, the use of which requires a license under the laws of the State:
 - (B) Does not advertise that the person is a licensed midwife;
 - (C) Discloses to each client verbally and in writing on a form adopted by the department, which shall be received and executed by the person under the birth attendant's care at the time care is first initiated:
 - (i) That the person does not possess a professional license issued by the State to provide health or maternity care to women or infants;
 - (ii) That the person's education and qualifications have not been reviewed by the State;
 - (iii) The person's education and training;
 - (iv) That the person is not authorized to acquire, carry, administer, or direct others to administer legend drugs;
 - (v) Any judgment, award, disciplinary sanction, order, or other determination that adjudges or finds that the person has committed misconduct or is criminally or civilly liable for conduct relating to midwifery by a licensing or regulatory authority, territory, state, or any other jurisdiction; and
 - (vi) A plan for transporting the client to the nearest hospital if a problem arises during the client's care; and
 - (D) Maintains a copy of the form required by subparagraph (C) for at least ten years and makes the form available for inspection upon request by the department.

(b) Nothing in this chapter shall prohibit healing practices by traditional Hawaiian healers engaged in traditional healing practices of prenatal, maternal, and child care as recognized by any council of kupuna convened by Papa Ola Lokahi. Nothing in this chapter shall limit, alter, or otherwise adversely impact the practice of traditional Native Hawaiian healing pursuant to the Constitution of the State of Hawaii.

(c) Nothing in this chapter shall prohibit a person from administering care to a person's spouse, domestic partner, parent, sibling, or child.

§ -7 Fees. (a) Each applicant shall pay a licensing fee upon application for an initial license or renewal of a license. Fees collected pursuant to this section or by rule adopted under this section shall be nonrefundable.

(b) Pursuant to section 26-9(1), the director may establish fees to restore a license, penalty fees, and any other fees required for the administration of this chapter by rule.

(c) All fees collected pursuant to this chapter shall be deposited by the director to the credit of the compliance resolution fund established pursuant to section 26-9(0).

(d) Fees assessed pursuant to this chapter shall be used to defray costs incurred by the department in implementing this chapter.

(e) The director may assess fees as provided in this chapter and section 26-9 and, notwithstanding any other law to the contrary, may change the amount of the fees required by this section at any time without regard to chapter 91, if the director:

- (1) Holds at least one public hearing to discuss and take testimony on the proposed fee change; and
- (2) Provides public notice at least thirty days prior to the date of the public hearing.

§ -8 Application for license as a midwife. To obtain a license under this chapter, the applicant shall provide:

- (1) An application for licensure;
- (2) The required fees;
- (3) Proof of current, unencumbered certification as a:
 - (A) Certified professional midwife; or
 - (B) Certified midwife;
- (4) For certified professional midwives, proof of a successful completion of a formal midwifery education and training program that is either:
 - (A) An educational program or pathway accredited by the Midwifery Education Accreditation Council; or
 - (B) A midwifery bridge certificate issued by the North American Registry of Midwives for certified professional midwife applicants who either obtained certification before January 1, 2020, through a non-accredited pathway, or who have maintained licensure in a state that does not require accredited education;
- (5) If applicable, evidence of any licenses held or once held in other jurisdictions indicating the status of the license and documenting any disciplinary proceedings pending or taken by any jurisdiction;
- (6) Information regarding any conviction of any crime which has not been annulled or expunged; and
- (7) Any other information the department may require to investigate the applicant's qualifications for licensure.

§ -9 Issuance of license. The director may issue a license to any person who meets all licensure requirements and pays the appropriate fees.

§ -10 Renewals. Every license issued under this chapter shall be renewed triennially on or before June 30, with the first renewal deadline occurring on June 30, 2023. Failure to renew a license shall result in a forfeiture of the license. Licenses which have been so forfeited may be restored within one year of the expiration date upon payment of renewal and penalty fees. Failure to restore a forfeited license within one year of the date of its expiration shall result in the automatic termination of the license. Relicensure after termination shall require the person to apply as a new applicant and again satisfy all licensing requirements in place at the time of the new application.

§ -11 Authority to purchase and administer certain legend drugs and devices. (a) A midwife licensed under this chapter may purchase and administer non-controlled legend drugs and devices that are used in pregnancy, birth, postpartum care, newborn care, or resuscitation, and that are deemed integral to providing care to the public by the department.

- (b) Legend drugs authorized under subsection (a) are limited for:
- (1) Neonatal use to prophylactic ophthalmic medications, vitamin K, epinephrine for neonatal resuscitation per neonatal resuscitation guidelines, and oxygen; and
- (2) Maternal use to antibiotics for Group B Streptococcal antibiotic prophylaxis per guidelines adopted by the Centers for Disease Con-

trol and Prevention, postpartum antihemorrhagics, Rho(D) immune globulin, epinephrine for anaphylactic reaction to an administered medication, intravenous fluids, amino amide local anesthetic, and oxygen.

(c)Legend devices authorized under subsection (a) are limited to devices for:

- (1)Injection of medications:
- (2)The administration of intravenous fluids;
- (3)Adult and infant resuscitation:
- (4)Rupturing amniotic membranes:
- (5)Repairing vaginal tears; and
- (6) Postpartum hemorrhage.

A pharmacist who dispenses drugs and devices to a midwife as au-(d) thorized by this section and in conformity with chapter 461 is not liable for any adverse reactions caused by the midwife's administration of legend drugs and devices.

Grounds for refusal to grant, renew, reinstate, or restore licenses 8 -12 and for revocation, suspension, denial, or condition of licenses. In addition to any other acts or conditions provided by law, the director may refuse to grant, renew, reinstate, or restore, or may deny, revoke, suspend, or condition in any manner, any license for any one or more of the following acts or conditions on the part of the licensee or the applicant thereof:

- Failing to meet or maintain the conditions and requirements neces-(1)sary to qualify for the granting of a license;
- Failing to notify the department in writing that the licensee's certifi-(2)cation as a certified professional midwife or as a certified midwife is no longer current or unencumbered within thirty days of the change in status:
- Engaging in false, fraudulent, or deceptive advertising, or making (3) untruthful or improbable statements;
- (4) Being addicted to, dependent on, or a habitual user of a narcotic, barbiturate, amphetamine, hallucinogen, opium, or cocaine, or other drugs or derivatives of a similar nature;
- (5) Practicing as a licensed midwife while impaired by alcohol, drugs, physical disability, or mental instability;
- Procuring a license through fraud, misrepresentation, or deceit; (6)
- Aiding and abetting an unlicensed person to directly or indirectly (7)perform activities requiring a license;
- Engaging in professional misconduct as defined by the program in (8) accordance with its own rules, incompetence, gross negligence, or manifest incapacity in the practice of midwifery;
- (9) Failing to maintain a record or history of competency, trustworthiness, fair dealing, and financial integrity;
- Engaging in conduct or practice contrary to recognized standards (10)of ethics for the practice of midwifery;
- (11)Violating any condition or limitation upon which a conditional license was issued;
- (12)Engaging in business under a past or present license issued pursuant to this chapter, in a manner causing injury to one or more members of the public;
- (13)Failing to comply, observe, or adhere to any law in a manner such that the director deems the applicant or licensee to be an unfit or improper person to hold a license;

- (14) Having a revocation, suspension, or other disciplinary action by a territory, or by another state or federal agency against a licensee or applicant for any reason provided by the licensing laws or this section;
- (15) Having a criminal conviction, whether by nolo contendere or otherwise, of a penal crime directly related to the qualifications, functions, or duties of a licensed midwife;
- (16) Failing to report in writing to the director any disciplinary decision issued against the licensee or the applicant in another jurisdiction within thirty days of the disciplinary decision;
- (17) Employing, utilizing, or attempting to employ or utilize at any time any person not licensed under this chapter where licensure is required;
- (18) Violating this chapter, any other applicable licensing laws, or any rule or order of the director; or
- (19) Using or removing without authorization controlled substances or drugs, including diverting or attempting to divert drugs or controlled substances for unauthorized use.

§ -13 Penalties. Any person who violates this chapter or rules adopted pursuant thereto shall be subject to a fine of not more than \$1,000 for each separate offense. For purposes of this section, each day of violation shall constitute a separate offense."

SECTION 3. Section 26H-4, Hawaii Revised Statutes, is amended to read as follows:

"§26H-4 Repeal dates for newly enacted professional and vocational regulatory programs. (a) Any professional or vocational regulatory program enacted after January 1, 1994, and listed in this section shall be repealed as specified in this section. The auditor shall perform an evaluation of the program, pursuant to section 26H-5, prior to its repeal date.

(b) Chapter 465D (behavior analysts) shall be repealed on June 30, 2021.

(c) Chapter 466L (appraisal management companies) shall be repealed on June 30, 2023.

(d) Chapter (midwives) shall be repealed on June 30, 2025."

SECTION 4. The department of commerce and consumer affairs may appoint an executive officer and a secretary, without regard to chapter 76, Hawaii Revised Statutes, to assist with the activities of the midwives licensing program.

SECTION 5. The department of commerce and consumer affairs may adopt interim rules to carry out the purposes of this Act without regard to chapters 91 or 201M, Hawaii Revised Statutes; provided that:

- (1) The department shall hold at least one public hearing prior to the adoption of interim rules; and
- (2) The interim rules shall be effective for no more than one year after their adoption.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$146,000 or so much thereof as may be necessary for fiscal year 2019-2020 to be deposited into the compliance resolution fund.

SECTION 7. There is appropriated out of the compliance resolution fund the sum of \$146,000 or so much thereof as may be necessary for fiscal year 2019-2020 and \$73,000 or so much thereof as may be necessary for fiscal year 2020-2021 to implement the licensure of midwives as required by this Act.

The sums appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

PART II

SECTION 8. (a) There is established a home birth task force under the Hawaii state commission on the status of women.

(b) The task force shall consist of no more than twelve members and shall include:

- (1) The director of commerce and consumer affairs, or the director's designee;
- (2) The director of health, or the director's designee;
- (3) A representative from the Hawaii section of the American College of Obstetricians and Gynecologists;
- (4) A representative of the Healthcare Association of Hawaii; and
- (5) Members recommended by the Hawaii Home Birth Collective that represent the following stakeholder groups: certified nurse midwife; certified professional midwife; home birth elder; traditional or cultural birth attendant; and a member of the public that has used home birth services.

(c) The task force shall include representation from all counties. The task force may recommend additional members with appropriate expertise, to be approved by the chairperson.

(d) The task force shall elect a chairperson from among the members of the task force.

(e) The task force shall investigate issues relating to direct entry midwives and home births. The investigation shall include but not be limited to the following:

- (1) Data collection and reporting on home births;
- (2) Education and training of direct entry midwives; and
- (3) Regulation of direct entry midwives.

(f) The members of the task force shall serve without compensation. No member of the task force shall be made subject to section 84-17, Hawaii Revised Statutes, solely because of that member's participation on the task force. The task force shall be exempt from part I, chapter 92, Hawaii Revised Statutes.

(g) The Hawaii state commission on the status of women shall provide administrative and clerical support required by the task force.

(h) The task force shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

(i) The home birth task force shall dissolve on June 30, 2020.

PART III

SECTION 9. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable. SECTION 10. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 11. New statutory material is underscored.

SECTION 12. This Act shall take effect upon its approval; provided that sections 6 and 7 shall take effect on July 1, 2019.

(Approved April 30, 2019.)

ACT 33

H.B. NO. 456

A Bill for an Act Relating to Public Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

The legislature finds that on March 11, 2019, a disturbance in one of the Maui community correctional center living units occurred. Inmates broke fire sprinklers, security control glass, and cell window glass; started a fire; damaged cell doors by destroying electronic locking mechanisms; ransacked cleaning supplies; and destroyed tables, chairs, toilets, clothing supplies, and linen supplies. Modules A, B, C, and D sustained damage from the incident. To date, module B, which housed ninety-four inmates, is not yet fully operational. The cost to repair the extensive damage exceeds the funds available in the department of public safety's budget. Thus, the department requires an emergency appropriation to address the immediate needs of Maui community correctional center.

The legislature further finds that the State needs an emergency appropriation to house two hundred forty-eight inmates for an additional six months at Saguaro Correctional Center in Arizona because Halawa correctional facility is undergoing security systems upgrades. The emergency appropriation will also provide for costs to return the inmates to Hawaii.

The purpose of this Act is to make an emergency appropriation for:

- (1) The immediate needs of Maui community correctional center; and
- (2) Six months of housing costs for two hundred forty-eight inmates at Saguaro Correctional Center in Arizona and for costs to return the inmates to Hawaii.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$5,102,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the immediate needs of Maui community correctional center, including temporary replacement of windows, a consultant fee for the assessment of damages, replacement of numerous security doors, electrical and mechanical repairs, and replacement of detention grade glass for the control station and cell windows.

The sum appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for six months of housing costs for two hundred forty-

eight inmates at Saguaro Correctional Center in Arizona and for costs to return the inmates to Hawaii.

The sum appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 4. All procurements associated with funds appropriated pursuant to section 2 of this Act shall be exempt from chapters 103D and 103F, Hawaii Revised Statutes.

SECTION 5. This Act shall take effect upon its approval. (Approved May 13, 2019.)

ACT 34 S.B. NO. 1188

A Bill for an Act Making an Emergency Appropriation to the Hawaii Community Development Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. Act 49, section 3, Session Laws of Hawaii 2017, appropriated \$2,823,358 in revolving funds to the department of business, economic development, and tourism to fund payroll and administrative costs for the Hawaii community development authority.

While appropriations out of the general fund of the State of Hawaii exclude fringe benefit costs, fringe benefit costs must be included if an appropriation from a revolving fund is used to fund positions.

Therefore, a critical funding shortage exists and additional revolving funds must be appropriated to cover fringe benefit costs for the Hawaii community development authority to continue to pay its employees through fiscal year 2018-2019.

The purpose of this Act is to make an emergency appropriation to provide funds for the Hawaii community development authority to cover payroll, fringe benefits, and administrative costs.

SECTION 3. There is appropriated out of the Hawaii community development revolving fund the sum of \$600,000 or so much thereof as may be necessary for fiscal year 2018-2019 for payroll, fringe benefits, and administrative costs of the Hawaii community development authority.

The sum appropriated shall be expended by the Hawaii community development authority for the purposes of this Act.

SECTION 4. This Act shall take effect upon its approval. (Approved May 15, 2019.)

ACT 35

H.B. NO. 329

A Bill for an Act Relating to Disaster Relief.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 12, Session Laws of Hawaii 2018, is amended by amending sections 5 and 6 to read as follows:

"SECTION 5. (a) There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to protect the health, safety, and welfare of the people, and provide relief from disaster damages, losses, and suffering caused by the extraordinary weather event that produced torrential rains and resultant flooding in the county of Kauai in April 2018[-] or to implement mitigation measures to prevent and minimize the impacts of current or future flooding in areas affected by the April 2018 flooding on Kauai.

The sum appropriated shall be allotted to the department of defense and expended by the adjutant general solely for the express stated purposes of this part; provided that the moneys appropriated pursuant to this section shall not lapse at the end of the fiscal year for which the moneys have been appropriated; provided further that any moneys appropriated pursuant to this section that are unencumbered as of June 30, [2019,] 2020, shall lapse on that date[.]; provided further that the moneys appropriated pursuant to this section shall be exempt from section 37-74(d), Hawaii Revised Statutes.

(b) As used in this section, "mitigation measures" means the reduction of harm from future flooding events through structural and nonstructural actions, interventions, and investments.

SECTION 6. (a) There is appropriated out of the general revenues of the State of Hawaii the sum of \$25,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to protect the health, safety, and welfare of the people, and provide relief from disaster damages, losses, and suffering caused by the extraordinary weather event that produced torrential rains and resultant flooding in areas of the State, other than the county of Kauai, in April 2018[-] or to implement mitigation measures to prevent and minimize the impacts of current or future natural or man-made events in areas of the State, other than the county of Kauai, affected by the April 2018 flooding.

The sum appropriated shall be allotted to the department of defense and expended by the adjutant general solely for the express stated purposes of this part; provided that the moneys appropriated pursuant to this section shall not lapse at the end of the fiscal year for which the moneys have been appropriated; provided further that any moneys appropriated pursuant to this section that are unencumbered as of June 30, [2019,] 2020, shall lapse on that date[-]; provided further that the moneys appropriated pursuant to this section shall be exempt from section 37-74(d), Hawaii Revised Statutes.

(b) As used in this section, "mitigation measures" means the reduction of harm from future flooding events through structural and nonstructural actions, interventions, and improvements."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved June 5, 2019.)

ACT 36

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that every two days, one person in Hawaii falls victim to suicide, the leading cause of fatal injury deaths in the State. The legislature also finds that from 2010 to 2014, suicide accounted for twenty-six per cent of all fatal injuries among Hawaii residents, claiming more victims than motor vehicle collisions, homicides, unintentional poisoning, and drowning.

The purpose of this Act is to designate the month of September as "Suicide Prevention and Awareness Month" to increase public awareness of suicide prevention education, resources, and support available to individuals, families, and communities in Hawaii.

SECTION 2. Chapter 8, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§8- Suicide Prevention and Awareness Month. The month of September shall be known and designated as "Suicide Prevention and Awareness Month". This month is not and shall not be construed as a state holiday."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2050. (Became law on April 23, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 37

H.B. NO. 172

A Bill for an Act Relating to the Budget of the Office of Hawaiian Affairs.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. SHORT TITLE. This Act shall be known and may be cited as the Office of Hawaiian Affairs Appropriations Act of 2019.

SECTION 2. DEFINITIONS. As used in this Act, unless the context otherwise requires:

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. These letter symbols, where used, shall mean the following:

А	General funds
Т	Trust funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk (*) for permanent fulltime equivalent positions and a pound sign (#) for temporary full-time equivalent positions.

"Program ID" means the unique identifier for the specific program and consists of OHA, the abbreviation for the office of Hawaiian affairs, followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are appropriated or authorized from the means of financing specified to the office of Hawaiian affairs for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the numbers indicated for each fiscal year, except as provided elsewhere in this Act, or as provided by general law.

			EXPENDING PROGRAM AGENCY	APPROPRIATIONS	
ITEM NO.	PROG. ID	PROGRAM		FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
Hawaiia	an Affairs				
1.	OHA150	- OFFICE OF THE	TRUSTEES		
	OPERA	ΓING	OHA	0.47* 58,323 A 4.53*	0.47* 58,323 A 4.53*
			OHA	275,687 T	275,687 T
2.	OHA160	- ADMINISTRATIO	DN	5.02*	5.02*
	OPERA	ΓING	OHA	5.03* 1,124,042 A 31.97*	5.03* 1,124,042 A 31.97*
			OHA	2,861,727 T	2,861,727 T
3.	OHA175	BENEFICIARY A	DVOCACY	1 47 4	1 47 *
	OPERA	ΓING	OHA	1.47* 1,855,514 A	1.47* 1,855,514A
			OHA	18.53* 3,292,290 T	18.53* 3,292,290 T

PROGRAM APPROPRIATIONS

PART III. PROGRAM PROVISIONS

SECTION 4. Provided that the general fund appropriations in part II of this Act shall be expended by the Office of Hawaiian Affairs.

SECTION 5. Provided that of the funds appropriated for beneficiary advocacy (OHA175), the sum of \$415,000 in general funds and \$415,000 in trust funds for fiscal year 2019-2020 and the same sums for fiscal year 2020-2021 shall be expended to provide for social services, including referral services and case management, to at-risk Office of Hawaiian Affairs beneficiaries to immediately address unexpected crises; provided further that program activities shall be de-

signed with an overall objective to provide financial assistance to improve stability during emergency situations; and provided further that notwithstanding section 10-17(e), Hawaii Revised Statutes, any funds expended for the purposes of this section shall be in accordance with chapter 103D or 103F, Hawaii Revised Statutes, or a competitive grants process, as appropriate.

SECTION 6. Provided that of the funds appropriated for beneficiary advocacy (OHA175), the sum of \$615,000 in general funds and \$615,000 in trust funds for fiscal year 2019-2020 and the same sums for fiscal year 2020-2021 shall be expended to provide for educational improvement programs for native Hawaiian students; provided further that program activities shall be designed to help native Hawaiian students succeed academically; and provided further that notwithstanding section 10-17(e), Hawaii Revised Statutes, any expenditures for the purposes of this section shall be in accordance with chapter 103D or 103F, Hawaii Revised Statutes, or a competitive grants process, as appropriate.

SECTION 7. Provided that of the funds appropriated for beneficiary advocacy (OHA175), the sum of \$524,400 in general funds and \$524,400 in trust funds for fiscal year 2019-2020 and the same sums for fiscal year 2020-2021 shall be expended to provide for legal services and legal representation to Office of Hawaiian Affairs beneficiaries for:

- (1) The assertion and defense of quiet title actions;
- (2) Assistance with ahupuaa and kuleana tenant rights, including rights of access and rights to water;
- (3) Land title assistance, including review of title and genealogy;
- (4) Preservation of traditional and customary practices;
- (5) Protection of culturally significant places;

(6) Preservation of native Hawaiian land trust entitlements; and provided further that notwithstanding section 10-17(e), Hawaii Revised Statutes, any funds expended for the purposes of this section shall be made in accordance

with chapter 103D or 103F, Hawaii Revised Statutes, as appropriate. SECTION 8. (a) Provided that of the trust funds appropriated in part

II of this Act, the sum of \$500,000 for fiscal year 2019-2020 shall be expended for the costs for the auditor to conduct or contract for a financial and management audit of the Office of Hawaiian Affairs.

The auditor shall submit a report of the findings and recommendations of the audit to the legislature, governor, and the chairperson of the board of trustees of the office of Hawaiian affairs no later than twenty days prior to the convening of the regular session of 2020.

(b) Provided that the general funds appropriated for fiscal year 2020-2021 pursuant to part II of this Act shall not be released to the Office of Hawaiian Affairs until after the audit report required by subsection (a) is received by the legislature.

PART IV. MISCELLANEOUS PROVISIONS AND EFFECTIVE DATE

SECTION 9. Provided that whenever necessary, the board of trustees of the Office of Hawaiian Affairs or the board's designee may transfer sufficient funds and positions between programs for operating purposes; provided further that these transfers shall be consistent with legislative intent; and provided further that the Office of Hawaiian Affairs shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30, no later than twenty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 10. If any provision of this Act, or the application thereto to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of that appropriation to the extent possible.

SECTION 11. If manifest clerical, typographical, or other mechanical errors are found in this Act, the board of trustees of the Office of Hawaiian Affairs may correct these errors. All changes made pursuant to this section shall be reported to the legislature at its next session.

SECTION 12. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 38

H.B. NO. 510

A Bill for an Act Relating to the Judiciary.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. This Act shall be known and may be cited as the Judiciary Appropriations Act of 2019.

SECTION 2. Unless otherwise clear from the context, as used in this Act:

"Means of Financing," or "MOF," means the source from which funds are appropriated, or authorized, as the case may be, to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. The letter symbols, where used, shall have the following meanings:

Α	General funds
В	Special funds
С	General obligation bond funds
Ν	Federal funds
W	Revolving funds

"Position ceiling" means the maximum number of permanent or temporary positions authorized for a particular program during a specified period or periods, as noted by an asterisk or pound sign, respectively.

"Program ID" means the unique identifier for the specific program, and consists of the abbreviation for the judiciary (JUD) followed by a designated number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are appropriated or authorized from the sources of funding specified to the judiciary for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of permanent and temporary positions established in each fiscal year of the fiscal biennium shall not exceed the sums and the position ceilings indicated for each year, except as provided in this Act.

				APPROPR	RIATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
The In	licial Syster				
The Ju	licial System	11			
1.	JUD101 -	COURTS OF APPE	EAL	73.00*	73.00*
				1.00#	1.00#
	OPERA	ΓING	JUD	7,216,185 A	7,216,185 A
2.	JUD310 -	FIRST JUDICIAL	CIRCUIT		
				1,103.50*	1,103.50*
	OPERA	TING	JUD	58.58# 88,278,054 A	58.58# 88,425,760A
	OILKA	into	300	41.00*	41.00*
			JUD	4,429,112 B	4,429,112 B
3.	JUD320 -	SECOND JUDICIA	AL CIRCUIT		
				210.50*	210.50*
	OPERA	ΓING	JUD	1.68 <i>#</i> 17,949,998 A	1.68# 17,955,448 A
4	1110220	THIRD JUDICIAI	CIDCUUT	, ,	, ,
4.	JUD330 -	I HIRD JUDICIAL		240.00*	240.00*
				5.68#	5.68#
	OPERA	ГING	JUD	21,729,887 A	21,761,042 A
5.	JUD350 -	FIFTH JUDICIAL	CIRCUIT		
				103.00* 2.60#	103.00* 2.60#
	OPERA	ГING	JUD	8,455,480 A	8,447,902 A
6.	JUD501 -	JUDICIAL SELEC	TION COMMISSION	1	
	OPERA	TING	JUD	1.00* 103,414 A	1.00* 103,414 A
7.		ADMINISTRATIC		100,1111	100,1111
/.	30,0001-	ADMINISTRATIC		226.00*	226.00*
	OPERA	TINC	JUD	9.48#	9.48#
	OPERA	IING	JOD	28,086,186 A 1.00 *	27,587,239 A 1.00*
				9.00#	9.00#
			JUD JUD	8,034,802 B 343,261 W	8,034,802 B 343,261 W
	INVEST	MENT CAPITAL	JUD	9,355,000 C	C

PROGRAM APPROPRIATIONS

PART III. PROGRAM PROVISIONS

SECTION 4. Provided that whenever the need arises, the chief justice, in administering an equitable and expeditious judicial process, may transfer sufficient funds and positions between programs for operating purposes; provided further that no transfer shall be made to implement any collective bargaining contract signed after this legislature adjourns sine die. SECTION 5. Provided that if the chief justice, or any agency, or any government unit secures federal funds or other property under any act of Congress, or any funds or other property from private organizations or individuals which are to be expended in connection with any program or works authorized by this Act, or otherwise, the chief justice, or the agency with the chief justice's approval, may enter into the undertaking with the federal government, private organization, or individual.

SECTION 6. Provided that the judiciary may transfer savings from its general fund appropriation to the driver education and training fund to accommodate any temporary cash flow deficits.

SECTION 7. Provided that of the general fund appropriation for administration (JUD601), the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2019-2020 shall be expended for general civil legal services for indigent residents; provided further that general civil legal services to indigent residents shall be provided by legal service providers:

- (1) With clients whose income levels do not exceed 250 per cent of the applicable federal poverty level for Hawaii;
- (2) With current and valid IRS 501(c)(3) status;
- (3) That can demonstrate that it has in place and utilizes guidelines that effectively screen for income eligibility and type of cases accepted;
- (4) Whose essential mission is the provision of general civil legal services and may not have as its central mission the provision of specialized types of legal services; and
- (5) That complete the requisite detailed application requesting funding from the governmental entity or its designee responsible for the allocation of this funding.

PART IV. CAPITAL IMPROVEMENT PROJECTS

SECTION 8. The sum of \$9,355,000 appropriated or authorized in part II of this Act for capital improvement projects shall be expended by the judiciary for the projects listed below; provided that several related or similar projects may be combined into a single project, if a combination is advantageous or convenient for implementation; provided further that the total cost of the projects thus combined shall not exceed the total of the sums specified for the projects separately. The amount after each cost element and the total funding for each project listed in this part are in thousands of dollars.

				APPROPRIATIONS (IN 000'S)		
	CAPITAL			FISCAL M	FISCAL M	
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F	

A. ECONOMIC DEVELOPMENT

JUD601 - ADMINISTRATION

1. HOAPILI HALE PARKING STRUCTURE SEWER, STORM DRAIN, AC AND FIRE SPRINKLER PIPING IMPROVEMENTS, MAUI

DESIGN AND CONSTRUCTION, IN PHASES AS FUNDS ALLOW, TO RENOVATE THE SANITARY (WASTE), STORM DRAIN, AC (CHILLED WATER), AND FIRE SUPPRESSION SYSTEMS IN THE PARKING STRUCTURE AT HOAPILI HALE, MAUI. TOTAL FUNDING JUD

850 C

С

				APPROPRIATIONS (IN (
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
2.	Η	HOAPILI HALE SE	CURITY IMPROV	EMENTS, MAUI		
	SECURIT	AND CONSTRUCT Y-RELATED IMPR HALE, MAUI. TOTAL FUNDIN	OVEMENTS AT	3,510C	С	
3.		KAAHUMANU HA DAHU	LE REPAIR BASE	MENT LEAKS AI	ND DAMAGES,	
	LEAKS IN ROOM AN THE BASI	AND CONSTRUCT NTHE TELECOMM ND THE EVIDENC EMENT PARKING IANU HALE, OAH TOTAL FUNDIN	IUNICATIONS E ROOM IN AREA AT U.	1,995 C	С	
4.	Ι	LUMP SUM CIP FO	R JUDICIARY FA	CILITIES, STATE	WIDE	
	EQUIPME INCLUDI MAINTEN AND REN	ESIGN, CONSTRU ENT FOR IMPROVI NG DEFERRED R NANCE, ALTERAT VOVATIONS TO JU ES, STATEWIDE.	EMENTS EPAIRS AND IONS, UPGRADES	5		
		TOTAL FUNDIN	IG JUD	3,000 C	С	

CAPITAL IMPROVEMENT PROJECTS

PART V. ISSUANCE OF BONDS

SECTION 9. General obligation bonds may be issued, as provided by law, to yield the amount that may be necessary to finance projects authorized in part II and listed in part V of this Act; provided that the sum of the general obligation bonds so issued shall not exceed \$9,355,000.

PART VI. SPECIAL PROVISIONS

SECTION 10. Any law or any provision of this Act to the contrary notwithstanding, the appropriations made for capital improvement projects authorized in part II and listed in part V of this Act shall not lapse at the end of the fiscal year for which the appropriations are made; provided that all appropriations made for fiscal year 2019-2020 and fiscal year 2020-2021 that are unencumbered as of June 30, 2022, shall lapse as of that date.

SECTION 11. The judiciary may delegate to other state or county agencies the planning, acquisition of land, design, construction, and equipment of any capital improvement project when it is determined by the judiciary to be advantageous to do so.

SECTION 12. All unrequired balances in the general obligation bond fund, after the objectives of part II appropriations for capital improvements program purposes listed as projects in part IV of this Act have been met, shall be transferred to the judiciary project adjustment fund. SECTION 13. If the amount allocated from the general obligation bond fund for a capital improvement project listed in part IV of this Act is insufficient, the chief justice may make supplemental allotments from the project adjustment fund; provided that supplemental allotments shall not be used to increase the scope of the project.

SECTION 14. Where it has been determined that changed conditions, such as a reduction in the particular population being served, permit the reduction in the scope of a project listed in part IV of this Act, the chief justice may authorize this reduction of project scope.

SECTION 15. The chief justice shall determine when and the manner in which the authorized capital improvement projects shall be initiated. The chief justice shall notify the governor from time to time of the specific amounts required for the projects, and the governor shall provide for those amounts through the issuance of bonds authorized in part V of this Act.

SECTION 16. Any law or any provision of this Act to the contrary notwithstanding, the chief justice may supplement funds for any cost element for a capital improvement project authorized under this Act by transferring any sums as may be needed from the funds appropriated for other cost elements of the same project by this Act or by any other prior or future Act that has not lapsed; provided that the total expenditure of funds for all cost elements for the project shall not exceed the total appropriation for that project.

PART VII. MISCELLANEOUS PROVISIONS AND EFFECTIVE DATE

SECTION 17. If any portion of this Act or its application to any person or circumstances is held to be invalid for any reason, the remainder of the Act and any provision thereof shall not be affected. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and shall be expended to fulfill the objective and intent of the appropriation to the extent possible.

SECTION 18. If any manifest clerical, typographical, or other mechanical error is found in this Act, the chief justice may correct the error. All changes made pursuant to this section shall be reported to the legislature at its next regular session.

SECTION 19. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 39

H.B. NO. 809

A Bill for an Act Relating to the Funding of Grants Pursuant to Chapter 42F, Hawaii Revised Statutes.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. SHORT TITLE. This Act shall be known and may be cited as the Grant Funding Act of 2019.

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in this Act:

"Expending agency" means the executive department, independent commission, bureau, office, board, or other establishment of the state government (other than the legislature, office of Hawaiian affairs, and judiciary), the political subdivisions of the State, or any quasi-public institution supported in whole or in part by state funds, which is authorized to expend specified appropriations made by this Act.

Abbreviations, where used to denote the expending agency, shall mean the following:

- AGR Department of agriculture
- AGS Department of accounting and general services
- ATG Department of the attorney general
- BED Department of business, economic development, and tourism
- BUF Department of budget and finance
- CCA Department of commerce and consumer affairs
- DEF Department of defense
- EDN Department of education
- GOV Office of the governor
- HHL Department of Hawaiian home lands
- HMS Department of human services
- HRD Department of human resources development
- HTH Department of health
- LBR Department of labor and industrial relations
- LNR Department of land and natural resources
- LTG Office of the lieutenant governor
- PSD Department of public safety
- SUB Subsidies
- TAX Department of taxation
- TRN Department of transportation
- UOH University of Hawaii
- CCH City and county of Honolulu
- COH County of Hawaii
- COK County of Kauai
- COM County of Maui

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. The letter symbols, where used, shall have the following meanings:

- A General funds
- B Special funds
- C General obligation bond fund
- D General obligation bond fund with debt service cost to be paid from special funds
- E Revenue bond funds
- J Federal aid interstate funds
- K Federal aid primary funds
- L Federal aid secondary funds
- M Federal aid urban funds
- N Federal funds
- P Other federal funds
- R Private contributions

- S County funds
- T Trust funds
- U Interdepartmental transfers
- W Revolving funds
- X Other funds

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this Act or as provided by general law.

				APPROPI	RIATIONS ¹
ITEM NO.	PROG. ID PRO	EXP GRAM AGE	ENDING NCY	FISCAL M YEAR O 2019-2020 F	
A. ECO	DNOMIC DEVELO	PMENT			
1.	AGR 192 - GENER INVESTMENT (AL ADMINISTRA CAPITAL	TION FOR AGR	AGRICULTURE 325,000 C	C
D EM			non		
B. EN	PLOYMENT				
1.	LBR903 - OFFICE INVESTMENT C	E OF COMMUNITY CAPITAL	SERVICES LBR	S 15,671,000 C	C
C. TRA	ANSPORTATION F	ACILITIES			
D. EN	VIRONMENTAL P	ROTECTION			
E. HE	ALTH				
1.	HTH907 - GENER INVESTMENT (AAL ADMINISTRA CAPITAL	ΓΙΟΝ ΗΤΗ	1,100,000 C	C
F. SO	CIAL SERVICES				
1.	DEF112 - SERVIC INVESTMENT (ES TO VETERANS CAPITAL	DEF	300,000 C	C

PROGRAM APPROPRIATIONS

				APPROPRIATI	IONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	
G. FOI	RMAL EDU	UCATION			
H. CUI	LTURE AN	D RECREATION			
1.		FOREST AND OU MENT CAPITAL	TDOOR RECREATI LNR	ON 300,000 C	С
I. PUI	BLIC SAFE	TY			
J. IND	DIVIDUAL	RIGHTS			

PROGRAM APPROPRIATIONS

K. GOVERNMENT-WIDE SUPPORT

1. AGS221 - PUBLIC WORKS - PLANNING, DESIGN, AND CONSTRUCTION INVESTMENT CAPITAL AGS 2,250,000 C C

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$400,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Agricultural Foundation.

The sum appropriated shall be expended by the department of agriculture (AGR171) for the purposes of this section.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Floriculture and Nursery Association.

The sum appropriated shall be expended by the department of agriculture (AGR171) for the purposes of this section.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hamakua Harvest.

The sum appropriated shall be expended by the department of agriculture (AGR192) for the purposes of this section.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Agricultural Research Center.

The sum appropriated shall be expended by the department of agriculture (AGR192) for the purposes of this section.

SECTION 8. There is appropriated out of the general revenues of the State of Hawaii the sum of \$45,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Malama Kauai.

The sum appropriated shall be expended by the department of agriculture (AGR192) for the purposes of this section. SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Creative Arts Experience.

The sum appropriated shall be expended by the department of accounting and general services (AGS881) for the purposes of this section.

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Youth Symphony Association.

The sum appropriated shall be expended by the department of accounting and general services (AGS881) for the purposes of this section.

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$90,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Honolulu Theatre for Youth.

The sum appropriated shall be expended by the department of accounting and general services (AGS881) for the purposes of this section.

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Makawao History Museum.

The sum appropriated shall be expended by the department of accounting and general services (AGS881) for the purposes of this section.

SECTION 13. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for The Filipino Community Center, Inc.

The sum appropriated shall be expended by the department of accounting and general services (AGS881) for the purposes of this section.

SECTION 14. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for The Korean American Foundation, Hawaii.

The sum appropriated shall be expended by the department of accounting and general services (AGS881) for the purposes of this section.

SECTION 15. There is appropriated out of the general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Legal Aid Society.

The sum appropriated shall be expended by the department of the attorney general (ATG100) for the purposes of this section.

SECTION 16. There is appropriated out of the general revenues of the State of Hawaii the sum of \$260,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Weed & Seed Hawaii, Inc.

The sum appropriated shall be expended by the department of the attorney general (ATG100) for the purposes of this section.

SECTION 17. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Filipino Chamber of Commerce of Hawaii.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED100) for the purposes of this section.

SECTION 18. There is appropriated out of the general revenues of the State of Hawaii the sum of \$70,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Global Education Foundation.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED100) for the purposes of this section.

SECTION 19. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Japan-America Society of Hawaii.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED100) for the purposes of this section.

SECTION 20. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Japanese Cultural Center of Kona.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED100) for the purposes of this section.

SECTION 21. There is appropriated out of the general revenues of the State of Hawaii the sum of \$135,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for HI Share as Fiscal Sponsor for Green Island Films.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED105) for the purposes of this section.

SECTION 22. There is appropriated out of the general revenues of the State of Hawaii the sum of \$90,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Friends of Challenger Center Hawaii, Inc.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED128) for the purposes of this section.

SECTION 23. There is appropriated out of the general revenues of the State of Hawaii the sum of \$40,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Amateur Boxing of Hawaii.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED142) for the purposes of this section.

SECTION 24. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary

for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Clean Power Alliance.

The sum appropriated shall be expended by the department of business, economic development, and tourism (BED143) for the purposes of this section.

SECTION 25. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Chamber of Commerce of Hawaii.

The sum appropriated shall be expended by the department of defense (DEF110) for the purposes of this section.

SECTION 26. There is appropriated out of the general revenues of the State of Hawaii the sum of \$60,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Cyberhawaii.

The sum appropriated shall be expended by the department of defense (DEF110) for the purposes of this section.

SECTION 27. There is appropriated out of the general revenues of the State of Hawaii the sum of \$131,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Nisei Veterans Legacy Center, Inc.

The sum appropriated shall be expended by the department of defense (DEF112) for the purposes of this section.

SECTION 28. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Friends of Waipahu High School.

The sum appropriated shall be expended by the department of education (EDN200) for the purposes of this section.

SECTION 29. There is appropriated out of the general revenues of the State of Hawaii the sum of \$160,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Academy of Science.

The sum appropriated shall be expended by the department of education (EDN200) for the purposes of this section.

SECTION 30. There is appropriated out of the general revenues of the State of Hawaii the sum of \$355,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Leilehua Alumni and Community Association.

The sum appropriated shall be expended by the department of education (EDN200) for the purposes of this section.

SECTION 31. There is appropriated out of the general revenues of the State of Hawaii the sum of \$220,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Read to Me International Foundation.

The sum appropriated shall be expended by the department of education (EDN200) for the purposes of this section.

SECTION 32. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Searider Productions Foundation.

The sum appropriated shall be expended by the department of education (EDN200) for the purposes of this section.

SECTION 33. There is appropriated out of the general revenues of the State of Hawaii the sum of \$60,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Advantage Sports Academy.

The sum appropriated shall be expended by the department of education (EDN300) for the purposes of this section.

SECTION 34. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for After-School All-Stars Hawaii.

The sum appropriated shall be expended by the department of education (EDN300) for the purposes of this section.

SECTION 35. There is appropriated out of the general revenues of the State of Hawaii the sum of \$15,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Na Wahine Pa'ani O Punahou.

The sum appropriated shall be expended by the department of education (EDN300) for the purposes of this section.

SECTION 36. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Oceanit Research Foundation.

The sum appropriated shall be expended by the department of education (EDN300) for the purposes of this section.

SECTION 37. There is appropriated out of the general revenues of the State of Hawaii the sum of \$55,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Friends of the Library Kahuku (FOLK).

The sum appropriated shall be expended by the department of education (EDN407) for the purposes of this section.

SECTION 38. There is appropriated out of the general revenues of the State of Hawaii the sum of \$80,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hawaii Literacy, Inc.

The sum appropriated shall be expended by the department of education (EDN407) for the purposes of this section.

SECTION 39. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Waiohuli Hawaiian Homesteaders Association, Inc.

The sum appropriated shall be expended by the department of Hawaiian home lands (HHL602) for the purposes of this section.

SECTION 40. There is appropriated out of the general revenues of the State of Hawaii the sum of \$110,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Family Promise of Hawai'i.

The sum appropriated shall be expended by the department of human services (HMS224) for the purposes of this section.

SECTION 41. There is appropriated out of the general revenues of the State of Hawaii the sum of \$380,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Adult Friends for Youth.

The sum appropriated shall be expended by the department of human services (HMS501) for the purposes of this section.

SECTION 42. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Big Brothers Big Sisters Hawaii, Inc.

The sum appropriated shall be expended by the department of human services (HMS501) for the purposes of this section.

SECTION 43. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Youth Services Network.

The sum appropriated shall be expended by the department of human services (HMS501) for the purposes of this section.

SECTION 44. There is appropriated out of the general revenues of the State of Hawaii the sum of \$160,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Kinai Eha.

The sum appropriated shall be expended by the department of human services (HMS501) for the purposes of this section.

SECTION 45. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Guide Dogs of Hawaii (Adaptive Aids, Canines and Advocacy for the Blind).

The sum appropriated shall be expended by the department of human services (HMS802) for the purposes of this section.

SECTION 46. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Healthy Mothers, Healthy Babies Coalition of Hawai'i.

The sum appropriated shall be expended by the department of human services (HMS901) for the purposes of this section.

SECTION 47. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Kalihi Community Center.

The sum appropriated shall be expended by the department of human services (HMS901) for the purposes of this section.

SECTION 48. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Foodbank, Inc.

The sum appropriated shall be expended by the department of human services (HMS903) for the purposes of this section.

SECTION 49. There is appropriated out of the general revenues of the State of Hawaii the sum of \$275,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Parents and Children Together.

The sum appropriated shall be expended by the department of human services (HMS904) for the purposes of this section.

SECTION 50. There is appropriated out of the general revenues of the State of Hawaii the sum of \$285,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hale Makua Health Services.

The sum appropriated shall be expended by the department of health (HTH212) for the purposes of this section.

SECTION 51. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the National Alliance on Mental Illness Hawaii.

The sum appropriated shall be expended by the department of health (HTH420) for the purposes of this section.

SECTION 52. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Bridge House, Inc.

The sum appropriated shall be expended by the department of health (HTH440) for the purposes of this section.

SECTION 53. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for The Alcoholic Rehabilitation Services of Hawaii, Inc.

The sum appropriated shall be expended by the department of health (HTH440) for the purposes of this section.

SECTION 54. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hawaii Lions Foundation.

The sum appropriated shall be expended by the department of health (HTH460) for the purposes of this section.

SECTION 55. There is appropriated out of the general revenues of the State of Hawaii the sum of \$120,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Aloha Medical Mission.

The sum appropriated shall be expended by the department of health (HTH560) for the purposes of this section.

SECTION 56. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hawaii Institute of Integrative Health.

The sum appropriated shall be expended by the department of health (HTH595) for the purposes of this section.

SECTION 57. There is appropriated out of the general revenues of the State of Hawaii the sum of \$140,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Catholic Charities Hawaii.

The sum appropriated shall be expended by the department of health (HTH904) for the purposes of this section.

SECTION 58. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Lana'i Kina'ole, Inc.

The sum appropriated shall be expended by the department of health (HTH904) for the purposes of this section.

SECTION 59. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Papa Ola Lokahi as fiscal sponsor for Lunalilo Home, Registered Trademark.

The sum appropriated shall be expended by the department of health (HTH904) for the purposes of this section.

SECTION 60. There is appropriated out of the general revenues of the State of Hawaii the sum of \$125,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Moiliili Community Center.

The sum appropriated shall be expended by the department of health (HTH904) for the purposes of this section.

SECTION 61. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Pacific Gateway Center.

The sum appropriated shall be expended by the department of health (HTH904) for the purposes of this section.

SECTION 62. There is appropriated out of the general revenues of the State of Hawaii the sum of \$65,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Waikiki Community Center.

The sum appropriated shall be expended by the department of health (HTH904) for the purposes of this section.

SECTION 63. There is appropriated out of the general revenues of the State of Hawaii the sum of \$185,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Malama Pono Health Services.

The sum appropriated shall be expended by the department of health (HTH907) for the purposes of this section.

SECTION 64. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Project Vision Hawaii.

The sum appropriated shall be expended by the department of health (HTH907) for the purposes of this section.

SECTION 65. There is appropriated out of the general revenues of the State of Hawaii the sum of \$220,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the West Hawaii Community Health Center, Inc.

The sum appropriated shall be expended by the department of health (HTH907) for the purposes of this section.

SECTION 66. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Family Law Clinic.

The sum appropriated shall be expended by the judiciary (JUD310) for the purposes of this section.

SECTION 67. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Ethnic Education Hawai'i.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 68. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Ewa Beach Lions Club Foundation.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 69. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Frank Delima's Student Enrichment Program, Inc.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 70. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Kauai North Shore Food Pantry, Inc.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 71. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Keep the Hawaiian Island Beautiful.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 72. There is appropriated out of the general revenues of the State of Hawaii the sum of \$125,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Kualoa-Heeia Ecumenical Youth Project.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 73. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Maui Economic Development Board, Inc.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 74. There is appropriated out of the general revenues of the State of Hawaii the sum of \$291,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Maui Economic Opportunity, Inc.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 75. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Pacific Survivor Center.

The sum appropriated shall be expended by the department of labor and industrial relations (LBR903) for the purposes of this section.

SECTION 76. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Big Island Resource Conservation and Development Council as fiscal sponsor for BIISC.

The sum appropriated shall be expended by the department of land and natural resources (LNR402) for the purposes of this section.

SECTION 77. There is appropriated out of the general revenues of the State of Hawaii the sum of \$175,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Wildfire Management Organization.

The sum appropriated shall be expended by the department of land and natural resources (LNR402) for the purposes of this section.

SECTION 78. There is appropriated out of the general revenues of the State of Hawaii the sum of \$118,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Garden Island Resource Conservation & Development, Inc.

The sum appropriated shall be expended by the department of land and natural resources (LNR407) for the purposes of this section.

SECTION 79. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Council for Native Hawaiian Advancement.

The sum appropriated shall be expended by the Office of Hawaiian Affairs (OHA160) for the purposes of this section.

SECTION 80. There is appropriated out of the general revenues of the State of Hawaii the sum of \$125,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Going Home Hawaii.

The sum appropriated shall be expended by the department of public safety (PSD900) for the purposes of this section.

SECTION 81. There is appropriated out of the general revenues of the State of Hawaii the sum of \$90,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hawaii Tax Help and Financial Empowerment Solutions.

The sum appropriated shall be expended by the department of taxation (TAX107) for the purposes of this section.

SECTION 82. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for Hawaii Construction Career Days.

The sum appropriated shall be expended by the department of transportation (TRN995) for the purposes of this section.

SECTION 83. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020, as a grant pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Institute of Pacific Agriculture.

The sum appropriated shall be expended by the University of Hawaii (UOH100) for the purposes of this section.

PART III. CAPITAL IMPROVEMENT PROJECTS

SECTION 84. CAPITAL IMPROVEMENT PROJECTS AUTHO-RIZED. The sums appropriated or authorized in part II of this Act for capital improvements shall be expended for the projects listed below. Accounting of the appropriations by the department of accounting and general services shall be based on the projects as the projects are listed in this section. Several related or similar projects may be combined into a single project if the combination is advantageous or convenient for implementation; provided that the total cost of the projects thus combined shall not exceed the total of the sum specified for the projects separately. (The amount after each cost element and the total funding for each project listed in this part are in thousands of dollars).

				APPROPRIATIONS (IN 000'S) ¹
	CAPITAL			FISCAL M
ITEM	PROJECT		EXPENDING	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F

A. ECONOMIC DEVELOPMENT

AGR192 - GENERAL ADMINISTRATION FOR AGRICULTURE

1.	HAWAII AGRICULTURAL FOUNDATION, OAHU
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1.	In the interest of		, on mo	
	CONSTRUCTION AND EQUIPM FARMER COOPERATIVE AND EDUCATION CENTER IN KUN PROJECT QUALIFIES AS A GR/ PURSUANT TO CHAPTER 42F, TOTAL FUNDING	STUDENT IA. THIS ANT, HRS.	175 C	С
2.	HAWAII FARM BUREA	U FEDERATION.	OAHU	
	CONSTRUCTION FOR REPAIR RESTORATION OF HAWAII FA FEDERATION OFFICE BUILDI PERIMETER WALL. THIS PROJ QUALIFIES AS A GRANT, PURS CHAPTER 42F, HRS.	AND RM BUREAU NG AND ECT SUANT TO		
	TOTAL FUNDING	AGR	150 C	С
	PLOYMENT - OFFICE OF COMMUNITY SERV	TCES		
1.	442ND LEGACY CENT	ER, OAHU		
	CONSTRUCTION FOR RENOVA AND IMPROVEMENTS TO THR APARTMENT, CLUBHOUSE, AN BUILDING; INCLUDING BUT N TO EXPANSION OF GROUND F FOR EXHIBITION SPACE AND THIS PROJECT QUALIFIES AS A PURSUANT TO CHAPTER 42F, TOTAL FUNDING	EE-STORY ND OFFICE NOT LIMITED FLOOR AREA ARCHIVES. A GRANT, HRS.	300 C	С
2.	AHA HUI E KALA, KA	UAI		
	CONSTRUCTION FOR WELCO THIS PROJECT QUALIFIES AS PURSUANT TO CHAPTER 42F, TOTAL FUNDING	A GRANT, HRS.	250 C	С

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				APPROPRIATIONS	(IN 000'S)
	CAPITAL			FISCAL M	(111 000 3)
ITEM	PROJECT		EXPENDING	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	
3.		AHUPUA'A O MOL	OKA'I, MOLOKA	Ι	
		UCTION FOR REN			
		EMENTS TO EXIST	· · · · · · · · · · · · · · · · · · ·		
		ING BUT NOT LIM EMENTS FOR ADA			
		ERGY EFFICIENCY			
	QUALIFI	ES AS A GRANT, P	URSUANT TO		
	CHAPTE	R 42F, HRS.			_
		TOTAL FUNDIN	IG LBR	100 C	С
4.		ANAINA HOU COM	MUNITY PARK	, KAUAI	
	CONSTR	UCTION FOR ANA	INA HOU		
		OUND. THIS PROJE			
		ANT, PURSUANT T	O CHAPTER 42F,		
	HRS.	TOTAL FUNDIN	IG LBR	50 C	С
5.		DIC ISI AND DESO	LIDCE CONSEDU/	ATION AND DEVELOP	MENT
5.				OR HAWAII ULU PROD	
		COOPERATIVE, HA			CERS
	PLANS I	DESIGN, AND EQU	IPMENT		
	,	ROVEMENTS TO T			
	MARSHA	LLING YARD FAC	CILITY. THIS		
		QUALIFIES AS A	· · · · · · · · · · · · · · · · · · ·		
	PURSUA	NT TO CHAPTER 4	/	150.0	C
		TOTAL FUNDIN	IG LBK	150 C	С
6.		BIG ISLAND SUBS	TANCE ABUSE C	OUNCIL, HAWAII	
		UCTION FOR BEH			
		CAMPUS IN KEAA		Т	
		ES AS A GRANT, P R 42F, HRS.	URSUANT TO		
	CHAILE	TOTAL FUNDIN	IG LBR	100 C	С
7.		BOY SCOUTS OF A	MERICA, ALOHA	A COUNCIL, OAHU	
	CONSTR	UCTION FOR AN E	ENVIRONMENTA	L	
	EDUCAT	ION CENTER AT C	AMP PUPUKEA.		
		DJECT QUALIFIES			
	PURSUA	NT TO CHAPTER 4 TOTAL FUNDIN		500 C	С
0					C
8.		BOYS & GIRLS CLU	, i i i i i i i i i i i i i i i i i i i	·	
		UCTION FOR A NE USE FACILITY IN			
		JECT QUALIFIES			
		NT TO CHAPTER 4			
		TOTAL FUNDIN	IG LBR	850 C	С

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ITEM NO.	CAPITAL PROJECT NO.	TITLE	E	XPENDING GENCY	APPROPRIATIONS (I FISCAL M YEAR O 2019-2020 F	N 000'S)
9.]	BOYS AND GI	RLS CLU	JB OF HAWAII	, OAHU/KAUAI	
	FACILÍT TO OAHU \$300,000 F CLUBHO LIHUE, A THIS PRO	DESIGN, AND Y IMPROVEM J AND KAUAI FOR WAIANAJ USES AND \$2 ND WEST KA DJECT QUALII NT TO CHAPT TOTAL FUI	ENTS AN CLUBH E AND N 00,000 FC UAI CLU FIES AS FER 42F,	OUSES; JANAKULI DR KAPAA, JBHOUSES. A GRANT, HRS.	500 C	С
10.	1	BOYS AND GI	RLS CLU	JB OF THE BIG	G ISLAND, HAWAII	
	IMPROVI DEVELO BUT NOT FOR ADA QUALIFI	EMENTS TO C PMENT FACII CLIMITED TO A COMPLIANO ES AS A GRAI R 42F, HRS.	ENTRA LITIES; I IMPRO CE. THIS NT, PUR	NCLUDING VEMENTS 5 PROJECT SUANT TO	500 C	С
		TOTAL FU				
11.		CATHOLIC CH OAHU	HARITIE	S HOUSING D	DEVELOPMENT CORPO	RATION,
	TO FAMI MAILI LA PROGRA	LY HOUSING AND TRANSI M. THIS PROJ	UNITS (FIONAL ECT QU O CHAP	HOUSING ALIFIES AS A TER 42F, HRS.	S 125 C	С
12.]	DYNAMIC CO	MMUN	ITY SOLUTION	NS, OAHU	
	KITCHÉN HALL AT VILLAGE QUALIFI	DESIGN, AND N, BATHROOM NEW SITE F(E IN WAIANAI ES AS A GRAI R 42F, HRS. TOTAL FUI	IS, AND DR HOU E. THIS F NT, PUR	GATHERING SELESS PROJECT SUANT TO	300 C	С
13.	1	FEEDING HA	WAII TO	GETHER, OAH	IU	
	IMPROVI LIMITED ELECTRI THIS PRO	UCTION FOR EMENTS; INC O TO UPGRAD ICAL, AND SP DJECT QUALII NT TO CHAPI TOTAL FU	LUDINC DING PLU RINKLE FIES AS TER 42F,	B BUT NOT JMBING, ER SYSTEMS. A GRANT, HRS.	75 C	С
14.	1				GARDEN PARK, OAHU	
14.	CONSTRI AND TRA IMPROVI	UCTION FOR AIN ROOF AN EMENTS. THIS ANT, PURSUA	AN OUT D OTHE S PROJE NT TO C	TDOOR STAGE R FACILITY CT QUALIFIES CHAPTER 42F,	3	
		TOTAL FU	NDING	LBR	200 C	С

				APPROPRIATION	(IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	
15.		GARDEN ISLA INC., KAUAI	ND RESOURCE COM	NSERVATION & DEVE	LOPMENT,
	PROJECT CULTUR PROJECT	FOR THE KAL AL PRESERVE QUALIFIES A NT TO CHAPT	IN KOLOA. THIS S A GRANT,	N 100 C	С
16.	(GIRL SCOUTS	OF HAWAI'I, OAHU		
	THE MAI INTO A S THIS PRO	IN LODGE AT TEM CENTER DJECT QUALIF NT TO CHAPT	UCTION TO CONVEJ CAMP PAUMALU FOR EXCELLENCE. TES AS A GRANT, ER 42F, HRS. IDING LBR		С
17.	HABITAT I	FOR HUMANI	TY HAWAII ISLAND,	INC., HAWAII	
	HOUSING IMPROVI	EMENTS. THIS	AFFORDABLE OTHER RELATED PROJECT QUALIFIE NT TO CHAPTER 42F		
	11110	TOTAL FUN	NDING LBR	100 C	С
18.	HALE MAI	HAOLU, MAUI			
	FOR A SH MAHAOI PUKALA	ECOND BUILD LU SENIOR HO .NI. THIS PROJ PURSUANT TO	CONSTRUCTION ING OF THE HALE JUSING CAMPUS IN ECT QUALIFIES AS O CHAPTER 42F, HRS JDING LBR	A	С
19.	HALE MAI	KUA HEALTH	SERVICES, MAUI		
	THE KAH QUALIFI	HULUI CAMPU ES AS A GRAN R 42F, HRS.	OR EXPANSION OF JS. THIS PROJECT IT, PURSUANT TO IDING LBR	200 C	С
20.	HAMAKU	A YOUTH FOU	NDATION, HAWAII		
20.	CONSTRU TO THE I THIS PRO	UCTION FOR H HAMAKUA YO DJECT QUALIF NT TO CHAPT	RENOVATIONS DUTH CENTER. TIES AS A GRANT,	60 C	С
21.	HANA HE	ALTH, MAUI			
	CONSTR REHABII THIS PRO	UCTION OF TH LITATION AND DJECT QUALIF NT TO CHAPT	HE HANA HEALTH D SUPPORT CENTER TIES AS A GRANT, ER 42F, HRS. IDING LBR	 250 C	С

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				APPROPRIATION	S (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	
22.			GUESE CHAMBER OF (L CENTER, HAWAII	COMMERCE CULT	URAL AND
	CULTUR IN HILO.	AL AND EDUC THIS PROJECT PURSUANT TO	A PORTUGUESE CATIONAL FACILITY F QUALIFIES AS A O CHAPTER 42F, HRS. NDING LBR	150 C	C
23.	HAWAII TH	HEATRE CENT	ER, OAHU		
	TO LIGH EFFICIEI FACILITY	NCY AND SAF Y. THIS PROJEC PURSUANT TO	ROVE ENERGY	100 C	С
24.	HAWAII UI	NITED OKINA	WA ASSOCIATION, OAI	HU	
	AND SEC CENTER SECURIT SYSTEM, QUALIFI	CURITY OF TH ; INCLUDING Y LIGHTING, AND NEW CA ES AS A GRAN R 42F, HRS.	REASED SAFETY IE HAWAII OKINAWA BUT NOT LIMITED TO AIR CONDITIONING IRPET. THIS PROJECT IT, PURSUANT TO		
		TOTAL FUN	NDING LBR	150 C	С
25.	HONOLUL	U HABITAT FO	OR HUMANITY, OAHU		
	ELDERLY TO ADDI THIS PRO	Y AND LOW-IN RESS SAFETY (DJECT QUALIF NT TO CHAPT	FIES AS A GRANT,	100 C	С
26.	HONPA HO	ONGWANJI MI	SSION OF HAWAII, OAI	HU	
	CONSTRU THE COM THIS PRO	UCTION FOR F MUNITY CON DJECT QUALIF NT TO CHAPT	RENOVATIONS TO NFERENCE CENTER. TIES AS A GRANT,	400 C	С
27.	HOUSING	AND LAND EI	NTERPRISE OF MAUI,	MAUI	
	HOUSIN PROJECT	G UNITS IN LA QUALIFIES A NT TO CHAPT	S A GRANT,	300 C	С
28.	HUI NOEA	U, MAUI			
	IMPROVI OF THE I WOODW CENTER	BUD SCHAEFE ORKING AND . THIS PROJEC PURSUANT TC	COMPLETION ER, JOHN HOXIE	200 C	С
				-	-

CAPITAL IMPROVEMENT PROJECTS						
				APPROP	RIATIONS	(IN 000'S)
ITEM	CAPITAL PROJECT		EXPENDING	FISCAL YEAR		
NO.	NO.	TITLE	AGENCY	2019-2020	F	
29.	INNOVATI	ONS PUBLIC CHART	TER SCHOOL FO	UNDATIO	N, HAWAII	
	EQUIPMI IN KAILU	DESIGN, CONSTRUC ENT FOR A COMMU JA-KONA. THIS PRO ANT, PURSUANT TO	NITY CENTER JECT QUALIFIES CHAPTER 42F,		-	G
		TOTAL FUNDING	J LBK	2000	<i></i>	С
30.	JAPANESE	CULTURAL CENTE	R OF HAWAII, OA	AHU		
	IMPROVE AND COM THIS PRO	JCTION FOR REPAI EMENTS TO THE AD MMUNITY SERVICE JJECT QUALIFIES AS NT TO CHAPTER 421	MINISTRATION S BUILDINGS. S A GRANT, F, HRS.		-	G
		TOTAL FUNDING	i LBR	1250	2	С
31.	KAALA FA	RM, INC., OAHU				
	WAIANA MITIGAT QUALIFI	UCTION TO IMPLEM E KAI FIRE PREVEN ION PROJECT. THIS ES AS A GRANT, PU R 42F, HRS.	ITION AND PROJECT RSUANT TO		_	
		TOTAL FUNDING	i LBR	2000	2	С
32.	KAI LOA, I	NC., OAHU				
	REPAVE I SCHOOL	DESIGN, AND CONST ROAD TO THE PUBL CAMPUS. THIS PRO ANT, PURSUANT TO	IC CHARTER JECT QUALIFIES	5		
	11100	TOTAL FUNDING	B LBR	500	С	С
33.	KALIHI-PA	LAMA HEALTH CE	NTER (HALE HO	OLA HOU), OAHU	
	INCREAS FOR WON PEDIATR QUALIFI	UCTION FOR NEW F SE CLINICAL SPACE MEN'S HEALTH, AD ICS, AND DENTAL. ES AS A GRANT, PU R 42F, HRS. TOTAL FUNDINC	AND ACCESS ULT HEALTH, THIS PROJECT RSUANT TO	2500	-	С
24					0	C
34.		A 'AINA LEARNING	· · · · · · · · · · · · · · · · · · ·	A11		
	COMMEN HOOKIPA QUALIFI	UCTION FOR COMP RCIAL KITCHEN WI A IN WAIMEA. THIS ES AS A GRANT, PU R 42F, HRS.	THIN HALAU PROJECT RSUANT TO			
		TOTAL FUNDING	6 LBR	1000	C	С

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				APPROPRIATIONS (IN 0	00'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	
35.	KAUAI EC	ONOMIC OPPORTU	JNITY, INCORPO	DRATED, KAUAI	
	CONSTRU FOR A FO COMMU THIS PRO	AND ACQUISITIO UCTION, AND EQU DOD SERVICE KITC NITY ENTERPRISE DJECT QUALIFIES A NT TO CHAPTER 42 TOTAL FUNDIN	IPMENT CHEN AND KITCHEN. AS A GRANT, 2F, HRS.	200 C	С
36.	KAUAI EC	ONOMIC OPPORTU	UNITY, INCORPO	DRATED, KAUAI	
	FOR THE THIS PRO	ENT FOR TWO DEL E MEALS ON WHEE DJECT QUALIFIES A NT TO CHAPTER 42 TOTAL FUNDIN	LS PROGRAM. AS A GRANT, 2F, HRS.	30 C	С
37.	KOKUA KA	ALIHI VALLEY (CO	MPREHENSIVE	FAMILY SERVICES), OAHU	
	FOR LAN AND EDI VALLEY QUALIFI	DESIGN, AND CONS ID-BASED CULTUF UCATIONAL CENT NATURE PRESERV ES AS A GRANT, PU R 42F, HRS. TOTAL FUNDIN	RAL ARTS ER AT KALIHI E. THIS PROJEC JRSUANT TO	T 350 C	С
38.	MAUI ACA	DEMY OF PERFOR	RMING ARTS, M	AUI	
	DESIGN THEATR QUALIFI	AND CONSTRUCTI E IN WAILUK U. TH ES AS A GRANT, PU R 42F, HRS. TOTAL FUNDIN	ION FOR A NEW IS PROJECT JRSUANT TO		С
39.	MOLLIILL	COMMUNITY CEN		1250	C
	CONSTR AND OTH THIS PRO	UCTION FOR SECU HER RELATED IMP DJECT QUALIFIES A NT TO CHAPTER 42 TOTAL FUNDIN	VRED STORAGE PROVEMENTS. AS A GRANT, 2F, HRS.	10 C	С
40.	MONTESS	ORI HALE OʻKEIKI	, INC., MAUI		
	BUILDIN Other F Classro	UCTION FOR MOD (GS; RENOVATIONS RELATED IMPROVE DOMS. THIS PROJEC ANT, PURSUANT T	S AND EMENTS FOR CT QUALIFIES	, ,	
		TOTAL FUNDIN	G LBR	200 C	С

					APPROPRI	ATIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F]
41.	NAPILI BA	Y AND BEACH	FOUN	DATION, INC.,	MAUI	
	CONSTRU ACCESS S NEW STR NAPILI B	AND ACQUISIT UCTION FOR RI STAIRS AND IM RUCTURE FOR I BEACH. THIS PR ANT, PURSUAN TOTAL FUNI	EMOV PROV PUBLI OJEC T TO (AL OF PUBLIC EMENTS FOR C ACCESS TO F QUALIFIES CHAPTER 42F,	75C	C
42.	NATIONAL	L KIDNEY FOU	NDAT	ION OF HAWAI	I, OAHU	
	PROGRA KAPOLE	UCTION FOR DA M AND COMM I. THIS PROJECT PURSUANT TO TOTAL FUNI	UNITY F QUA CHAP	Y CENTER IN LIFIES AS A TER 42F, HRS.	600 C	С
43.	NISEI VET	ERANS MEMOF	RIAL	CENTER, MAUI		
	ENCLOS	UCTION FOR PA URE AND OTHE EMENTS. THIS F ANT, PURSUAN TOTAL FUNI	ER RE PROJE T TO (LATED CT QUALIFIES CHAPTER 42F,	300 C	С
44.	OHANA PA	CIFIC FOUND	TION	, KAUAI		
	RENOVA FIRE SPR FOR KAU THIS PRO	AND CONSTRU TIONS AND IMI UNKLER SYSTE JAI ADULT DAY DJECT QUALIFII NT TO CHAPTE TOTAL FUNI	PROVI M IN HEA ES AS R 42F,	EMENTS FOR STALLATION LTH CENTER. A GRANT, HRS.	500 C	С
45	DACIEIC A					C
45.	DESIGN NEW FAC ENVIRON DEVELO PROGRA POND. TI	MERICAN FOU AND CONSTRU CILITY FOR STE NMENTAL RESE PMENT, AND EI MS AT WAIKAL HIS PROJECT QI PURSUANT TO TOTAL FUNI	CTION CM ED EARCH MPLO UA LO JALIF CHAP	N FOR A DUCATION, H AND YMENT DKO FISH TIES AS A	500 C	С
46.	PALI MOM	II FOUNDATION	J. OAF	IU		
	DESIGN, FOR REN FOR THE TRIAGE MOMI M QUALIFI	CONSTRUCTIO IOVATIONS ANI E EMERGENCY AND WAITING EDICAL CENTE ES AS A GRANT R 42F, HRS.	N, AN D IMP DEPA AREA R. TH	ID EQUIPMENT ROVEMENTS RTMENT . OF PALI IIS PROJECT	·	
		TOTAL FUNI	DING	LBR	250 C	С

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					APPROPRIATIONS	5 (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	
47.	SPECIAL E	DUCATION C	ENTER	OF HAWAII, C	AHU	
	WHEELC THIS PRO	UCTION AND CHAIR ACCESS DIECT QUALIF NT TO CHAPT TOTAL FUN	IBLE G IES AS ER 42F,	ARDEN. A GRANT, HRS.	100 C	C
48.	SPECIAL C	OLYMPICS HAV	VAII, IN	C., OAHU		
	WELLNE QUALIFI	UCTION FOR S SS CENTER. T ES AS A GRAN R 42F, HRS. TOTAL FUN	HIS PRO	DJECT SUANT TO	700 C	С
49.	ST. FRAN	CIS HEALTHCA	ARE FO	UNDATION O	F HAWAII, OAHU	
	PEDESTE THIS PRO	UCTION FOR V RIAN ACCESS I DJECT QUALIF NT TO CHAPTI TOTAL FUN	MPROV IES AS ER 42F,	/EMENTS. A GRANT, HRS.	250 C	C
50.	THE FILIP	INO COMMUN	NITY CE	ENTER, INC., O	DAHU	
	FOR REN FOR FILO QUALIFI	CONSTRUCTI NOVATIONS AN COM CENTER. ES AS A GRAN R 42F, HRS. TOTAL FUN	ND IMP THIS P IT, PUR	ROVÈMENTS ROJECT SUANT TO	T 150 C	С
51.	THE FRIE	NDS OF IOLAN	II PALA	CE, OAHU		
	FOR RÉN FOR PAL QUALIFI	DESIGN, AND C NOVATIONS AN ACE COMPLEZ ES AS A GRAN R 42F, HRS. TOTAL FUN	ND IMP X. THIS IT, PUR	ROVEMENTS PROJECT SUANT TO	350 C	С
52.	THE HAWA	AIIAN MISSION	I CHILI	OREN'S SOCIE	ETY, OAHU	
	EQUIPM IMPROVI HAWAIIA AND ARC	DESIGN, CONS ENT FOR REN EMENTS TO RI AN MISSION HO CHIVES. THIS I ANT, PURSUA! TOTAL FUN	OVATIC ESTORI DUSES PROJEC NT TO C	ONS AND E AND REPAIF HISTORIC SIT T QUALIFIES	Έ	С
53.	THE AUT				1000	C
55.	DESIGN ROADWA THIS PRO	DOOR CIRCLE, AND CONSTRI Y AT ULU LA DJECT QUALIF NT TO CHAPTI TOTAL FUN	UCTION AU NAT IES AS ER 42F,	N OF A PAVED TURE PARK. A GRANT, HRS.	200 C	С
		IUIALFUN	DING	LDK	2000	C

				APPROP	RIATIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL YEAR 2019-2020	0
54.	THE WISD	OM CENTER FOR	R AUTISM, MAUI		
	FOR PUR RENOVA FOR LON SERVICE THIS PRO	CQUISITION AND CHASE OF EXIST TIONS AND IMPR NG-TERM RESIDE NEEDS OF ADUI DJECT QUALIFIES NT TO CHAPTER TOTAL FUNDI	TING HOME ANI OVEMENTS ENTIAL AND TS WITH AUTIS S AS A GRANT, 42F, HRS.)	c c
55.	UNITED C	HINESE SOCIETY	, THE (CHUN WA	A HUI QUON),	OAHU
	FOR COM THIS PRO	UCTION FOR BUI AMUNITY SERVIO DECT QUALIFIES NT TO CHAPTER TOTAL FUNDI	CE FACILITY. 5 AS A GRANT, 42F, HRS.	5	c c
56.	USS MISSO	OURI MEMORIAL	ASSOCIATION,	INC., OAHU	
	RESTORA QUALIFI	UCTION FOR SUF ATION PROJECT. ES AS A GRANT, 1 R 42F, HRS. TOTAL FUNDI	THIS PROJECT PURSUANT TO	250 0	c c
57.	WAI'ANAE	COMMUNITY RI	E-DEVELOPMEN	T CORPORAT	'ION, OAHU
	AND EQU EQUIPMI OF MAO QUALIFI	DESIGN, CONSTRU UIPMENT FOR M. ENT PURCHASE, ORGANIC FARM ES AS A GRANT, 1 R 42F, HRS. TOTAL FUNDI	ASTER PLAN, AND EXPANSIO S. THIS PROJECT PURSUANT TO		с с
50	WALANAE				
58.	CONSTRI DENTAL	DISTRICT COMP INCORPORATED, UCTION FOR EXI CLINIC. THIS PR ANT, PURSUANT TOTAL FUNDI	OAHU PANSION OF OJECT QUALIFII TO CHAPTER 42	ES	
59.	WAIKIKI H	HEALTH, OAHU			
	FOR REN IMPROVI AND DEI LIMITED AND UPO ACCESS.	UCTION AND EQ OVATIONS, UPGI EMENTS FOR MA NTAL CLINIC; IN O TO AC SYSTEM I GRADES AND FR THIS PROJECT QI PURSUANT TO CI TOTAL FUNDI	RADES, AND KAHIKI MEDIC CLUDING BUT N REPLACEMENT ONT-ENTRANCI UALIFIES AS A HAPTER 42F, HR	IOT E	c c

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					APPROPRIATIONS (IN 000'S)
ITEM	CAPITAL PROJECT		E	XPENDING	FISCAL M YEAR O	
<u>NO.</u>	NO.	TITLE	А	GENCY	2019-2020 F	
60.	WAILUKU	UNION CHUR	CH, MA	AUI		
	HOUSIN QUALIFI	ND DESIGN FO G PROJECT. TH ES AS A GRAN R 42F, HRS.	IS PRO T, PUR	JECT SUANT TO	250.5	
		TOTAL FUN			350 C	С
61.	WAIMANA	LO HEALTH C	ENTER	, OAHU		
	PROVISIO SERVICE	ENT TO EXPAN ON OF DENTAI S. THIS PROJEC PURSUANT TO TOTAL FUN	L AND CT QUA CHAP	VISION LLIFIES AS A TER 42F, HRS.	250 C	C
62.	WINNERS	CAMP FOUNE	DATION	I, OAHU		
	AND IMI SERVE CI THIS PRO	UCTION FOR R PROVEMENTS HILDREN WIT DJECT QUALIF NT TO CHAPTF TOTAL FUN	TO FAC H DISA IES AS ER 42F,	EILITIES TO BILITIES. A GRANT, HRS.	50 C	С
63.	YOUNG W	OMEN'S CHRIS	STIAN	ASSOCIATION	OF OAHU, OAHU	
	FOR REN TO ADDI RESTOR AS A GR	CONSTRUCTIO JOVATIONS AN RESS SAFETY I ATION. THIS PI ANT, PURSUAN	ID IMP SSUES ROJECT	ROVEMENTS AND QUALIFIES	Τ	
	HRS.	TOTAL FUN	DING	LBR	401 C	С
E. HE	ALTH					
HTH9()7 - GENERA	L ADMINISTRA	ATION			
1.	BLOOD BA	NK OF HAWAI	I, OAH	U		
	PLANS, I EQUIPM	DESIGN, CONST ENT FOR FDA TY IN KAPOLE	FRUCT BIOSAI	ION, AND FETY LEVEL		

CAPITAL IMPROVEMENT PROJECTS

PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR FDA BIOSAFETY LEVEL 2 FACILITY IN KAPOLEI. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS. TOTAL FUNDING HTH 1,100 C

С

				APPROP	RIATIONS (IN 000'S)
	CAPITAL			FISCAL	М
ITEM	PROJECT		EXPENDING	YEAR	0
NO.	NO.	TITLE	AGENCY	2019-2020	F

CAPITAL IMPROVEMENT PROJECTS

F. SOCIAL SERVICES

DEF112 - SERVICES TO VETERANS

1. PACIFIC FLEET SUBMARINE MEMORIAL ASSOCIATION, INC., OAHU

	CONSTRUCTION FOR RENOVATIONS AND IMPROVEMENTS FOR EDUCATIONAL EXHIBITS FOR USS BOWFIN SUBMARINE MUSEUM AND PARK. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS. TOTAL FUNDING DEF	150 C	С
2.	PEARL HARBOR AVIATION MUSEUM, OAHU		
	PLANS, DESIGN, AND CONSTRUCTION FOR		
	IMPROVEMENTS AND RESTORATION FOR		
	FORD ISLAND CONTROL TOWER COMPLEX.		
	THIS PROJECT QUALIFIES AS A GRANT,		
	PURSUANT TO CHAPTER 42F, HRS.		
	TOTAL FUNDING DEF	150 C	С

H. CULTURE AND RECREATION

LNR804 - FOREST AND OUTDOOR RECREATION

1. MOANALUA GARDENS FOUNDATION, INC., OAHU DESIGN FOR RESTORATION AND REALIGNMENT OF KAMANANUI VALLEY ROAD. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS. TOTAL FUNDING LNR 300 C

С

С

300 C

K. GOVERNMENT-WIDE SUPPORT

AGS221 - PUBLIC WORKS - PLANNING, DESIGN, AND CONSTRUCTION

1. ALEA BRIDGE, OAHU

PLANS, LAND ACQUISITION, AND DESIGN FOR PERMANENT HOUSING AND SUPPORTIVE SERVICES FOR CHRONICALLY HOMELESS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS. TOTAL FUNDING AGS

ACT 39

	CAPITAL	IMPROVEMENT	PROJECTS
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			A	APPROPRIATION	APPROPRIATIONS (IN 000'S)	
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F		
2.	BISHOP M	USEUM, OAHU				
	IMPROVI COLLEC THROUC CAMPUS TO INST SUPPRES PROVIDI AMERIC ACCESSI QUALIFI	AND CONSTRUCT EMENTS FOR LIFE TION SAFETY PRO GHOUT THE BISHO S; INCLUDING BUT ALLING ADEQUAT SSION AND MECH. NG ACCESS COMP AN WITH DISABIL BILITY GUIDELIN ES AS A GRANT, P R 42F, HRS. TOTAL FUNDIN	E AND DJECTS DP MUSEUM NOT LIMITED TE FIRE ANICAL SYSTEMS LIANCE WITH JTIES ACT JURSUANT TO	,	С	
3.	FRIENDS	OF THE LIBRARY	OF HAWAI'I, OAHI	U		
	OF SITE A QUALIFI	CQUISITION FOR H AND FACILITY. TH ES AS A GRANT, P R 42F, HRS. TOTAL FUNDIN	IIS PROJECT URSUANT TO	750 C	С	
4.	MAUI ART	S & CULTURAL CI	ENTER, MAUI			
	IMPLEM AND CU THIS PRO	DESIGN, AND CON ENTATION OF THI LTURAL CENTER' DJECT QUALIFIES NT TO CHAPTER 4 TOTAL FUNDIN	E MAUI ARTS S MASTER PLAN. AS A GRANT, 2F, HRS.	500 C	С	
5.	MAUI YOU	JTH AND FAMILY	SERVICES, INC., M	IAUI		
	AND OTI FOR SUE HOMELE HEALTH UNDER- AND AD DEMOLI THIS PRO	UCTION FOR A NE HER RELATED IM STANCE ABUSE T SS YOUTH SERVIC AND OTHER SUP SERVED YOUTH, F ULTS; PROJECT M. TION OF CURREN DJECT QUALIFIES NT TO CHAPTER 4 TOTAL FUNDIN	PROVEMENTS REATMENT, CES, BEHAVIORAL PORT FOR AMILIES, AY INCLUDE T FACILITY. AS A GRANT, 2F, HRS.	250 C	C	
6.	WAHIAWA	GENERAL HOSPI	TAL, OAHU			
	INCLUD CALL SY RENOVA FOR ACU UNIT. TH	ENT FOR PATIENT ING BUT NOT LIM STEM, PHARMAC TIONS, AND BED I JTE CARE AND IN IIS PROJECT QUAL PURSUANT TO CH TOTAL FUNDIN	ITED TO NURSE Y IV ROOM REPLACEMENT TENSIVE CARE IFIES AS A APTER 42F, HRS.	350 C	C	

PART IV. GENERAL PROVISIONS

SECTION 85. Provided that notwithstanding any law to the contrary, funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D.1),² for program execution and expenditure.

SECTION 86. Provided that notwithstanding any law to the contrary, funds appropriated in this Act may be transferred with the approval of the governor to the General Improvements Act of 2019 (House Bill No. 1259, S.D. 1, C.D.1),³ for program execution and expenditure.

PART V. SPECIAL PROVISIONS

SECTION 87. The governor may supplement funds for any cost element for a capital improvement project authorized under this Act by transferring sums as may be needed from the funds appropriated for any other cost element of the same project by this Act or any other prior or future act that has not lapsed; provided that the total expenditure of funds for all cost elements shall not exceed the total appropriations for that project; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 88. Any provision of this Act to the contrary notwithstanding, the appropriations made for capital improvement projects authorized under this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all appropriations made to be expended in fiscal biennium 2019-2021 that are unencumbered as of June 30, 2022, shall lapse as of that date; provided further that this lapsing date shall not apply to non-general fund appropriations for projects described in part III of this Act where the appropriations have been deemed necessary to qualify for federal aid financing and reimbursement; provided further that those appropriations that are unencumbered as of June 30, 2026, shall lapse as of that date.

SECTION 89. In releasing funds for capital improvement projects, the governor shall consider legislative intent and the objectives of the user agency and its programs; the scope and level of the user agency's intended service; and the means, efficiency, and economics by which the project will meet the objectives of the user agency and the State; provided that agencies responsible for construction shall take into consideration legislative intent, the objectives of the user agency's intended service and the scope and level of the user agency's intended service and construct the improvement to meet the objectives of the user agency in the most efficient and economical manner possible.

SECTION 90. With the approval of the governor, designated expending agencies for capital improvement projects authorized in this Act may delegate to other state or county agencies the implementation of projects when it is determined advantageous to do so by both the original expending agency and the agency to which expending authority is to be delegated; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021. SECTION 91. No appropriation authorized in this Act for expenditure by a political subdivision of the State shall be considered to be a mandate to undertake new programs or to increase the level of services under existing programs of that political subdivision. If any appropriation authorized in this Act constitutes such a mandate within the provisions of section 5 of article VIII of the Hawaii State Constitution, the authorization shall be void and, in the case of capital improvement appropriations designated to be financed from the general obligation bond fund, the total general obligation bonds authorized for those projects shall be correspondingly decreased.

SECTION 92. Whenever the expending agency to which an appropriation is made is changed due to legislation enacted during any session of the legislature that affects the appropriations made by this Act, the governor shall transfer the necessary funds and positions to the proper expending agency as provided by law.

SECTION 93. If the State should assume the direct operation of any non-governmental agency receiving state funds under the provisions of this Act, all related state funds shall constitute a credit to the State against the costs of acquiring all or any portion of the property, real, personal, or mixed, of the non-governmental agency. This credit shall be applicable regardless of when the acquisition takes place.

SECTION 94. Where an agency is authorized to secure funds or other property from private organizations or individuals to be expended or utilized in connection with any authorized program, the agency, with the governor's approval, may enter into the undertaking; provided that the provisions of the undertaking comply with applicable state constitutional and statutory requirements; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 95. Except as otherwise provided by general law, negotiations for the purchase of land by state agencies shall be subject to the approval of the governor and the department of land and natural resources or other appropriate agency; provided that private lands may be acquired for the purpose of exchange for federal lands when the department of land and natural resources and the governor determine that the acquisition and exchange are necessary for the completion of any project specifically authorized by this Act.

SECTION 96. With the approval of the governor, expending agencies that use appropriations authorized in part II of this Act for planning, land acquisition, design, construction, and equipment for repair and alterations may delegate that responsibility and transfer funds to public works – planning, design, and construction (AGS221) for the implementation of the repair and alterations when it is determined by the agencies that it is advantageous to do so; provided that the governor shall submit to the legislature a summary report of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

PART VI. MISCELLANEOUS AND EFFECTIVE DATE

SECTION 97. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of that appropriation to the extent possible.

SECTION 98. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor is hereby authorized to correct the errors.

SECTION 99. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

Notes

So in original.
 Act 5.
 Act 40.

ACT 40

H.B. NO. 1259

A Bill for an Act Relating to Capital Improvement Projects.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. GENERAL PROVISIONS

SECTION 1. SHORT TITLE. This Act shall be known and may be cited as the General Improvements Act of 2019.

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in this Act:

"Expending agency" means the executive department, independent commission, bureau, office, board, or other establishment of the state government (other than the legislature, office of Hawaiian affairs, and judiciary), the political subdivisions of the State, or any quasi-public institution supported in whole or in part by state funds, which is authorized to expend specified appropriations made by this Act.

Abbreviations, where used to denote the expending agency, shall mean the following:

AGR	Department of agriculture
AGS	Department of accounting and general services
ATG	Department of the attorney general
BED	Department of business, economic development, and
	tourism
BUF	Department of budget and finance
CCA	Department of commerce and consumer affairs
DEF	Department of defense
EDN	Department of education
~ ~ ~ ~	

GOV Office of the governor

- HHL Department of Hawaiian home lands
- HMS Department of human services
- HRD Department of human resources development
- HTH Department of health
- LBR Department of labor and industrial relations
- LNR Department of land and natural resources
- LTG Office of the lieutenant governor
- PSD Department of public safety
- SUB Subsidies
- TAX Department of taxation
- TRN Department of transportation
- UOH University of Hawaii
- CCH City and county of Honolulu
- COH County of Hawaii
- COK County of Kauai
- COM County of Maui

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. The letter symbols, where used, shall have the following meanings:

- A General funds
- B Special funds
- C General obligation bond fund
- D General obligation bond fund with debt service cost to be
- paid from special funds
- E Revenue bond funds
- J Federal aid interstate funds
- K Federal aid primary funds
- L Federal aid secondary funds
- M Federal aid urban funds
- N Federal funds
- P Other federal funds
- R Private contributions
- S County funds
- T Trust funds
- U Interdepartmental transfers
- W Revolving funds
- X Other funds

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

PART II. PROGRAM APPROPRIATIONS

SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this Act or as provided by general law.

				APPROPR	IATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
A EC		EVELODMENT			
A. EU	UNUMIC L	DEVELOPMENT			
1.		RABIES QUARANT MENT CAPITAL	INE AGS	200,000 C	С
2.		ANIMAL DISEASE MENT CAPITAL	CONTROL AGS	500,000 C	С
3.		FORESTRY - RESOU MENT CAPITAL	JRCE MANAGEM LNR	ENT AND DEVEL 250,000 C	OPMENT 350,000 C
4.		AGRICULTURAL R MENT CAPITAL	ESOURCE MANA AGR	GEMENT 7,800,000 C	9,300,000 C
5.		AGRIBUSINESS DE MENT CAPITAL	VELOPMENT AN AGR	D RESEARCH 15,900,000 C	С
6.		GENERAL ADMIN MENT CAPITAL	ISTRATION FOR A	AGRICULTURE 4,400,000 C	С
7.		FISHERIES MANAC MENT CAPITAL	GEMENT LNR	550,000 C	С
8.		HAWAII TECHNOLO MENT CAPITAL	DGY DEVELOPMI BED	ENT CORPORATIO 15,225,000 C	DN C
9.		WATER AND LANE MENT CAPITAL	DEVELOPMENT LNR	5,800,000 C	3,000,000 C
10.		HAWAII HOUSING MENT CAPITAL	FINANCE AND D BED	EVELOPMENT CC 42,000,000 C	0RPORATION 25,000,000 C
B. EM	PLOYMEN	Т			
1.		VOCATIONAL REH MENT CAPITAL	ABILITATION AGS	811,000 C	С
C. TR	ANSPORTA	TION FACILITIES			
1.		DANIEL K. INOUYI MENT CAPITAL	E INTERNATIONA TRN TRN	AL AIRPORT 184,400,000 E 70,000,000 X	70,900,000 E X
2.		GENERAL AVIATIC MENT CAPITAL	DN TRN TRN	8,450,000 E 5,001,000 N	E N
3.		HILO INTERNATIO MENT CAPITAL	NAL AIRPORT TRN	800,000 E	23,000,000 E
4.		ELLISON ONIZUKA	A KONA INTERNA	ATIONAL AIRPOR	T AT
	KEAHOL INVEST	E MENT CAPITAL	TRN	15,721,000 E	Е
5.		KAHULUI AIRPOR' MENT CAPITAL	Г TRN	38,000,000 E	E

				APPROPRIATIONS		
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
6.		HANA AIRPORT MENT CAPITAL	TRN	400,000 E	2,000,000 E	
7.		MOLOKAI AIRPOR MENT CAPITAL	T TRN	3,500,000 E	E	
8.		LANAI AIRPORT MENT CAPITAL	TRN	400,000 E	2,000,000 E	
9.		LIHUE AIRPORT MENT CAPITAL	TRN	12,000,000 E	11,000,000 E	
10	TD N1105			····	,,	
10.		AIRPORTS ADMINI MENT CAPITAL	TRN	4,250,000 B	4,250,000 B	
	11471011	MENI CAITIAL	TRN	198,300,000 E	283,000,000 E	
			TRN	3,000 N	2,000 N	
			TRN	10,750,000 X	150,000 X	
11.	TRN301 -	HONOLULU HARB	OR			
	INVEST	MENT CAPITAL	TRN	4,000 B	4,000 B	
			TRN	81,038,000 E	26,488,000 E	
			TRN	4,000 N	4,000 N	
			TRN	4,000 R	4,000 R	
12.		KALAELOA BARBE				
	INVEST	MENT CAPITAL	TRN	4,000 B	4,000 B	
			TRN	39,988,000 E	63,988,000 E	
			TRN TRN	4,000 N 4,000 R	4,000 N 4,000 R	
13.	TR N311 -	HILO HARBOR		,		
15.		MENT CAPITAL	TRN	4,000 B	4,000 B	
	1147 251		TRN	4,988,000 E	48,938,000 E	
			TRN	4,000 E	4,000 N	
			TRN	4,000 R	4,000 R	
14.	TRN313 -	KAWAIHAE HARBO	DR			
	INVEST	MENT CAPITAL	TRN	4,000 B	4,000 B	
			TRN	1,988,000 E	6,988,000 E	
			TRN	4,000 N	4,000 N	
			TRN	4,000 R	4,000 R	
15.		KAHULUI HARBOR				
	INVEST	MENT CAPITAL	TRN	4,000 B	4,000 B	
			TRN	41,988,000 E	14,488,000 E	
			TRN	4,000 N	4,000 N	
			TRN	4,000 R	4,000 R	
16.		NAWILIWILI HARB MENT CAPITAL	OR TRN	4,000 B	4,000 B	
	INVEST	MLNI CAFIIAL	TRN	4,000 B 11,988,000 E	2,988,000 E	
			TRN	4,000 N	2,988,000 E 4,000 N	
			TRN	4,000 R	4,000 R	
17.	TRN363 -	PORT ALLEN HARI	BOR			
		MENT CAPITAL	TRN	В	4,000 B	
			TRN	E	3,988,000 E	
			TRN	Ν	4,000 N	
			TRN	R	4,000 R	

				APPROPR	RIATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
18.		HARBORS ADMINI MENT CAPITAL	STRATION TRN TRN TRN	4,000 B 16,992,000 E 4,000 R	4,000 B 16,992,000 E 4,000 R
19.		OAHU HIGHWAYS MENT CAPITAL	TRN TRN TRN	5,799,000 C 153,950,000 E 44,600,000 N	C 12,100,000 E 14,400,000 N
20.		HAWAII HIGHWAYS MENT CAPITAL	TRN TRN	700,000 E 2,000,000 N	400,000 E 1,600,000 N
21.		MAUI HIGHWAYS MENT CAPITAL	TRN TRN	118,550,000 E 7,400,000 N	1,350,000 E 400,000 N
22.		KAUAI HIGHWAYS MENT CAPITAL	TRN TRN	4,100,000 E N	4,500,000 E 1,600,000 N
23.		HIGHWAYS ADMIN MENT CAPITAL	ISTRATION TRN TRN TRN TRN	2,000,000 B 20,800,000 E 42,801,000 N	2,000,000 B 10,250,000 E 36,602,000 N
D. ENV	VIRONME	NTAL PROTECTION			
1.		ENVIRONMENTAL MENT CAPITAL	MANAGEMENT HTH HTH	4,708,000 C 23,538,000 N	4,708,000 C 23,538,000 N
2.		NATIVE RESOURCE MENT CAPITAL	ES AND FIRE PRO LNR	DTECTION PROGR 2,100,000 C	2,605,000 C
3.		NATURAL AREA R MENT CAPITAL	ESERVES AND W LNR	ATERSHED MANA 6,980,000 C	AGEMENT 6,287,000 C
4.		LNR - NATURAL AN MENT CAPITAL	ND PHYSICAL EN LNR	NVIRONMENT 1,000,000 C	С
E. HE	ALTH				
1.		KAHUKU HOSPITA MENT CAPITAL	.L AGS	1,500,000 C	С
2.		HAWAII HEALTH SY MENT CAPITAL	YSTEMS CORPOR HTH	RATION - REGION 23,999,000 C	S 21,499,000 C
3.		MAUI HEALTH SYS MENT CAPITAL	TEM, A KFH LLC HTH	C 6,000,000 C	6,000,000 C
4.		ADULT MENTAL H MENT CAPITAL	EALTH - INPATIE AGS	ENT 8,445,000 C	8,997,000 C
5.		STATE LABORATOR MENT CAPITAL	RY SERVICES AGS	4,422,000 C	6,227,000 C
6.		GENERAL ADMINI MENT CAPITAL	STRATION AGS	3,592,000 C	14,414,000 C

				APPROPE	RIATIONS
ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
F. SO	CIAL SERVI	ICES			
1.		HAWAII YOUTH CO MENT CAPITAL	DRRECTIONAL F. AGS	ACILITY (HYCF) 2,525,000 C	С
2.		SERVICES TO VETE MENT CAPITAL	RANS DEF DEF	1,000,000 C 4,546,000 P	C P
3.		RENTAL HOUSINC MENT CAPITAL	S SERVICES HMS	20,000,000 C	С
4.		PLANNING AND D ⁄IENT CAPITAL	EVELOPMENT F HHL	OR HAWAIIAN HO 26,000,000 C	OMESTEADS C
G. FOI	RMAL EDU	CATION			
1.		SCHOOL-BASED BU MENT CAPITAL	JDGETING EDN EDN	475,358,000 C 74,000,000 P	203,150,000 C P
2.		SCHOOL SUPPORT MENT CAPITAL	EDN	10,000,000 C	С
3.		CHARTER SCHOOI MENT CAPITAL	LS EDN EDN	13,900,000 C 3,000,000 R	6,250,000 C R
4.		PUBLIC LIBRARIE MENT CAPITAL	S AGS	15,369,000 C	С
5.		UNIVERSITY OF H ⁄IENT CAPITAL	AWAII, MANOA UOH UOH	41,500,000 C 38,000,000 E	6,000,000 C E
6.		UNIVERSITY OF H MENT CAPITAL	AWAII, HILO UOH	8,321,000 C	8,000,000 C
7.		UNIVERSITY OF H MENT CAPITAL	AWAII, COMMUN UOH UOH	NITY COLLEGES 50,650,000 C 4,000,000 D	24,500,000 C D
8.		UNIVERSITY OF H ⁄IENT CAPITAL	AWAII, SYSTEMV UOH UOH	VIDE SUPPORT 89,250,000 C 4,800,000 E	50,000,000 C 4,800,000 E
H. CUI	LTURE ANI	O RECREATION			
1.		STATE FOUNDATIC MENT CAPITAL	ON ON CULTURE AGS	AND THE ARTS 300,000 B	2,300,000 B
2.		HISTORIC PRESER MENT CAPITAL	VATION LNR	250,000 C	С
3.		FOREST AND OUT MENT CAPITAL	DOOR RECREAT	ION 450,000 C	500,000 C

			APPROPR	IATIONS
ITEM NO.	PROG. ID PROGRAM	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
4.	LNR806 - PARKS ADMINIS INVESTMENT CAPITAL	TRATION AND OPE LNR LNR	RATION 4,550,000 C 500,000 N	3,950,000 C 500,000 N
5.	LNR801 - OCEAN-BASED R INVESTMENT CAPITAL	ECREATION LNR	1,150,000 C	3,500,000 C
I. PU	BLIC SAFETY			
1.	PSD900 - GENERAL ADMIN INVESTMENT CAPITAL	NISTRATION AGS PSD	23,000,000 C 3,000,000 C	C 3,000,000 C
2.	DEF110 - AMELIORATION INVESTMENT CAPITAL	OF PHYSICAL DISA AGS DEF AGS DEF	STERS 3,478,000 C 100,000 C P 300,000 P	6,463,000 C 425,000 C 7,456,000 P 1,275,000 P
J. INI	DIVIDUAL RIGHTS			
K. GO	VERNMENT-WIDE SUPPORT	Г		
1.	AGS130 - ENTERPRISE TEC NOVATION	CHNOLOGY SERVIC	ES - GOVERNANC	CE AND IN-
	INVESTMENT CAPITAL	AGS	1,800,000 C	С
2.	AGS131 - ENTERPRISE TEC STRUCTURE MAINTENAN		ES - OPERATIONS	S AND INFRA-
	INVESTMENT CAPITAL	AGS	5,015,000 C	С
3.	AGS111 - ARCHIVES - RECO INVESTMENT CAPITAL	ORDS MANAGEMEN AGS	NT 1,150,000 C	С
4.	LNR101 - PUBLIC LANDS M INVESTMENT CAPITAL	IANAGEMENT LNR LNR LNR LNR LNR	1,100,000 B 1,250,000 C 1,250,000 R T	1,500,000 B 1,850,000 C 3,000,000 R 4,000,000 T
5.	AGS221 - PUBLIC WORKS - INVESTMENT CAPITAL	PLANNING, DESIG AGS	N, AND CONSTRU 30,189,000 C	UCTION C
6.	AGS233 - CENTRAL SERVIC INVESTMENT CAPITAL	CES - BUILDING RE AGS	PAIRS AND ALTE 300,000 C	RATIONS 2,000,000 C
7.	SUB201 - CITY AND COUN INVESTMENT CAPITAL	TY OF HONOLULU CCH	9,000,000 C	С
8.	SUB301 - COUNTY OF HAW INVESTMENT CAPITAL	AII COH COH	12,700,000 C 2,540,000 S	1,300,000 C 260,000 S
9.	SUB401 - COUNTY OF MAU INVESTMENT CAPITAL	UI COM COM	1,075,000 C 270,000 S	C S
10.	SUB501 - COUNTY OF KAU INVESTMENT CAPITAL	AI COK COK	4,500,000 C 900,000 S	10,000,000 C 1,900,000 S

PART III. CAPITAL IMPROVEMENT PROJECTS

SECTION 4. CAPITAL IMPROVEMENT PROJECTS AUTHO-RIZED. The sums appropriated or authorized in part II of this Act for capital improvements shall be expended for the projects listed below. Accounting of the appropriations by the department of accounting and general services shall be based on the projects as the projects are listed in this section. Several related or similar projects may be combined into a single project if the combination is advantageous or convenient for implementation; provided that the total cost of the projects thus combined shall not exceed the total of the sum specified for the projects separately. (The amount after each cost element and the total funding for each project listed in this part are in thousands of dollars).

CAPITAL IMPROVEMENT PROJECTS

				APPROPRIATIONS (IN 000'S)		
	CAPITAL			FISCAL M	FISCAL M	
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F	

A. ECONOMIC DEVELOPMENT

AGR131 - RABIES QUARANTINE

RENOVATION OF KENNELS AT THE A STATION, OAHU	NIMAL QUARAN	TINE
CONSTRUCTION TO RENOVATE KENNELS AT THE ANIMAL QUARANTINE STATION. TOTAL FUNDING AGS	200 C	С
- ANIMAL DISEASE CONTROL		
AIRPORT ANIMAL QUARANTINE HOL IMPROVEMENTS, OAHU	DING FACILITY	
DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE AIRPORT ANIMAL QUARANTINE FACILITY. TOTAL FUNDING AGS	500 C	С
- FORESTRY - RESOURCE MANAGEMENT AND D	EVELOPMENT	
DIVISION OF FORESTRY AND WILDLI MITIGATION, STATEWIDE	FE HAZARDOUS	STREE
CONSTRUCTION FOR HAZARDOUS TREE MITIGATION IN FOREST RESERVES, GAME MANAGEMENT AREAS, NATURAL AREA RESERVES, AND WILDLIFE SANCTUARIES. TOTAL FUNDING LNR	200 C	200 C
PUU WAAWAA FOREST RESERVE, HAW	/AII	
PLANS, DESIGN, AND CONSTRUCTION FOR REMOVAL OF STRUCTURES AND		
	STATION, OAHU CONSTRUCTION TO RENOVATE KENNELS AT THE ANIMAL QUARANTINE STATION. TOTAL FUNDING AGS - ANIMAL DISEASE CONTROL AIRPORT ANIMAL QUARANTINE HOL IMPROVEMENTS, OAHU DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE AIRPORT ANIMAL QUARANTINE FACILITY. TOTAL FUNDING AGS - FORESTRY - RESOURCE MANAGEMENT AND D DIVISION OF FORESTRY AND WILDLI MITIGATION, STATEWIDE CONSTRUCTION FOR HAZARDOUS TREE MITIGATION IN FOREST RESERVES, GAME MANAGEMENT AREAS, NATURAL AREA RESERVES, AND WILDLIFE SANCTUARIES. TOTAL FUNDING LNR PUU WAAWAA FOREST RESERVE, HAW PLANS, DESIGN, AND CONSTRUCTION	CONSTRUCTION TO RENOVATE KENNELS AT THE ANIMAL QUARANTINE STATION. TOTAL FUNDING AGS 200 C - ANIMAL DISEASE CONTROL AIRPORT ANIMAL QUARANTINE HOLDING FACILITY IMPROVEMENTS, OAHU DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE AIRPORT ANIMAL QUARANTINE FACILITY. TOTAL FUNDING AGS 500 C - FORESTRY - RESOURCE MANAGEMENT AND DEVELOPMENT DIVISION OF FORESTRY AND WILDLIFE HAZARDOUS MITIGATION, STATEWIDE CONSTRUCTION FOR HAZARDOUS TREE MITIGATION IN FOREST RESERVES, GAME MANAGEMENT AREAS, NATURAL AREA RESERVES, AND WILDLIFE SANCTUARIES. TOTAL FUNDING LNR 200 C PUU WAAWAA FOREST RESERVE, HAWAII PLANS, DESIGN, AND CONSTRUCTION

				APPROPRIATIO	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
AGR14	1 - AGRICUI	LTURAL RESOURC	E MANAGEMEN	Т	
5.		MOLOKAI IRRIGA	TION SYSTEM I	MPROVEMENTS, MO	OLOKAI
	EQUIPM	DESIGN, CONSTRU ENT FOR IMPROVE AI IRRIGATION SYS TOTAL FUNDIN	EMENTS TO THE STEM.	E	9,300 C
6.		KAHUKU AGRICU IMPROVEMENTS, (MISCELLANEOUS	
	EQUIPM	DESIGN, CONSTRU ENT FOR IMPROVE U AGRICULTURAL TOTAL FUNDIN	EMENTS TO THE PARK.	E 1,700 C	С
7.		KALAELOA HARVI	ESTING FACILIT	ΓY, OAHU	
	EQUIPM UPGRAL TO THE 1 AGRICU HARVES BUT NOT PROPER ST AND 9 91031001; IMPROV AND/OR THE HD0	DESIGN, CONSTRU ENT FOR INFRAST DES AND CAPITAL HAWAII DEPARTMI LTURE (HDOA) KA TING FACILITY, IN T LIMITED TO ADJ TIES LOCATED AT OI319 OLAI ST: TMI AND OTHER REL EMENTS AND/OR (DESIGN AS DETER DA AGRICULTURA EMENT DIVISION. TOTAL FUNDIN	RUCTURE IMPROVEMENT ENT OF LAELOA CLUDING ACENT HDOA 91265 OLAI K 91031025, ATED CONSTRUCTION RMINED BY L RESOURCE		С
8.		KAUAI IRRIGATIO	N SYSTEMS, KA	UAI	
	CONSTR IMPROV	AND ACQUISITIO UCTION, AND EQU EMENTS TO INCRE CAPACITY. TOTAL FUNDIN	UPMENT FOR EASE IRRIGATION	DN 2,000 C	С
9.				M IMPROVEMENTS	
2.	DESIGN, FOR IMF	CONSTRUCTION, A PROVEMENTS TO T TON SYSTEM.	AND EQUIPME	NT	, of life
		TOTAL FUNDIN	G AGR	2,500 C	С
AGR16	1 - AGRIBUS	SINESS DEVELOPM	IENT AND RESE	ARCH	
10.		AGRICULTURAL L	·		
	AND EO	LAND ACQUISITIO UIPMENT FOR ACC PMENT OF LANDS POR11.	DUISITION AND) K	
		TOTAL FUNDIN	G AGR	15,000 C	С

					APPROPRIATIO	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
11.		CHRISTIAN CF	ROSSIN	G BRIDGE, KA	ALEPA, KAUAI	
	EQUIPM	DESIGN, CONS' ENT TO REPAI DGE AND SUP URES. TOTAL FUN	R AND Portin	STRENGTHE	N 900 C	С
AGR19	2 - GENERA	L ADMINISTRA	ATION	FOR AGRICUL	TURE	
12.		MISCELLANE(REQUIREMEN			Y, CODE, AND OTI	HER
	FOR IMP HEALTH	AND CONSTRU ROVEMENTS 7 , SAFETY, COD EMENTS, STAT TOTAL FUN	FO ADE DE, ANE DEWIDE	ORESS OTHER	3,300 C	С
13.		HONALO MAR	SHALL	ING YARD, H	AWAII	
	EQUIPM RENOVA CONSTR IMPROVI FOR THE GROUNI	DESIGN, CONS' ENT FOR IMPE TIONS, REFUR UCTION, INFR EMENTS, AND E HONALO MA D AND SITE IM ENT AND APPE TOTAL FUN	ROVEM BISHM ASTRU RELAT RSHAL PROVE URTEN	ENTS, ENTS, NEW CTURE ED WORK LING YARD; MENTS; ANCES.	1,100 C	С
LNR15	3 - FISHERI	ES MANAGEMI	ENT			
14.		ANUENUE FIS	HERIE	S RESEARCH	CENTER SEWER L	INE, OAHU
	CONNEC TO THE I INCLUD	UCTION OF A 1 TING TWO EX EXISTING CITY ING A STUB-OI OM/SHOWER B TOTAL FUN	ISTINC Y SEWE UT FOR UILDIN	RESTROOMS R, FUTURE NG.	550 C	C
BED14	3 - HAWAII T	TECHNOLOGY	DEVEI	OPMENT CO	RPORATION	
15.		MILILANI TEC	H PAR	K LOT #17, OA	HU	
	PARK LO ARTS AN ANCILLA	CQUISITION OF T #17 FOR USE ID THEATRE C ARY SUPPORT DERS TECH PA TOTAL FUN	E AS A (ENTER TO THE RK.	COMMUNITY ., AND	15,225 C	С

CAPITAL IMPROVEMENT PROJECTS

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						ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
I ND14	1 XXATED A			IENT		
		AND LAND DEV				
16.					ON, STATEWIDE	
	ROCKFA VARIOUS LEGISLA THAT TH PUBLIC	DESIGN, AND C LL AND FLOO S LOCATIONS, TURE FINDS / IE APPROPRIA INTEREST ANI , SAFETY AND STATE. TOTAL FUN	D MITI STATEV AND DE TION IS D FOR 7 GENEI	GATION AT VIDE. THE ECLARES S IN THE FHE PUBLIC'S RAL WELFARE	E 3,000 C	3,000 C
17.		KUNIA WELLS	S, OAHU	J		
	EQUIPM WELL IN IMPROVI INFRAST IMPROVI AND DE	DESIGN, CONS' ENT FOR AN E I KUNIA; GROU EMENTS; NEW IRUCTURE DE EMENTS, REFU VELOPMENT; I ENANCES.	XPLOR JND AN CONST VELOP JRBISH	ATORY ND SITE TRUCTION, MENT, MENTS,		
		TOTAL FUN	DING	LNR	1,000 C	С
18.		ALA WAI CAN	AL WAL	L IMPROVEM	ENTS, OAHU	
	STABILIZ WAI CAN	AND CONSTRU ZE AND IMPRO JAL WALL TO I LK AND ROAD TOTAL FUN	OVE POP PROTEC WAY.	RTION OF ALA CT ADJACENT	1,800 C	С
BED16	0 - HAWAII I	HOUSING FINA	NCE AI	ND DEVELOPN	IENT CORPORA	ΓΙΟΝ
19.		DWELLING UN	NIT REV	VOLVING FUN	D INFUSION, STA	ATEWIDE
	OF FUNI	UCTION TO PR DS TO FINANC DABLE HOUSIN TOTAL FUN	E ADDI IG, STA	TIONAL FEWIDE.	42,000 C	25,000 C
B. EM	PLOYMENT	[
HMS80	02 - VOCATI	ONAL REHABI	LITATIO	ON		
1.		HOOPONO FLO		NE REMEDIA	TION. OAHU	
·	DESIGN BASEME WITHSTA FLOODI	AND CONSTRI NT WALLS WIT AND FORCES I NG, ELEVATE V DTECT THE EQ LDING.	UCTION TH A ST DUE TO VALL O UIPME	I TO REPLACE RUCTURE TO POTENTIAL PENINGS, NT AROUND		
		TOTAL FUN	IDING	AGS	811 C	С

				APPROPRIATIONS (IN 000'S		
	CAPITAL			FISCAL	Μ	FISCAL M
ITEM	PROJECT		EXPENDING	YEAR	0	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020	F	2020-2021 F

CAPITAL IMPROVEMENT PROJECTS

C. TRANSPORTATION FACILITIES

TRN102 - DANIEL K. INOUYE INTERNATIONAL AIRPORT

1.	DANIEL K. INOUYE I TERMINAL TRANSPO		,	
	CONSTRUCTION FOR IMPROV TRANSPORTATION BETWEEN AND OTHER RELATED IMPRO THE AIRPORT	TERMINALS DVEMENTS AT	10 000 5	
	TOTAL FUNDING	TRN	10,000 E	Е
2.	DANIEL K. INOUYE II CONCOURSE IMPROV		,	AUKA
	CONSTRUCTION FOR NEW CO FACILITIES, NEW MAUKA CO AIRCRAFT APRON, TAXIWAYS BLAST FENCE NEAR THE INT TERMINAL, AND OTHER REL IMPROVEMENTS FOR THE AII MODERNIZATION PROGRAM FUNDS FROM PASSENGER FA CHARGES).	NCOURSE, S AND ERISLAND ATED RPORT . (OTHER CILITY	100.000 5	
	TOTAL FUNDING	TRN TRN	100,000 E 70,000 X	E X
3.	DANIEL K. INOUYE I IMPROVEMENTS, OAI		L AIRPORT, SYSTEM	4S
	DESIGN AND CONSTRUCTION IMPROVEMENTS TO VARIOUS AT THE AIRPORT. IMPROVEM INCLUDE AIR CONDITIONING HANDLING, UTILITY, ENERG SECURITY, COMMUNICATION SAFETY, SIGNAGE, STORM WA OTHER RELATED IMPROVEM	SYSTEMS ENTS MAY G, BAGGAGE Y CONTROLS, NS, LIFE ATER, AND		
	TOTAL FUNDING		27,500 E	12,000 E
4.	DANIEL K. INOUYE I MODIFICATIONS, OA		L AIRPORT, TERMIN	NAL
	DESIGN AND CONSTRUCTION IMPROVEMENTS TO INCREAS EFFICIENCY, CAPACITY OR SA	E AFETY OF		
	THE TERMINALS AND OTHER IMPROVEMENTS.	RELATED		

5.

7.

				APPROPRIATIONS (IN 000'S)		
	CAPITAL			FISCAL M	FISCAL M	
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F	

CAPITAL IMPROVEMENT PROJECTS

TRN104 - GENERAL AVIATION

KALAELOA AIRPORT, FACILITY IMPROVEMENTS, OAHU

DESIGN AND CONSTRUCTION FOR FACILITY IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.		
TOTAL FUNDING TRN	8,450 E	E
TRN	5,001 N	N

TRN111 - HILO INTERNATIONAL AIRPORT

6.	HILO INTERNATIONAL AIRPORT, T HAWAII	ERMINAL IMPROV	EMENTS,
	DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE TERMINAL AND OTHER RELATED IMPROVEMENTS. TOTAL FUNDING TRN	800 E	23,000 E

TRN114 - ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE

ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE, TERMINAL IMPROVEMENTS, HAWAII
CONSTRUCTION OF TERMINAL IMPROVEMENTS AND OTHER RELATED
IMPROVEMENTS AND OTHER RELATED

INTROVENIEN IS.			
TOTAL FUNDING	TRN	15,721 E	Е

TRN131 - KAHULUI AIRPORT

8.	KAHULUI AIRPORT, 1	FERMINAL IMPR	OVEMENTS, MAUI	
	CONSTRUCTION OF IMPROVE THE TERMINAL AND OTHER IMPROVEMENTS. TOTAL FUNDING	RELATED	10,000 E	Е
9.	KAHULUI AIRPORT, F	FACILITY IMPRO	VEMENTS, MAUI	
	CONSTRUCTION FOR FACILIT IMPROVEMENTS AT THE AIRI TOTAL FUNDING	PORT.	28,000 E	E
TRN133	- HANA AIRPORT			
10.	HANA AIRPORT, FACI	LITY IMPROVEM	IENTS, MAUI	
	DESIGN AND CONSTRUCTION IMPROVEMENTS TO VARIOUS			

400 E

2,000 E

AND OTHER RELATED IMPROVEMENTS. TOTAL FUNDING TRN

				APPROPRIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
TRN14	1 - MOLOKA	AI AIRPORT			
11.		MOLOKAI AIRP	ORT, FACILITY IMP	PROVEMENTS, MO	DLOKAI
	FACILIT	FOR IMPROVEM IES AND OTHER EMENTS. TOTAL FUND		3,500 E	Е
TRN15	1 - LANAI A	IRPORT			
12.		LANAI AIRPORT	, FACILITY IMPRO	VEMENTS, LANA	I
	IMPROV		LIOUS FACILITIES MPROVEMENTS.	400 E	2,000 E
TRN16	1 - LIHUE A	IRPORT			
13.		LIHUE AIRPORT	, FACILITY IMPROV	VEMENTS, KAUA	I
	VARIOUS		PROVEMENTS OF D OTHER RELATE	D 10,000 E	Е
14.			, TERMINAL IMPRO	,	_
	DESIGN IMPROV	AND CONSTRU	CTION FOR E TERMINAL AND OVEMENTS.	2,000 E	11,000 E
TRN19	5 - AIRPOR	IS ADMINISTRA	ΓΙΟΝ		
15.		AIRFIELD IMPR	OVEMENTS, STATE	WIDE	
	AIRFIEL STATEW IS DEEM FOR FEI REIMBU PASSENC		VTS AT THIS PROJECT TO QUALIFY NCING AND/OR IER FUNDS FROM HARGES).	164,000 E 2 N 8,000 X	275,000 E 2 N X
16.		AIRPORT IMPRO	OVEMENTS, STATEV	VIDE	
	FOR PRE STATEW FUNDIN		OVED PROJECTS AT OR ALTERNATE DS FROM		

CAPITAL IMPROVEMENT PROJECTS

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						DIATI	ONS (IN MOSS)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL YEAR 2019-2020	M O	ONS (IN 000'S) FISCAL M YEAR C 2020-2021 H
17.		AIRPORT PLA	NNING	STUDY, STAT	EWIDE		
	ECONOM PLANNII NOISE M COMPAT PLANNII	OR AIRPORT I IIC STUDIES, F NG PROGRAM ONITORING S IBILITY STUD NG OF FEDER. L AID PROJEC TOTAL FUN	RESEAR MANAG TUDIES IES, AN AL AID TS.	CH, GEMENT, S, NOISE D ADVANCE AND NON-	1,500)	E	1,500 E
18.		AIRPORTS DIV	ISION (CAPITAL IMP	, ,		GRAM
	PLANS, E FOR COS FRINGE PROJECT FOR THE IMPROVI THE DEP AIRPORT INCLUDI CAPITAL RELATEI	PROJECT STAF DESIGN, AND (TTS RELATED ' BENEFITS FOI FUNDED STA IMPLEMENT. EMENT PROGE ARTMENT OF S DIVISION. F E FUNDS FOR IMPROVEME D POSITIONS (GER FACILITY TOTAL FUN	CONSTR FO WAG R PERM FF POS ATION (AM PR TRANS PROJECT NON- P NT PRO OTHER CHARG	EUCTION ES AND ANENT ITIONS DF CAPITAL OJECTS FOR PORTATION'S MAY ALSO ERMANENT GRAM FUNDS FROM	5		4,250 B 150 X
19.	DESIGN IMPROVI AIRPORT AND CEF OPERATI	MISCELLANE AND CONSTRI EMENTS AT VA FS, IMPROVEM RTIFICATION I IONAL EFFICI ED FOR AIRPO PMFNT	UCTION ARIOUS ENTS F REQUIR ENCY, A	I OF STATE OR SAFETY EMENTS, ND PROJECT		WIDE	
		TOTAL FUN	DING	TRN	3,5001	E	3,500 E
20.	DESIGN RUNWAY AND OTH AT STATI IS DEEM FEDERA THIS PRO QUALIFY	RUNWAY SAFI AND CONSTRU SAFETY ARE HER RELATED EWIDE AIRPO ED NECESSAR L AID AND/OF DJECT IS DEEM & FOR FEDERA	UCTION A IMPRO IMPRO RTS. TH Y TO QI R REIMI IED NE AL AID I	I FOR OVEMENTS VEMENTS IIS PROJECT UALIFY FOR BURSEMENT. CESSARY TO	MENTS, STA	TEWI	DE
	AND/OR	REIMBURSEM TOTAL FUN		TRN TRN	25,000 I		3,000 E N

				APPROPRIAT	IONS (IN 000'S)
	CAPITAL			FISCAL M	FISCAL M
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F

CAPITAL IMPROVEMENT PROJECTS

TRN301 - HONOLULU HARBOR

21.

HONOLULU HARBOR IMPROVEMENTS, OAHU

PLANS, LAND ACQUISITION, J AND CONSTRUCTION OF CAI IMPROVEMENT PROGRAM PF	PITAL		
THAT WILL PROVIDE FOR SA	FER,		
MORE EFFICIENT USE OF EX			
AND/OR ADDITIONAL OPERA	ATIONAL		
AREAS THROUGHOUT HONO	LULU		
HARBOR, OAHU. THIS PROJEC	CT IS		
DEEMED NECESSARY TO QUA	ALIFY FOR		
FEDERAL AID FINANCING A	ND/OR		
REIMBURSEMENT.			
TOTAL FUNDING	TRN	4 B	4 B
	TRN	81,038 E	26,488 E
	TRN	4 N	4 N
	TRN	4 R	4 R

TRN303 - KALAELOA BARBERS POINT HARBOR

KALAELOA BARBERS POINT HARBOR IMPROVEMENTS, OAHU

PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION OF CAPITAL IMPROVEMENT PROGRAM PROJECTS THAT WILL PROVIDE FOR SAFER, MORE EFFICIENT USE OF EXISTING AND/OR ADDITIONAL OPERATIONAL AREAS THROUGHOUT KALAELOA BARBERS POINT HARBOR, OAHU. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT. TOTAL FUNDING TRN

ICDLIVILI VI.			
TOTAL FUNDING	TRN	4 B	4 B
	TRN	39,988 E	63,988 E
	TRN	4 N	4 N
	TRN	4 R	4 R

TRN311 - HILO HARBOR

23.

22.

HILO HARBOR IMPROVEMENTS, HAWAII

PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION OF CAPITAL IMPROVEMENT PROGRAM PROJECTS THAT WILL PROVIDE FOR SAFER, MORE EFFICIENT USE OF EXISTING AND/OR ADDITIONAL OPERATIONAL AREAS THROUGHOUT HILO HARBOR, HAWAII. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.		
TOTAL FUNDING TRN	4 B	4 B
TRN	4,988 E	48,938 E
TRN	4 N	4 N
TRN	4 R	4 R

24.

				APPROPRIATI	ONS (IN 000'S)
	CAPITAL			FISCAL M	FISCAL M
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F

CAPITAL IMPROVEMENT PROJECTS

TRN313 - KAWAIHAE HARBOR

KAWAIHAE HARBOR IMPROVEMENTS, HAWAII

PLANS, LAND ACQUISITION, I AND CONSTRUCTION OF CAP IMPROVEMENT PROGRAM PR THAT WILL PROVIDE FOR SAH MORE EFFICIENT USE OF EXI AND/OR ADDITIONAL OPERA AREAS THROUGHOUT KAWAI HARBOR, HAWAII. THIS PROJE DEEMED NECESSARY TO QUA FEDERAL AID FINANCING AN REIMBURSEMENT.	ITAL OJECTS FER, STING TIONAL IHAE SCT IS LIFY FOR		
TOTAL FUNDING	TRN	4 B	4B
	TRN	1,988 E	6,988E
	TRN	4 N	4N
	TRN	4 R	4R

TRN331 - KAHULUI HARBOR

25. KAHULUI HARBOR IMPROVEMENTS, MAUI

PLANS, LAND ACQUISITION, D AND CONSTRUCTION OF CAPT IMPROVEMENT PROGRAM PRO THAT WILL PROVIDE FOR SAFT EFFICIENT USE OF EXISTING A ADDITIONAL OPERATIONAL A	TAL DJECTS ER, MORE AND/OR		
THROUGHOUT KAHULUI HAR	BOR. MAUI.		
THIS PROJECT IS DEEMED NEC			
QUALIFY FOR FEDERAL AID F	INANCING		
AND/OR REIMBURSEMENT.			
TOTAL FUNDING	TRN	4 B	4 B
	TRN	41,988 E	14,488 E
	TRN	4 N	4 N
	TRN	4 R	4 R

TRN361 - NAWILIWILI HARBOR

NAWILIWILI HARBOR IMPROVEMENTS, KAUAI

PLANS, LAND ACQUISITION, I AND CONSTRUCTION OF CAP IMPROVEMENT PROGRAM PR THAT WILL PROVIDE FOR SAI MORE EFFICIENT USE OF EXI AND/OR ADDITIONAL OPERA AREAS THROUGHOUT NAWIL HARBOR, KAUAI. THIS PROJEC DEEMED NECESSARY TO QUA FEDERAL AID FINANCING AN	TTAL OJECTS FER, STING TIONAL JWILI CT IS ALIFY FOR		
REIMBURSEMENT. TOTAL FUNDING	TRN TRN TRN TRN	4 B 11,988 E 4 N 4 R	4 B 2,988 E 4 N 4 R

26.

				APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
TRN36	3 - PORT AL	LEN HARBOR			
27.		PORT ALLEN HARB	OR IMPROVEM	IENTS, KAUAI	
	AND CO IMPROV THAT W MORE E AND/OR AREAS T HARBOR DEEMEL FEDERA	AND ACQUISITION NSTRUCTION OF C/ EMENT PROGRAM I ILL PROVIDE FOR S. FFICIENT USE OF E ADDITIONAL OPEF 'HROUGHOUT POR' C, KAUAI. THIS PROJ O NECESSARY TO QI L AID FINANCING RSEMENT. TOTAL FUNDING	APITAL PROJECTS AFER, XISTING ATIONAL FALLEN ECT IS JALIFY FOR AND/OR	B E N R	4 B 3,988 E 4 N 4 R
TRN39	5 - HARBOR	S ADMINISTRATIO	N		
28.		COMMERCIAL HAR STATEWIDE	BORS ADMINI	STRATION INITIA	TIVES,
	CONSTR STATEW DEPART	AND ACQUISITION UCTION FOR COSTS IDE IMPROVEMENT MENT OF TRANSPO IS DIVISION, STATE TOTAL FUNDING	S RELATED TO 'S FOR THE RTATION'S WIDE.	4 B 14,992 E 4 R	4 B 14,992 E 4 R
29.		MODERNIZATION I STAFF COSTS, STAT		RBORS DIVISION	CIP PROJECT
	AND FRI HARBOR FUNDEL IMPLEM PROGRA DEPART HARBOR PROJECT FOR NOT	OR COSTS RELATEI INGE BENEFITS FOI MODERNIZATION STAFF POSITIONS ENTATION OF MOE M PROJECTS FOR T MENT OF TRANSPO IS DIVISION, STATE 'S MAY ALSO INCLU S MAY ALSO INCLU N- PERMANENT CA EMENT PROGRAM I NS. TOTAL FUNDING	R PERMANENT PLAN PROJEC FOR THE DERNIZATION HE RTATION'S WIDE. JDE FUNDS PITAL RELATED		2,000 E
TRN50	91 - OAHU HI	IGHWAYS			
30.		CULVERT ASSESSM	ENT AND REM	EDIATION, OAHU	
	DESIGN CULVER	AND CONSTRUCTIONS AND REPAIR AN TS AND REPAIR AN TS REQUIRING REM TOTAL FUNDING	ON TO ASSESS D/OR REPLACE 1EDIATION.	ŕ	5,000 E

CAPITAL	IMPROV	EMENT	PROJECTS

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			AL IMPROVEMENT PROJECTS APPROPRIATIONS (IN 000'S)						
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL YEAR 2019-2020	0	FISCAL M YEAR O 020-2021 F			
31.		FARRINGTON HIC REPLACEMENT, O		HA BRIDGES	NO. 3 ANE	D NO. 3A			
	OF BRID OF MAK SIDEWAI OTHER I IS DEEM FOR FED	UCTION FOR THE GES NO. 3 AND 3A AHA BEACH PARK .KS, BRIDGE RAIL MPROVEMENTS. 7 ED NECESSARY TO PERAL AID FINAN RSEMENT. TOTAL FUNDIN	IN THE VICIN TO INCLUDE INGS, AND THIS PROJECT QUALIFY CING AND/OR	ITY		E N			
32.		FARRINGTON HIC	HWAY, OAHU						
	ACQUISI TRAFFIC WAIANA LIMITEE LANE ON CONDEM AND LUA IMPROVI WAIANA APPURTI IMPROVI NEW CO AND REI DEEMEE FEDERA	DESIGN, CONSTRU TION, AND EQUIP CIMPROVEMENTS E COAST, INCLUD TO, EXTENSION (N FARRINGTON HI (NATION OF PAAK ALUALEI NAVAL R(EMENTS IN THE N E CORRIDOR; EQU ENANCES; REFUR EMENTS, REHABII NSTRUCTION, REN PLACEMENT; THIS D NECESSARY TO (L AID FINANCINC RSEMENT. TOTAL FUNDIN	MENT FOR ON THE ING, BUT NOT OF THE FIFTH GHWAY, CEA ROAD DAD, AND ANAKULI TO JIPMENT AND BISHMENT, JITATION, JOVATION, PROJECT IS QUALIFY FOR G AND/OR		7	Е			
33.		FORT BARRETTE I	ROAD IMPROV	EMENTS, VIC.	OF ROOS	SEVELT			
	CONSTR MITIGAT TRANSP	UCTION FOR CON TON AND AUXILL ORTATION FACILI RRETTE ROAD. TOTAL FUNDIN	GESTION ARY FIES ALONG	3,0001	,	Е			
34.		FREEWAY DESTIN	ATION SIGN U	PGRADE/REP	LACEMEI	NT, OAHU			
	DESIGN REPLACI EXISTIN AND SIG PROJECT QUALIFY	AND CONSTRUCT ING AND/OR UPGI G FREEWAY DEST N SUPPORT STRU IS DEEMED NECH FOR FEDERAL A REIMBURSEMEN TOTAL FUNDIN	ION FOR ADING THE INATION SIGN CTURES. THIS SSARY TO ID FINANCIN I.	IS	E	300 E 1,200 N			

				APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
35.		GUARDRAIL AND S LOCATIONS, OAHU		ROVEMENTS, VAI	RIOUS
	INSTALI EXISTIN TRANSI ENDPOS AND UP PROJEC QUALIF	AND CONSTRUCTIO ING AND/OR UPGR G GUARDRAILS, EN FIONS, BRIDGE RAI TS AND CRASH ATT GRADING SHOULD I IS DEEMED NECES Y FOR FEDERAL AI REIMBURSEMENT. TOTAL FUNDING	ADING THE ND TERMINALS, LING, BRIDGE TENUATORS; ERS. THIS SSARY TO D FINANCING	500 E 2.000 N	700 E 2.800 N
36.		HIGHWAY LIGHTIN OAHU	G REPLACEME	NT AT VARIOUS I	LOCATIONS,
	UPGRAI LIGHTIN THIS PR QUALIF	UCTION FOR REPLA DING THE EXISTING NG SYSTEM ON STAT DJECT IS DEEMED N Y FOR FEDERAL AI REIMBURSEMENT. TOTAL FUNDING	G HIGHWAY FE HIGHWAYS. VECESSARY TO D FINANCING	7,700 E 30,800 N	EN
37.		INTERSTATE ROUT JUNCTION AT H-1 T (KMCAS), OAHU	E H-3, FINISH W	ORK AND MITIG	ATION,
	RELATE INTERS IS DEEM FOR FEI	UCTION FOR FINIS D TO THE CONSTRU FATE ROUTE H-3. TI IED NECESSARY TO DERAL AID FINANC RSEMENT.	JCTION OF HIS PROJECT QUALIFY		
		TOTAL FUNDING	G TRN TRN	E N	2,500 E 10,000 N
38.		KALIHI STREET PE VICINITY OF KING OAHU			/
	FACILIT KALIHI	UCTION FOR PEDE Y IMPROVEMENTS STREET TO PROVID RIAN SAFETY AND TOTAL FUNDING	ALONG E INCREASED ACCESSIBILITY.	2,300 E	Е

					APPROPE	RIATIONS (IN	(000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL 1 YEAR 2019-2020	M FISC O YEA	CAL M
39.		KAMEHAMEI REPLACEMEI		· · · · · · · · · · · · · · · · · · ·			
	AND/OR SLAB BR HIGHWA INCLUD AND OT PROJECT QUALIF	UCTION FOR REPLACEME IDGE ON KAN Y IN THE VIC E BRIDGE RA HER IMPROVE I IS DEEMED I Y FOR FEDER REIMBURSEN TOTAL FUI	NT OF A MEHAM INITY C ILINGS, EMENTS NECESS AL AID MENT.	A CONCRETE EHA DF LAIE TO WALKWAYS, S. THIS ARY TO	1,200 E 4,800 N		E N
40.		KAMEHAMEI REPLACEMEN		· · · · · · · · · · · · · · · · · · ·			
	AND/OR TEE-BRI IN THE V BRIDGE OTHER I IS DEEM FOR FEI	UCTION FOR REPLACEME DGE ON KAM VICINITY OF H RAILINGS, W IMPROVEMEN IED NECESSAI DERAL AID FI RSEMENT. TOTAL FUI	NT OF A EHAME IAUULA ALKWA TS. THI RY TO Q NANCIN	CONCRETE CHA HIGHWAY A TO INCLUDE YS, AND S PROJECT UALIFY			100 E
				TRN	Ν		400 N
41.		KUNIA EAST	BOUND	ON-RAMP, OA	AHU		
	CONSTR KUNIA I AND SIT	LAND ACQUIS LUCTION AND EAST BOUND TE IMPROVEM PURTENANCE	EQUIPN ON-RAN ENTS; E S.	MENT FOR A AP; GROUND QUIPMENT	100.0001		F
42.		TOTAL FUI MISCELLANE PRACTICES, C	OUS PE	TRN RMANENT BE	100,000 E EST MANAGE	EMENT	E
	LAND A CONSTR BEST MA IMPROV FACILIT OF STRU MANAG	CQUISITION, I LUCTION FOR ANAGEMENT EMENTS TO E IES INCLUDIN JCTURAL ANI EMENT PRAC ONS ON OAHU	DESIGN PERMA PRACTI XISTIN IG INST D NATUI TICES A	, AND NENT CE G HIGHWAY ALLATION RAL BEST			

				APPROPRIATIO	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
43.		PALI HIGHWAY TH IMPROVEMENTS,	· · · · · · · · · · · · · · · · · · ·	PEDESTRIAN SAI	FETY
	DESIGN	AND CONSTRUCT	ION FOR		
		ING TRAFFIC SIG			
	FOUR LO	OCATIONS ALONG	THE PALI		
	HIGHWA	Y (ROUTE 61) NEC	CESSARY TO		
	PROVIDE	E INCREASED PED	ESTRIAN		
	SAFETY	AND ACCESSIBILI	ITY, AS WELL AS		
	INCREAS	SED TRAFFIC SAF	ETY; INCLUDING		
	IMPROVI	EMENTS AND/OR	MODIFICATIONS		
		TING INTERSECTI			
		Y FACILITIES; INS			
		C SIGNALS IN THE			
		ERSECTIONS OF A			
		LI HIGHWAY, WOO		<u>`</u>	
		GHWAY, DOWSETT)	
		LI HIGHWAY, AND (UPPER) AND PAI			
	AVENUE	TOTAL FUNDIN		5,200 E	Е
		TOTAL FUNDIN	NG IKN	5,200 E	E
44.		TRAFFIC OPERAT	IONAL IMPROVEN	MENTS TO EXIST	ING
		INTERSECTIONS A	AND HIGHWAYS F.	ACILITIES, OAHU	l
	DESIGN	AND CONSTRUCT	TON FOR		
		LANEOUS IMPROV			
		G INTERSECTION			
		IES NECESSARY F			
	TRAFFIC	C OPERATIONS IN	CLUDING		
	ELIMINA	ATING CONSTRICT	ΓIONS,		
	MODIFY	ING AND/OR INST	FALLING		
	TRAFFIC	C SIGNALS, CONST	RUCTING		
		G LANES, ACCELE			
		RATION LANES, A			
		EMENTS FOR MOI	RE EFFICIENT		
	TRAFFIC				
		TOTAL FUNDIN	NG TRN	2,400 E	2,000 E
45.		WAIAHOLE BRIDO OAHU	GE REPLACEMENT	Г, КАМЕНАМЕНА	A HIGHWAY,
	OF THE I THIS PRO QUALIFY	UCTION FOR THE EXISTING CONCR DJECT IS DEEMED Y FOR FEDERAL A REIMBURSEMEN TOTAL FUNDIN	ETE STRUCTURE. NECESSARY TO ND FINANCING T.	800 E	Е
		IOTALI UNDI	TRN	3,200 N	L N
			11/14	5,20011	11

CAPITAL IMPROVEMENT PROJECTS

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					FIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
46.		WAIANAE COAST F. DAHU	ARRINGTON H	IGHWAY IMPRO	VEMENTS,
	CONSTRU TO EXTE WIDEN F CREATE WAIANA IMPROVE LIMITED SYSTEM	AND ACQUISITION UCTION, AND EQUI ND THE FIFTH LAI ARRINGTON HIGH PARALLEL ROUTE E COAST; AND OTH EMENTS, INCLUDIN TO SAFETY IMPRO PRESERVATION, AN TION RELIEF. TOTAL FUNDING	IPMENT NE TO IWAY; FOR THE IER TRAFFIC NG BUT NOT OVEMENTS, ND TRAFFIC	5,000 C	С
47.		WHITMORE AVENU	JE PEDESTRIAN	IMPROVEMEN'	TS, OAHU
	PEDESTR	DESIGN, AND CONS RIAN IMPROVEMEN DRE AVENUE. TOTAL FUNDING	ITS ALONG	х 799 С	С
FRN51	1 - HAWAII H	HIGHWAYS			
48.		HAWAII BELT ROAD HAKALAU BRIDGE	· · · · · · · · · · · · · · · · · · ·	TION / REPLACE	MENT OF
	REPLACI THIS PRO QUALIFY	FOR THE REHABIL EMENT OF HAKAL. DJECT IS DEEMED N 7 FOR FEDERAL AI REIMBURSEMENT. TOTAL FUNDING	AU BRIDGE. NECESSARY TO D FINANCING	E N	400 E 1,600 N
49.		HAWAII BELT ROAD KOLEKOLE STREAN			MENT OF
	/ REPLAC STREAM DEEMED FEDERA	FOR THE REHABIL CEMENT OF KOLEK BRIDGE. THIS PR(DECESSARY TO QU L AID FINANCING RSEMENT.	OLE DJECT IS UALIFY FOR		
		TOTAL FUNDING	G TRN TRN	500 E 2,000 N	E N
50.		KAWAIHAE ROAD, S RAMP, HAWAII	SAFETY IMPRO	VEMENTS, RUNA	AWAY TRUCK
	OF A RUI	UCTION FOR THE I NAWAY TRUCK RAI			
	KAWAIII.	AE ROAD. TOTAL FUNDING	G TRN	200 E	Е

				APPROPRIAT	IONS (IN 000'S)
ITEM	CAPITAL PROJECT		EXPENDING	FISCAL M YEAR O	FISCAL M YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F
TRN53	1 - MAUI HI	GHWAYS			
51.		HALEAKALA	HIGHWAY WIDENIN	G AT MILE POST	0.8, MAUI
			WIDENING THE LANE TO TWO		

51.	HALEAKALA HIGHW	AY WIDENING AT	MILE POST 0.8, MAU	I
	CONSTRUCTION FOR WIDENI HIGHWAY FROM ONE LANE T LANES, EXTENDING A BOX CU CONSTRUCTING HEADWALLS WALLS.	O TWO ULVERT AND		
	TOTAL FUNDING	TRN	4,000 E	Е
52.	HANA HIGHWAY BRI	DGE PRESERVATIO	ON, MAUI	
	LAND ACQUISITION AND DES FOR THE IMPLEMENTATION O BRIDGE PRESERVATION PLAN HANA HIGHWAY IN THE VICH THE HANA PRESERVATION DI TO INCLUDE BRIDGE REHAB AND/OR REPLACEMENT. THI IS DEEMED NECESSARY TO Q FOR FEDERAL AID FINANCIN REIMBURSEMENT.	OF THE I FOR STRICT, ILITATION S PROJECT UALIFY		
	TOTAL FUNDING	TRN TRN	850 E 3,400 N	E N
53.	HANA HIGHWAY IMP	ROVEMENTS, HUI	ELO TO HANA, MAUI	[
	CONSTRUCTION FOR IMPROV UPGRADING AND/OR REPAIR ROADWAYS, BRIDGES, WALLS, STRUCTURES, GUARDRAILS, FACILITIES ON ROUTE 360 HA TOTAL FUNDING	ING , DRAINAGE AND OTHER NA HIGHWAY.	2,700 E	E
54.	HONOAPIILANI HIGH UKUMEHAME TO VIO			
	PLANS FOR MITIGATION SOL TO THE ISSUE OF SHORELINE ALONG HONOAPIILANI HIGH UKUMEHAME TO LAUNIUPO PROJECT IS DEEMED NECESS QUALIFY FOR FEDERAL AID AND/OR REIMBURSEMENT. TOTAL FUNDING	EROSION WAY, FROM KO. THIS ARY TO	1,000 E 4,000 N	E N
55.	MISCELLANEOUS DR	AINAGE IMPROVI	EMENTS, MAUI	
	DESIGN FOR DRAINAGE IMP TO EXISTING HIGHWAY FACII INCLUDING INSTALLATION O FACILITIES, CATCH BASINS, G INLETS, LINED SWALES, HEAI CULVERTS AT VARIOUS LOCA	LITIES OF DRAINAGE RATED DROP OWALLS, AND TIONS.		
	TOTAL FUNDING	TRN	Е	300 E

		CAPITAL IN	MPRO	OVEMENT P	ROJECI	S		
					APPROF	RIATIO	NS (IN 000)'S)
	CAPITAL				FISCAL	Μ	FISCAL	Μ
ITEM	PROJECT		E	XPENDING	YEAR	0	YEAR	0
NO.	NO.	TITLE	A	GENCY	2019-2020	F	2020-2021	F
56.		PAIA BYPASS, N	IAUI					
	CONSTR COMPLE AND APP IMPROVI NEW CO AND REI DEEMED FEDERA	AND ACQUISIT UCTION, AND F TE THE PAIA B PURTENANCES EMENTS, REHA NSTRUCTION, I PLACEMENT; T O NECESSARY T L AID FINANCI RSEMENT. TOTAL FUNI	EQUIPI YPASS; ; REFU BILITA RENOV HIS PR 'O QUA ING AN	MENT TO ; EQUIPMENT JRBISHMENT, ATION, /ATION, OJECT IS ALIFY FOR ND/OR	110,000	E		Е
		TOTALIET	01110	IRIV	110,000			L
57.	DESIGN IMPROVI INCREAS		AN FA DER TO AN SAH IOUS I	CILITY O PROVIDE FETY AND LOCATIONS				
		TOTAL FUNI	DING	TRN]	E	100)E
58.		PUUNENE AVE TO KUIHELAN			S, KAMEH	AMEHA	AVENUE	
	PUUNEN AVENUE FROM TV FOR THE IMPROVI DEEMEL FEDERA	UCTION FOR T IE AVENUE FRO TO KUIHELAN WO TO FOUR L/ INSTALLATIO EMENTS. THIS NECESSARY T L AID FINANCI RSEMENT.	OM KA II HIGH ANES, A N OF S PROJE YO QUA	MEHAMEHA HWAY AND GAFETY CT IS LLIFY FOR				
	KLIMBO	TOTAL FUNI	DING	TRN]	E	100)E
				TRN]	N	400	N
59.		TRAFFIC OPER INTERSECTION					NG	
	MISCELI EXISTIN FACILITI TRAFFIC ELIMINA MODIFY TRAFFIC TURNIN	AND CONSTRU ANEOUS IMPR G INTERSECTIC IES NECESSARY C OPERATION, I ATING CONSTR ING AND/OR I C SIGNALS, CON G LANES, ACCE ELERATION LA EMENTS.	OVEM ONS A1 (FOR 1 NCLUI ICTION NSTAL STRU(ELERA)	ENTS TO ND HIGHWAY IMPROVED DING NS, LING CTING TION AND/				
		TOTAL FUNI	DING	TRN	1	Е	850)E

				APPROPRIATIONS (IN 000'S			'S)
	CAPITAL			FISCAL	Μ	FISCAL	Μ
ITEM	PROJECT		EXPENDING	YEAR	0	YEAR	0
NO.	NO.	TITLE	AGENCY	2019-2020	F	2020-2021	F

CAPITAL IMPROVEMENT PROJECTS

TRN561 - KAUAI HIGHWAYS

60.	GUARDRAIL AND SHOU HIGHWAYS, KAUAI	LDER IMPROVEMENTS	S ON STATE
		LS, END DGE ND CRASH UCTING HIS & TO HANCING RN E	
	TF	RN N	1,600 N
61.	KUHIO HIGHWAY WIDE! Kauai	NING AND DRAINAGE	IMPROVEMENTS,
	PLANS, DESIGN, AND CONSTRUCT FOR THE WIDENING OF KUHIO I NEAR 3-4684 KUHIO HIGHWAY, K. AND OTHER IMPROVEMENTS TO PROVIDE INCREASED TRAFFIC S CORRIDOR CAPACITY, AND OPEI IMPROVEMENTS; PROJECT MAY I BUT NOT LIMITED TO ELIMINAT CONSTRICTIONS, MODIFYING AT OR INSTALLING TRAFFIC SIGNA CONSTRUCTING TURNING LANE ACCELERATION AND/OR DECEL LANES. PROJECT TO INCLUDE DI AND CONSTRUCTION FOR DRAIT IMPROVEMENTS ALONG KUHIO IN THE VICINITY 3-4684 KUHIO H KAUAI.	HIGHWAY AUAI, AFETY, RATIONAL INCLUDE, ING ND/ LS, ES, ERATION ESIGN NAGE HIGHWAY	E
62.	KUHIO HIGHWAY, SLOPE HILLSIDE, KAUAI	E STABILIZATION AT LU	JMAHAI
	LAND ACQUISITION AND CONST FOR SLOPE STABILIZATION AT LI HILLSIDE.		
	TOTAL FUNDING TH	RN 200 E	2,000 E

FISCAL M FISCAL M DING YEAR O YEAR O Y 2019-2020 F 2020-2021 F APROVEMENTS TO EXISTING HWAYS, KAUAI TO GHWAY DVED
Y 2019-2020 F 2020-2021 F APROVEMENTS TO EXISTING HWAYS, KAUAI TO GHWAY OVED
APROVEMENTS TO EXISTING HWAYS, KAUAI TO GHWAY DVED
HWAYS, KAUAI TO GHWAY DVED
GHWAY DVED
3
J AND/
THER
1,900 E 2,000 E
KOKEE ROAD IMPROVEMENTS, KAUAI
ENT ER OF MILE E 100 E
E 100E
NESIGN DROIECTS STATEWINE
DESIGN PROJECTS, STATEWIDE Loseout 5 and/ Uiring 5 For 8
5,000 E 200 E
1 N 1 N
FACILITIES, STATEWIDE
TION THIS FOR &
E 700 E N 1 N

					APPROPRIATI	ONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
ITEM NO.	PROJECT NO.	TITLE		XPENDING GENCY	YEAR O 2019-2020 F	YEAR O 2020-2021 F
67.				G, STATEWIDE	2017-2020 1	2020-2021
07.				,		
		OR FEDERAL L AID PROGR				
		IS THAT INCL				
		ICATION, DAT				
		ND MID-RAN ORTATION NE				
		CH, HRS 343/N				
		OR STUDIES,				
		TIONS, AND T RKFORCE DE				
	PROJECT	IS DEEMED	NECESS	ARY TO		
		Y FOR FEDER		FINANCING		
	AND/OK	REIMBURSEN TOTAL FUI		TRN	7,850E	5,100 E
				TRN	31,400 N	20,400 N
68.				CAPITAL IMPE IS, STATEWIDE	ROVEMENTS PRO	OGRAM
	PLANS, I	LAND ACOUIS	ITION, I	DESIGN, AND		
	CONSTR	UCTION FOR	COSTS	RELATED		
		ES AND FRIN NENT PROJEC				
		NS FOR IMPL				
		JECTS FOR DE				
		IS MAY ALSO		AYS DIVISION. DE FUNDS		
	FOR NO	N-PERMANEN	T CIP P	ROJECT		
		D POSITIONS. D NECESSARY				
		L AID FINAN				
	REIMBU	RSEMENT.			2 000 B	2 000 D
		TOTAL FUI	NDING	TRN	2,000 B	2,000 B
69.		IMPROVEMEN STATEWIDE	NTS TO I	INTERSECTION	IS AND HIGHWA	Y FACILITIES,
		CQUISITION, I				
		UCTION FOR EMENTS TO E				
				AY FACILITIES	5	
		ARY FOR TRA [IS DEEMED]				
		Y FOR FEDER				
	ÀND/OR	REIMBURSEN			1 200 5	1.050 5
		TOTAL FUI	NDING	TRN TRN	1,300 E 5,200 N	1,250 E 5,000 N
70.		MISCELLANE	OUS DF	RAINAGE IMPRO	OVEMENTS, STA	TEWIDE
		AND CONSTR				
		GE IMPROVE AY FACILITIES				
				E FACILITIES,		
		BASINS, GRAT				
		WALES, HEAD TS AT VARIOU				
	COLUER	TOTAL FUI		TRN	5,100 E	200 E

CAPITAL IMPROVEMENT PROJECTS

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				APPROPRIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
71.		SEISMIC RETROF	TT OF VARIOUS I	BRIDGES, STATEW	IDE
	SEISMIC BRIDGE IS DEEM FOR FEI	AND CONSTRUC RETROFIT OF VA S STATEWIDE. TH ED NECESSARY T DERAL AID FINAT RSEMENT. TOTAL FUNDI	RIOUS HIS PROJECT TO QUALIFY NCING AND/OR	E N	800 E 3.200 N
			IRIV	1	5,2001
72.		TRAFFIC COUNT STATEWIDE	ING STATIONS A	T VARIOUS LOCA	TIONS,
	DETECT SENSOR: BOXES, A CONTIN STATION STATE RA DEEMEI FEDERA	UCTION FOR INS OR LOOPS AND P S, ASSOCIATED W AND TRAFFIC CA UOUS TRAFFIC M IS AT VARIOUS LO OADWAYS. THIS I O NECESSARY TO L AID FINANCIN RSEMENT.	IEZOELECTRIC 'IRING, JUNCTIO BINETS FOR IONITORING OCATIONS ON PROJECT IS QUALIFY FOR		
		TOTAL FUNDI		100 E	E
			TRN	400 N	Ν
73.		TRAFFIC SIGNAI STATEWIDE	L MODERNIZATI	ON AT VARIOUS L	OCATIONS,
	UPGRAL SIGNAL ASSESSM CRITERI SCHEDU AND UP INTERCO INTERSE MEET CU IMPLEM INNOVA DEEMEI FEDERA	AND CONSTRUC DING OF EXISTIN SYSTEMS, INCLU IENT & DEVELOP A FOR IMPLEME (LED REPLACEMI GRADES; PROVID DNNECTION OF S CTIONS; UPGRA JRRENT STANDA ENTING SIGNAL TIONS. THIS PROJ D NECESSARY TO L AID FINANCIN RSEMENT.	G TRAFFIC DING MENT OF NTING ENTS ING IGNALIZED DING TO RDS; AND SYSTEM ECT IS QUALIFY FOR		
		TOTAL FUNDI	NG TRN TRN	1,450 E 5,800 N	2,000 E 8,000 N

				APPROPR	IATIONS (IN 000'S)
	CAPITAL			FISCAL N	I FISCAL M
ITEM	PROJECT		EXPENDING	YEAR C) YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F

CAPITAL IMPROVEMENT PROJECTS

D. ENVIRONMENTAL PROTECTION

HTH840 - ENVIRONMENTAL MANAGEMENT

1.

WASTEWATER TREATMENT REVOLVING FUND FOR POLLUTION CONTROL, STATEWIDE

	CONSTRUCTION FUNDS TO P STATE MATCH (20%) FOR FED CAPITALIZATION GRANTS FO WASTEWATER PROJECTS. FUI TRANSFERRED TO THE WATE CONTROL REVOLVING FUND TO CHAPTER 342D, HRS. THIS IS DEEMED NECESSARY TO Q FOR FEDERAL AID FINANCIN REIMBURSEMENT. TOTAL FUNDING	ERAL DR NDS TO BE ER POLLUTION PURSUANT PROJECT UALIFY NG AND/OR	2,487C 12,431 N	2,487 C 12,431 N
		11111	12,4311	12,4511
2.	SAFE DRINKING WAT	TER REVOLVING	FUND, STATEWID	Е
	CONSTRUCTION FUNDS TO P STATE MATCH (20%) FOR FED CAPITALIZATION GRANTS FC WATER TREATMENT REVOLV FUND, PURSUANT TO CHAPTI THIS PROJECT IS DEEMED NE QUALIFY FOR FEDERAL AID, AND/OR REIMBURSEMENT. T IS DEEMED NECESSARY TO Q FOR FEDERAL AID FINANCIN REIMBURSEMENT.	ERAL DR DRINKING ING LOAN ER 340E, HRS. CESSARY TO FINANCING 'HIS PROJECT UALIFY IG AND/OR	1216	1221.0
	TOTAL FUNDING	HTH	2,221 C 11,107 N	2,221 C 11.107 N
LNR402	- NATIVE RESOURCES AND FIRI		,	-,
3.	COQUI FROG ERADIO	CATION CONTAIN	MENT BARRIER,	MAUI

	PLANS, DESIGN, AND CONSTRUCTION TO ERADICATE COQUI FROGS ON MAUI. TOTAL FUNDING LNR	750 C	750 C
4.	DOFAW MAUI BASEYARD GENERAT	OR, MAUI	
	PLANS, DESIGN, AND CONSTRUCTION FOR INSTALLATION OF A STANDBY GENERATOR TO MAINTAIN BASEYARD EMERGENCY OPERATIONS DURING POWER OUTAGES. TOTAL FUNDING LNR	С	55 C
5.	DOFAW MAUI BASEYARD RESTROO	M RENOVATION, MAUI	
	PLANS, DESIGN, AND CONSTRUCTION FOR RENOVATION OF DOFAW MAUI BASEYARD RESTROOM FACILITIES. TOTAL FUNDING LNR	С	55 C

		CAPITAL I	WILK	JY ENTEN I		
						TONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
6.		HILO BASEYAF	RD BUI	LK FUEL TAN	K INSTALLATIO	N, HAWAII
		UCTION OF A 1				,
		E TANK FOR H				
		TOTAL FUN	DING	LNR	150 C	С
7.		KANAHA PONI REPLACEMEN'			SANCTUARY FE	NCE
	PERIME	DESIGN, AND C FER FENCE FO NDS AND ENDA	R PRO	TECTION OF		
	DIRE D.	TOTAL FUN	DING	LNR	300 C	С
8.		KANAIO RESO	URCE	PROTECTION	, MAUI	
	PLANS, I	DESIGN, AND C	ONST	RUCTION FOR	ξ	
	RESOUR	CE PROTECTIC TOTAL FUN			С	800 C
		IOTALFUN	DINU	LINK	C	8000
9.		KURE MARINI	E DEBF	RIS CRUISE, O	AHU	
	OF PERS REMOVA PAPAHA NATION	UCTION FOR T ONNEL AND D L OPERATION NAUMOKUAKI AL MONUMEN ACT WITH PRIV TOTAL FUN	EBRIS S FROI EA MA T (PMI ATE VI	M RINE NM), ESSEL.	200 C	245 C
10.		MAUNA KEA F	ENCE,	HAWAII		
	UNGULA MAUNA	UCTION TO MO ATE EXCLUSIO KEA TO ALLOV FED UNGULAT TOTAL FUN	N FEN W FOR E CON	CE ON FEDERALLY TROL.	CE 500 C	500 C
11.		NORTH KONA	GAME	MANAGEME	NT HABITAT CO	NSERVATION
		PLAN FENCINO				
	ON THE RESERVI ENDANC FOR LOS	UCTION FOR 9. CONE AT PUU E TO PROTECT GERED PLANT SS OF 10 OR MO ENDANGERED TOTAL FUN	WAAW TWO N SPECII ORE AE O PLAN	AA FOREST JATIVE ES, MITIGATE DDITIONAL IT SPECIES.	200 C	200 C
LNR40	7 - NATURA				ED MANAGEMEN	
12.					PAGATION FACIL	
	PLANS, I CONSTR INVERTI	LAND ACQUIST UCTION, AND I EBRATE AND P Y AND BASEYA TOTAL FUN	TION, I EQUIP LANT ARD IM	DESIGN, MENT FOR PROPAGATIO IPROVEMENT	N	200 C
		TUTALFUN	DING	LINK	C	200 C

					APPROPRI	ATIONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
ITEM	PROJECT		E	XPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	A	GENCY	2019-2020 F	2020-2021 F
13.	ŀ	KAENA POINT	PREDA	ATOR PROOF	FENCE RETRO	FITS, OAHU
	,	AND ACQUISI	,	· · · · ·		
		JCTION, AND I	-			
		EMENT OF EXI	STING	FENCE AND		
	GATES.		-			
		TOTAL FUN	DING	LNR	22 C	20 C
14.	ŀ	KANAIO DRY F	FORES	Γ FENCE, MAU	Л	
	PLANS, D	ESIGN, CONST	RUCT	ION, AND		
	EQUIPME	ENT TO PROTE	CT AN	D RESTORE		
	A DRYLA	ND FOREST IN	N THE	LEEWARD		
	HALEAK	ALA REGION (OF MA	UI.		
		TOTAL FUN	DING	LNR	300 C	С
15.	ľ	NURSERY AND	FACII	LITY RENOVA	ΓΙΟΝ, KAUAI	
	PLANS, L	AND ACQUISI	TION. I	DESIGN.		
		JCTION, AND I				
		TE TWO PLANT				
		TOTAL FUN	DING	LNR	75 C	75 C
16.	V	WATERSHED P	ROTEC	TION AND IN	ITIATIVES, ST	ATEWIDE
	PLANS, L	AND ACQUISI	TION, I	DESIGN,		
	CONSTRU	JCTION, AND I	EQUIPI	MENT TO		
	PROTECT	AND RESTOR	EFOR	ESTED		
	WATERSH	HEDS AND OTH	HER WA	ATER		
	SUPPLIES	S, STATEWIDE;	EQUIF	MENT AND		
	APPURTE	ENANCES, AND) ALL I	PROJECT		
	RELATED	O COSTS. THE I	LEGISL	ATURE		
		ND DECLARES				
		LIATION IS IN T				
		T AND FOR TH			ł,	
		AND GENERAL	L WELI	FARE OF THE		
	STATE.	TOTAL FUN	DING	LNR	6,583 C	5,992 C
					,	0,,,,20
LINK90	0 - LINK - INAI	FURAL AND PH	IISICA	AL ENVIRONN	IEIN I	
17.		ENVIRONMEN' STATEWIDE	TAL ST	UDIES FOR V	ARIOUS PROJI	ECTS,
	PLANS TO	O CONDUCT E	NVIRO	NMENTAL		
		FOR LANDS U				
	JURISDIC	TION OF THE	DEPAH	RTMENT OF		
	LAND AN	ND NATURAL I	RESOU	RCES.		
		TOTAL FUN	DING	LNR	1,000 C	С

				APPROPRIATIONS (IN 000'S)		
	CAPITAL			FISCAL M	FISCAL M	
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F	

E. HEALTH

HTH211 - KAHUKU HOSPITAL

1.

LUMP SUM KAHUKU MEDICAL CENTER, IMPROVEMENTS AND RENOVATIONS, OAHU

PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR KAHUKU MEDICAL CENTER FOR IMPROVEMENTS AND RENOVATIONS INCLUDING NEW FACILITIES, RENOVATION, EXPANSION, AND/OR REPLACEMENT OF FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES. TOTAL FUNDING AGS

1,500 C

С

HTH212 - HAWAII HEALTH SYSTEMS CORPORATION - REGIONS

2.	HALE HOʻOLA HAMAKUA, HOSPITA	L RENOVATIONS, H	AWAII
	PLANS, DESIGNS, CONSTRUCTION, AND EQUIPMENT FOR THE RENOVATION, RESTORATION, IMPROVEMENTS, NEW CONSTRUCTION, REFURBISHMENT, UPGRADE, AND REPAIR OF HALE HO'OLA HAMAKUA; INCLUDING BUT NOT LIMITED TO AC/HVAC, AC/HVAC DUCT WORK, KITCHEN RENOVATIONS, WALK IN FREEZER, RESIDENT ROOMS, RESIDENT BEDS, DOORWAYS, EXTERIOR AND INTERIOR PAINTING; GROUND AND SITE IMPROVEMENTS; RELATED INFRASTRUCTURE IMPROVEMENTS AND CONSTRUCTION; EQUIPMENT AND APPURTENANCES.		
	TOTAL FUNDING HTH	2,100 C	С
3.	KAU HOSPITAL, HAWAII		
	DESIGN, CONSTRUCTION, AND EQUIPMENT TO RENOVATE BATHROOMS, KITCHENS, AND FLOORING AT KAU HOSPITAL. TOTAL FUNDING HTH	500 C	С
4.	LUMP SUM HAWAII HEALTH SYSTEM IMPROVEMENTS AND RENOVATION		
	PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE HAWAII REGIONS OF THE HAWAII HEALTH SYSTEMS CORPORATION FOR IMPROVEMENTS AND RENOVATIONS INCLUDING RENOVATIONS AND/OR EXPANSION OF FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES. TOTAL FUNDING HTH	12 000 C	13.975 C
	IUTAL FUNDING HIH	13,000 C	13,9750

					APPROPRIATIO	ONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
ITEM	PROJECT		E	XPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	A	GENCY	2019-2020 F	2020-2021 F
5.				EALTH SYSTER RENOVATION	MS CORPORATIO	N;
	EQUIPM OF THE I CORPOR RENOVA AND/OR GROUNI	DESIGN, CONS ENT FOR THE HAWAII HEALT ATION FOR IN TIONS INCLUI EXPANSION C O AND SITE IM ENT AND APP TOTAL FUN	KAUAI TH SYST APROVE DING RI DF FACII IPROVE URTEN	REGION EMS EMENTS AND ENOVATIONS LITIES; MENTS; ANCES.	4,216C	4,532 C
6.				EALTH SYSTER RENOVATION	MS CORPORATIO IS, OAHU	N;
	EQUIPM OF THE I CORPOR RENOVA AND/OR GROUNI	DESIGN, CONS ENT FOR THE HAWAII HEALT ATION FOR IN TIONS INCLUI EXPANSION C D AND SITE IM ENT AND APP TOTAL FUN	OAHU I TH SYST MPROVE DING RI DF FACII IPROVE URTEN	REGION TEMS EMENTS AND ENOVATIONS LITIES; MENTS; ANCES.	2,783 C	2,992 C
7					, ,	,
7.		RENOVATION,	KAUAI		IOSPITAL, CT SCA	AN ROOM
		AND CONSTR TE THE CT SC TOTAL FUN	AN ROO	M.	1,400 C	С
HTH21	4 - MAUI HI	EALTH SYSTEM	M, A KFI	H LLC		
8.				ALTH SYSTEM, JPGRADES, MA	FACILITIES REPA AUI/LANAI	AIR,
	EQUIPM FOR IMP INCLUD RENOVA REPLACI AND SIT	DESIGN, CONS ENT FOR MAU ROVEMENTS / ING NEW FAC TIONS, EXPAN EMENTS OF F/ E IMPROVEMI PURTENANCE	JI HEAL AND RE ILITIES, ISION, A ACILITI ENTS; E0	TH SYSTEM ENOVATIONS .ND/OR ES; GROUND		
		TOTAL FUN		HTH	6,000 C	6,000 C
HTH43	30 - ADULT N	MENTAL HEAL	TH - IN	PATIENT		
9.		HAWAII STATE	E HOSPI	TAL, HEALTH	AND SAFETY, OA	HU
	FOR NEC PROVIDE ACCESSI	CESSARY IMPR E FOR HEALTH BILITY, AND C	ROVEME I AND S	AFETY,		
	KEQUIKI	EMENTS. TOTAL FUN	IDING	AGS	8,445 C	8,997 C

				APPROPRIATIONS (IN 000'S)		
	CAPITAL			FISCAL M	FISCAL M	
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F	

HTH710 - STATE LABORATORY SERVICES

10. HAWAII STATE LABORATORIES IMPROVEMENTS, OAHU

DESIGN AND CONSTRUCTION FOR		
NECESSARY IMPROVEMENTS TO PROVIDE		
FOR HEALTH AND SAFETY, ACCESSIBILITY,		
AND OTHER CODE REQUIREMENTS.		
TOTAL FUNDING AGS	4,422 C	6,227 C

HTH907 - GENERAL ADMINISTRATION

11.	DEPARTMENT OF HE	ALTH, H	EALTH AND SAFETY, ST	ATEWIDE
	DESIGN AND CONSTRUCTION	N FOR		
	NECESSARY IMPROVEMENTS	TO PROV	IDE	
	FOR HEALTH AND SAFETY, A	CCESSIB	LITY,	
	AND OTHER CODE REQUIREM	MENTS.		
	TOTAL FUNDING		1,945 C	14,414C
12.	DEPARTMENT OF HE STATEWIDE	ALTH, RI	EPAIRS AND MAINTENA	ANCE,
	DESIGN AND CONSTRUCTION	N FOR		
	NECESSARY REPAIRS AND MA	AINTENA	NCE	
	TO FACILITIES.			
	TOTAL FUNDING	AGS	1,647 C	С

F. SOCIAL SERVICES

HMS503 - HAWAII YOUTH CORRECTIONAL FACILITY (HYCF)

1.	HAWAII YOUTH CORRECTIONAL FACILITY, CAMPUS
	IMPROVEMENTS, PLANNING, OAHU

PLANS TO REDEVELOP THE HAWAII YOUTH CORRECTIONAL FACILITY CAMPUS TO INCLUDE MODERNIZATION OF EXISTING FACILITIES, CONSTRUCTION OF NEW FACILITIES, DEMOLITION OF UNNEEDED FACILITIES, AND SITE AND INFRASTRUCTURE IMPROVEMENTS. TOTAL FUNDING AGS 800 C

2. HAWAII YOUTH CORRECTIONAL FACILITY, GYM FOUNDATION REPAIRS, OAHU

225 C

С

С

DESIGN AND CONSTRUCTION FOR FOUNDATION REPAIRS FOR THE HAWAII YOUTH CORRECTIONAL FACILITY'S GYM. TOTAL FUNDING AGS

				APPROPRIATIO	NS (IN 000'S)
	CAPITAL			FISCAL M	FISCAL M
ITEM			EXPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F
3.		HAWAII YOUTH CO MPROVEMENTS, O		ACILITY, SEWER	
	REPAIR, A	AND CONSTRUCT AND IMPROVE TH CORRECTIONAL F.	IE HAWAII	ξ	
	STOTEM.	TOTAL FUNDIN	NG AGS	600 C	С
4.		HAWAII YOUTH CO MPROVEMENTS, O		ACILITY, WATER S	YSTEM
	REPAIR, A	AND CONSTRUCT AND IMPROVE TH CORRECTIONAL F.	IE HAWAII	R	
	5151EM.	TOTAL FUNDIN	NG AGS	900 C	С
DEF11	2 - SERVICES	S TO VETERANS			
5.		HAWAII STATE VET MPROVEMENTS, (ERY UPGRADES AN	ND
	UPGRAD HAWAII S TO INCLU OF DOUB IMPROVE SHELTER SYSTEMS MAINTEN THE IRRI IMPROVE NECESSA	AND CONSTRUCT ES AND IMPROVE TATE VETERANS JDE THE CONSTR LE-DEPTH LAWN EMENTS TO THE C , INSTALLATION C AT THE ADMINIS NANCE BUILDING GATION SYSTEM, EMENTS. THIS PRO RY TO QUALIFY F /OR REIMBURSEN TOTAL FUNDIN	EMENTS AT CEMETERY UCTION CRYPTS, OMMITTAL OF SECURITY STRATION AND GS, UPGRADE TO , AND OTHER DJECT IS DEEMEI FOR FEDERAL MENTS.	D 1,000 C 4,546 P	C P

CAPITAL IMPROVEMENT PROJECTS

HMS220 - RENTAL HOUSING SERVICES

6. LUMP SUM PUBLIC HOUSING DEVELOPMENT, IMPROVEMENTS, AND RENOVATIONS, STATEWIDE

PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR REAC IMPROVEMENTS PHA-WIDE, INCLUDES BUT IS NOT LIMITED TO HEALTH, SAFETY AND SECURITY IMPROVEMENTS; PUNCHBOWL HOMES UPGRADE TO FIRE ALARM SYSTEM; PHYSICAL NEEDS ASSESSMENT; ADA ACCESSIBILITY COMPLIANCE FOR VARIOUS STATE AND FEDERAL PROJECTS, STATEWIDE. TOTAL FUNDING HMS 20,000 C

C 165

					APPROP	RIATION	NS (IN 000)'S)
	CAPITAL				FISCAL	М	FISCAL	Μ
NO.	PROJECT NO.	TITLE		XPENDING GENCY	YEAR 2019-2020		YEAR 2020-2021	O F
	1101			0221101		-		-
HHL60	02 - PLANNI	NG AND DEVE	LOPME	NT FOR HAWAII	AN HOM	ESTEAD	S	
7.		LUMP SUM HA	WAIIA	N HOME LANDS	LOT DEV	ELOPM	ENT,	
		STATEWIDE					,	
		DESIGN, CONS' ENT FOR VARI		ION AND IPROVEMENTS				
	TO EXIST	ΓING INFRAST	RUCTU	JRE ON				
	HAWAIIA	N HOME LAN TOTAL FUN	/		20,000 0	ч.		С
0					<i>.</i>			C
8.		LUMP SUM R& INFRASTRUCT		WAIIAN HOME	LANDS E2	KISTING	r	
		DESIGN, CONS						
		UIPMENT FOR INTENANCE 1						
				US HAWAIIAN				
	HOME L.	ANDS, STATEW TOTAL FUN		HHL	5,000 0	2		С
9.		LAND ACOUIS	ITION	FOR LOT DEVEI	OPMENT	OAHU		
				ON FOR LAND		,		
	ACQUISI	TION ON OAH						
	39005001	TOTAL FUN	IDING	HHL	1,000 0	2		С
G. FO	RMAL EDUG	CATION						
EDN10	0 - SCHOOI	-BASED BUDG	ETING					
1.		AIEA HIGH SC	HOOL,	OAHU				
	DESIGN	AND CONSTRU	UCTION	I FOR				
		IG A REGRADI E IMPROVEME		SIDE; GROUND				
		PURTENANCE		QUIFMENT				
		TOTAL FUN	IDING	EDN	600 C	2		С
2.		AIEA HIGH SC	HOOL,	OAHU				
		AND CONSTRU						
		IC LOCKER RC IG, AND OTHE						
		TOTAL FUN			5,400 0	2		С
3.		ALA WAI ELEN	MENTA	RY SCHOOL, OA	HU			
		AND CONSTRU						
		D PLAY COUR' PROVEMENTS;						
		ENANCES.						
		TOTAL FUN	IDING	EDN	500 0	2		С

					APPROPRIATIONS (IN 000'S)		
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
4.		ALIAMANU I	ELEMEN	TARY SCHOOL	, OAHU		
	COVERE COURT; IMPROV	AND CONSTI D PLAYCOUR GROUND AN EMENTS; EQU ENANCES. TOTAL FU	T/BASKE D SITE JIPMENT	TBALL AND	300 C	С	
5.		AUGUST AHF	RENS ELF	EMENTARY SC	HOOL. OAHU		
	CONSTR RESTRO SITE IMI	UCTION TO P	RENOVAT DING J; O S; EQUIPN	E GROUND AND MENT AND	500 C	С	
6.		AUGUST AHF	RENS ELF	EMENTARY SC	HOOL, OAHU		
	CONSTR BUILDIN SITE IMI	UCTION TO F NG I CARPET; PROVEMENTS ENANCES. TOTAL FU	REPLACE GROUNI S; EQUIPN	D AND MENT AND	250 C	С	
7.				EMENTARY SC		C C	
	DESIGN IMPROV PARKIN A NEW F SITE IMI	AND CONSTI EMENTS TO T G LOT AND T ARKING LOT PROVEMENTS ENANCES.	RUCTION THE CUR HE ADDI '; GROUN S; EQUIPN	I FOR RENT ITION OF ID AND MENT AND	,	c	
		TOTAL FU			2,050 C	С	
8.	CONSTR B; GROU	BALDWIN HI UCTION TO R ND AND SITE ENT AND AP TOTAL FU	REROOF I E IMPROV PURTEN/	BUILDING /EMENTS; ANCES.	1,000 C	С	
9.		BALDWIN HI	GH SCHO	OOL, MAUI			
		AND CONSTI IC LOCKER R TOTAL FU	OOM.		1,400 C	С	
10.		BENJAMIN PA	ARKER E	LEMENTARY	SCHOOL, OAHU		
	EQUIPM RETAIN	DESIGN, CON ENT FOR BOU ING WALL RE EMENTS TO I TOTAL FU	UNDARY EPLACEM MPROVE	SURVEY, ENTS AND DRAINAGE.	525 C	С	
11.		CAMPBELL H	HIGH SCH	IOOL, OAHU			
	TRACK IMPROV	AND CONSTI AND FIELD; C EMENTS; EQU ENANCES.	GROUND	AND SITE			
		TOTAL FU	NDING	EDN	6,290 C	С	

		AL IMPROVEMENT H		IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO. TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
12.	CASTLE H	IIGH SCHOOL, OAHU		
	CONSTRUCTION 1	O REPLACE STADIUM GROUND AND SITE EQUIPMENT AND		
	TOTAL	FUNDING EDN	300 C	С
13.	CASTLE H	HIGH SCHOOL, OAHU		
	LOT; GROUND AN EQUIPMENT AND	ISTRUCTION TO DWAY AND PARKING D SITE IMPROVEMENTS; APPURTENANCES. FUNDING EDN	402 C	C
14.	CENTRAL	L MIDDLE SCHOOL, OAHU	J	
	STÀGE LIGHTING	THE REPLACEMENT OF IN BUILDING B. FUNDING EDN	120 C	С
15.	DOLE MII	DDLE SCHOOL, OAHU		
	DESIGN FOR ARC REMOVAL.	HITECTURAL BARRIER		
		FUNDING EDN	С	300 C
16.	DOLE MII	DDLE SCHOOL, OAHU		
	OPEN ÁIR-COVÉR ENRICHMENT/AC AND SITE IMPROV AND APPURTENA	ND CONSTRUCTION FOR ED STUDENT LEARNING TIVITY AREA; GROUND 'EMENTS; EQUIPMENT NCES. FUNDING EDN	4,000 C	С
17.	EAST KAI	POLEI MIDDLE SCHOOL, (DAHU	
	FOR COMPLETION	JCTION, AND EQUIPMEN' N OF PHASE 3; GROUND 'EMENTS; EQUIPMENT NCES.	Г	
	TOTAL	FUNDING EDN	20,000 C	С
18.	EWA BEAG	CH ELEMENTARY SCHOO	L, OAHU	
		AND MAINTENANCE A BEACH ELEMENTARY O AND SITE EQUIPMENT AND		
		FUNDING EDN	466 C	С
19.	EWA BEAG	CH ELEMENTARY SCHOO	L, OAHU	
	GROUND AND SIT EQUIPMENT AND	ISTRUCTION TO ING C RESTROOMS; TE IMPROVEMENTS; APPURTENANCES. FUNDING EDN	260 C	С
	IOIAL	TOTIDING LDIN	2000	C

					APPROPRIATI	ONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
NO.	PROJECT NO.	TITLE		KPENDING GENCY	YEAR O 2019-2020 F	YEAR O 2020-2021 F
20.		EWA ELEMEN	TARY SO	CHOOL, OAHU		
	DESIGN VARIOUS PROJECT GROUNI	AND CONSTR 5 REPAIR ANI 75 AT EWA EL 7 AND SITE IN ENT AND API TOTAL FU	RUCTION D MAINT EMENTA MPROVEI PURTENA	FOR ENANCE RY SCHOOL; MENTS; ANCES.	2,319C	С
21.		FARRINGTON	NHIGH S	CHOOL, OAHU	ſ	
	IN BUILI SITE IMF	UCTION TO R DINGS I AND . PROVEMENTS ENANCES. TOTAL FUI	J; GROUI ; EQUIPN	ND AND MENT AND	300 C	С
22.		FARRINGTON	NHIGH S	CHOOL, OAHU	ſ	
		AND CONSTR M BLEACHER TOTAL FUI	S.	TO REPLACE	875 C	С
23.		FERN ELEME	NTARY S	SCHOOL, OAHU	J	
	FIRE AL. SITE IMF	UCTION TO R ARM SYSTEM PROVEMENTS ENANCES. TOTAL FUI	; GROUN ; EQUIPN	ND AND MENT AND	1,440 C	С
24.		FERN ELEME	NTARY S	SCHOOL, OAHU	J	
	EQUIPM SYSTEM	DESIGN, CONS ENT FOR CAN FOR BUILDIN T FLOODING; EMENTS. TOTAL FUI	APUS DR NG C, G, J ; GROUN	AINAGE I, I, AND B TO D AND SITE	225 C	С
25.		HAAHEO ELE	MENTA	RY SCHOOL, HA	AWAII	
	ELECTR CLASSRO GROUNI	UCTION, EQU ICAL UPGRAI OOM BUILDIN O AND SITE IN ENT AND API TOTAL FUI	DES FOR IG AND I MPROVEI PURTENA	A FOUR LIBRARY; MENTS; ANCES.	22,710C	С
26.		HAHAIONE E	LEMENT	CARY SCHOOL,	OAHU	
	DESIGN Remova	FOR ARCHIT			С	270 C
27.		HAHAIONE E	LEMENT	CARY SCHOOL,	OAHU	
21.	DESIGN Buildin Improvi	AND CONSTR IG B AND I; G EMENTS; EQU ENANCES.	RUCTION ROUND	TO REROOF		
	ALIOKI	TOTAL FUI	NDING	EDN	575 C	С

					APPROPRIATI	ONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
ITEM NO.	PROJECT NO.	TITLE		XPENDING GENCY	YEAR O 2019-2020 F	YEAR O 2020-2021 F
110.	110.	IIILE	A	GENCI	2019-2020 1	2020-2021
28.		HAIKU ELEME	NTARY	Y SCHOOL, M	AUI	
		DESIGN AND C				
		/ERED WALKW G E REROOF; (
	SITE IMP	PROVEMENTS; 1				
	APPURI	ENANCES. TOTAL FUN	DING	EDN	700 C	С
29.		HEEIA ELEMEI	NTARY	SCHOOL, OA	HU	
		AND CONSTRU		· · · · · ·		
	UPGRAD	DE FIRE ALARN	AS; GR	OUND AND		
		PROVEMENTS; 1 ENANCES.	EQUIPI	MENT AND		
	in rottin	TOTAL FUN	DING	EDN	372 C	С
30.		HEEIA ELEMEI	NTARY	SCHOOL, OA	HU	
		CONSTRUCTIO				
		APUS DRAINA ING BUILDING				
		E IMPROVEME			, ,	
	AND API	PURTENANCES TOTAL FUN		EDN	600 C	С
						C
31.		HICKAM ELEN		· · · · · · · · · · · · · · · · · · ·	OAHU	
		UCTION TO RE INES; GROUNE				
	IMPROVI	EMENTS; EQUI	PMEN	ΓAND		
	APPURT	ENANCES. TOTAL FUN	DING	FDN	170 C	С
22						C
32.		HIGHLANDS IN			,	
		AND CONSTRU ECTRICAL UP)-	
	GROUNI	O AND SITE IM			5 500 C	C
		TOTAL FUN	DING	EDN	5,500 C	С
33.		HILO INTERMI		· · · · · · · · · · · · · · · · · · ·	AWAII	
		DESIGN, AND C LDING L REPL				
	2ND FLO	OR CEILINGS;	GROU	ND AND		
		PROVEMENTS; 1 ENANCES.	EQUIP	MENT AND		
	ALLOKI	TOTAL FUN	DING	EDN	400 C	С
34.		HOKULANI EL	EMEN'	TARY SCHOO	L, OAHU	
	DESIGN	FOR ADA TRA				
		TOTAL FUN	DING	EDN	С	230 C
35.		HONOKAA ELI	EMENT	TARY SCHOOL	L, HAWAII	
		FOR ARCHITE	CTURA	AL BARRIER		
	REMOVA	L. TOTAL FUN	DING	EDN	С	300 C

					APPROPRIA	ATIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
36.	Н	IONOKAA HI	GH ANI	D INTERMEDIA	TE SCHOOL,	HAWAII
	DESIGN F REMOVAI	OR ARCHITE	ECTURA	L BARRIER		
	KLWO WA	TOTAL FUN	NDING	EDN	С	450 C
37.	Н	IOOKENA EL	EMENT	ARY SCHOOL, I	HAWAII	
	BUILDING GROUND	AND CONSTR G D FIRE ALA AND SITE IN NT AND APP TOTAL FUY	ARM WI IPROVE	RING; MENTS; ANCES.	200 C	С
38.	L	AO INTERME	DIATES	SCHOOL, MAUI		
	FOR REN CAFETER ADDITIO	OVATIONS TO IA, BUILDIN NAL CLASSR ROVEMENTS;	O THE O G C, TO DOMS; C EQUIPN	PROVIDE GROUND AND MENT AND	С	4,000 C
39.	I	AO INTERME	DIATES	SCHOOL, MAUI		
	EQUIPME OF AIR CO CONDITIO	CONSTRUCTI NT FOR THE ONDITIONIN ON BUILDING ROVEMENTS; NANCES. TOTAL FUN	INŚTAL G SYSTI G A; GRO EQUIPN	LATION EMS TO AIR DUND AND MENT AND	1,100 C	С
40.	J	EFFERSON E	LEMEN'	TARY SCHOOL,	OAHU	
	OUTDOOI AND SITE	CTION TO R R BASKETBA IMPROVEMI URTENANCE TOTAL FUN	LL COU ENTS; E0 S.	RT; GROUND QUIPMENT	300 C	C
41.	JI	EFFERSON E	LEMEN	TARY SCHOOL,	OAHU	
	RESURFA AND DRI		KING LO UND AN IPMENT	OT ID SITE TAND		
		TOTAL FUN	NDING	EDN	300 C	С
42.				TARY SCHOOL	2, OAHU	
	BACKBOA IMPROVE	ARDS; GROUN MENTS; EQU	ND AND			
	APPURTE	TOTAL FUN	NDING	EDN	30 C	С

					APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
43.				NTARY SCHOOI	L, OAHU	
	PLAYCOU IMPROVI	UCTION TO R URT; GROUNI EMENTS; EQU ENANCES. TOTAL FUI) AND S IPMEN	ITE T AND	351 C	С
4.4	,					C
44.				NTARY SCHOOI	2, OAHU	
	EQUIPMI WITH TH LIGHTIN GROUNI	DESIGN, CONS ENT FOR AN (IE APPLICABI IG, AND SOUN O AND SITE IN ENT AND APF TOTAL FUI	DUTDO LE ELEC ND EQU IPROVE URTEN	OR STAGE TRICAL, IPMENT; MENTS; AND ANCES.	1,000 C	C
45.	1	KAHALA ELE	MENTA	RY SCHOOL, OA	AHU	
	DESIGN TRANSIT					
		TOTAL FUI	NDING	EDN	1,530 C	С
46.]	KAHALUU EL	EMENT	CARY SCHOOL, O	DAHU	
	FOR FIR AND SIT	EQUIPMENT, A E ALARM UPO E IMPROVEM PURTENANCE TOTAL FUI	GRADE ENTS; E S.	QUIPMENT	486 C	С
47.]	KAHUKU HIC	H AND	INTERMEDIAT	E SCHOOL, OAF	ΗU
	DESIGN	AND CONSTR ILETIC FIELD	UCTIO	N	,	
	INTROVI	TOTAL FUI	NDING	EDN	4,500 C	С
48.]	KAHULUI ELI	EMENT	ARY SCHOOL, M	IAUI	
		AND CONSTR G LOT FENCIN		N FOR		
		TOTAL FUI	NDING	EDN	500 C	С
49.]	KAHULUI ELI	EMENT	ARY SCHOOL, M	IAUI	
	EQUIPMI BUILDIN IMPROVI	DESIGN, CONS ENT FOR A NI IG; GROUND A EMENTS; EQU ENANCES.	EW CLA And Sit	SSROOM TE		
		TOTAL FUI	NDING	EDN	6,000 C	С
50.	1	KAILUA HIGH	I SCHOO	DL, OAHU		
	FOR INS		F BASE	D EQUIPMENT BALL INFIELD ER RELATED		
	IMPROVI	EMENTS. TOTAL FUI	NDING	EDN	1,700 C	С

CAPITAL I	MPROVEMENT	PROJECTS
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					APPROPRIA	TIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		KPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
51.		KAILUA HIGI	H SCHOO	L, OAHU		
	IMPROVI IMPROVI	UCTION FOR EMENTS; GRO EMENTS; EQU ENANCES. TOTAL FU	DUND AN JIPMENT	ND SITE YAND	300 C	С
52.		KAILUA HIGI	н ѕсноо	L, OAHU		
	LIGHT P IMPROVI	UCTION TO R OLES; GROUN EMENTS; EQU ENANCES.	ND AND S JIPMENT	SITE 'AND	700 C	С
52		TOTAL FU			700 C	C
53.	CONSTR AND CO' SITE IMF	KAILUA HIGI UCTION TO R VERED WALK PROVEMENTS ENANCES. TOTAL FU	EROOF E WAY; GR ; EQUIPM	BUILDING N OUND AND IENT AND	557 C	С
54.		KAIMUKI HI				-
54.	DESIGN	AND CONSTR IC LOCKER R TOTAL FU	RUCTION OOM.	, i i i i i i i i i i i i i i i i i i i	400 C	С
55.		KAIMUKI HI	GH SCHO	OL, OAHU		
		AND CONSTE LL FIELD IMF TOTAL FU	PROVEME	ENTS.	С	80 C
56.		KAIMUKI HI	GH SCHO	OL, OAHU		
	AUDITO THE BUI CONSTR TO ONE EXISTIN SITE IMF	AND CONSTR RIUM RESTRO LDING FRON UCTION TO C LOCATION AI G FACILITIES PROVEMENTS ENANCES. TOTAL FU	OOMS AE T. DESIC CONSOLII ND RENC S; GROUN S; EQUIPM	DJOINING SN AND DATE CAMPUS DVATE ID AND IENT AND	5 1,000 C	С
57.		KAISER HIGH	I SCHOO	L, OAHU		
			G LOCKE	ER ROOM		
		TOTAL FU	NDING	EDN	90 C	990 C
58.				ARY SCHOOL,	OAHU	
	FOUNTA C; GROU	UCTION TO II JINS IN BUILE ND AND SITE ENT AND API TOTAL FU	DINGS A, E IMPROV PURTENA	B, AND /EMENTS;	24 C	С

		CAPITAL	IMPRO	VEMENT	PROJECTS	
					APPROPRIATI	
ITEM NO.	CAPITAL PROJECT NO.	TITLE		KPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
59.		KALAKAUA N	AIDDLE S	SCHOOL, OAI	HU	
	TO DEM IMPROVI	FOR BUILDIN OLISH; GROU EMENTS; EQU ENANCES. TOTAL FUI	ND AND IPMENT	SITE AND	80 C	С
60.		KALAKAUA N	AIDDLE S	SCHOOL, OAI	HU	
	TO CONS CONDIT IMPROVI	FOR DUE DIL STRUCT NEW IONING; GRO EMENTS; EQU ENANCES.	CAMPUS UND AN IPMENT	S AIR D SITE ' AND		
		TOTAL FUI	NDING	EDN	100 C	С
61.		KALAMA INT UCTION TO R			L, MAUI	
	LOT; GRO	OUND AND SI ENT AND APP TOTAL FUI	TE IMPR PURTENA	OVEMENTS; ANCES.	238 C	С
62.		KALAMA INT	ERMEDI	ATE SCHOOI	L, MAUI	
		FOR DUE DIL NSTRUCTION				
		TOTAL FUI	NDING	EDN	100 C	С
63.		KALAMA INT	ERMEDI	ATE SCHOOI	L, MAUI	
	FIRE AL. IMPROVI	TO REPLACE ARM; GROUN EMENTS; EQU ENANCES. TOTAL FUI	D AND S	ITE AND	55 C	С
64.		KALANI HIGI			550	e
01.	CONSTR	UCTION FOR STALLATION (TOTAL FUI	RUBBER DF FIELD	IZED TRACK DTURF.	2,990 C	С
65.		KALANI HIGI	H SCHOO	L, OAHU		
		AND CONSTR M BLEACHER TOTAL FUI	S.		E 875 C	С
66.		KALEIOPUU I	ELEMEN	TARY SCHOO	DL, OAHU	
	TO CONS BUILDIN IMPROVI	FOR DUE DIL STRUCT A NE' IG; GROUND A EMENTS; EQU ENANCES.	W CLASS AND SIT	ROOM E		
	ATT UKL	TOTAL FUI	NDING	EDN	250 C	С

					APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
67.		KAMILOIKI EL	EMEN	TARY SCHOO	L. OAHU	
		AND CONSTRU			,	
	TRANSI	FION. TOTAL FUN	DING	EDN	1,530 C	С
68.		KANOELANI E	LEMEN	TARY SCHOO	DL, OAHU	
	INCREAS TO ACCO STUDEN SITE IMP	DESIGN AND C SE THE CAFET DMMODATE TH T POPULATION PROVEMENTS; I ENANCES. TOTAL FUN	ERIA C. IE GRO I; GROI EQUIPN	APACITY WING UND AND MENT AND	3,000 C	С
69.		KAPAA HIGH S	СНООІ	L, KAUAI		
	DESIGN REMOVA	FOR ARCHITE	CTURA	L BARRIER		
		TOTAL FUN	DING	EDN	450 C	С
70.		KAPAA HIGH S	CHOOI	L, KAUAI		
	PARKING IMPROVI APPURT LOT, DRI DRAINA SCHOOL CLUB, IN AND NE GROUNI	AND CONSTRU G LOT AND DR EMENTS; GROU EMENTS; EQUI ENANCES. TO IVEWAY INCLU GE SYSTEM OF GYMNASIUM ICLUDING BOT W AND EXPAN D AND SITE IM ENT AND APPU	AINAG JND AN PMENT FIX TH DED A KAPA BOYS A BOYS A TH EXIS DED PA PROVEI	E ND SITE AND E PARKING ND A HIGH ND GIRLS TING AREAS VED AREAS. MENTS;		
	EQUIT	TOTAL FUN			2,550 C	С
71.		KAPALAMA EI	.EMEN'	TARY SCHOO	L, OAHU	
	ROOMS I SITE IMF	UCTION TO RE IN BUILDING F PROVEMENTS; I ENANCES. TOTAL FUN	; GROU EQUIPN	IND AND MENT AND	50 C	С
72.		KAPALAMA EI				C
72.	DESIGN	AND CONSTRU			2, 0/110	
	TRANSI	FION. TOTAL FUN	DING	EDN	180 C	1,500 C
73.		KAPALAMA EI	.EMEN'	TARY SCHOO	L, OAHU	
	CUSTOD SITE IMF	S FOR BUILDIN IAN COTTAGE; PROVEMENTS; I ENANCES.	GROU	ND AND		
		TOTAL FUN	DING	EDN	75 C	С

		CAPITAL II	MPRO	VEMENT	PROJECTS	
					APPROPRIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
74.]	KAPIOLANI EL	EMEN	TARY SCHOO	L, HAWAII	
	DESIGN	AND CONSTRU	ICTION	FOR		
		LL FIELD IMPR	OVEMI	ents.		~
		TOTAL FUN	DING	EDN	750 C	С
75.	1	KAPUNAHALA	ELEM	ENTARY SCH	OOL, OAHU	
	PORTABI INCLUDI		1; PROJ NCE EF PORTA	ECT TO FORT ABLE		
		TOTAL FUN	DING	EDN	250 C	1,750 C
76.]	KAPUNAHALA	ELEM	ENTARY SCH	OOL, OAHU	
	DESIGN TRANSIT	AND CONSTRU TION. TOTAL FUN			180 C	1,500 C
						1,500℃
77.		KAPUNAHALA			OOL, OAHU	
	RESURF/ GROUNI	AND CONSTRU ACING OF THE O AND SITE IMI ENT AND APPU TOTAL FUN	PARKI PROVE JRTEN	NG LOT; MENTS; ANCES.	480 C	С
78.	,	KAU HIGH AN		A ELEMEN	TARY SCHOOL, F	IAWAII
70.	DESIGN BUILDIN WALK-IN GROUNI	AND CONSTRU IG C TO REPLA I CHILL BOX A O AND SITE IM ENT AND APPU TOTAL FUN	JCTION CE CAI ND FRI PROVEI JRTENA	I FOR FETERIA EEZER; MENTS; ANCES.	200 C	C
79.]	KAULUWELA I	ELEME	NTARY SCHO	OL, OAHU	
	CAMPUS SITE IMP	AND CONSTRU FIRE ALARMS PROVEMENTS; 1 ENANCES. TOTAL FUN	S; GROU EQUIPN	JND AND MENT AND	300 C	С
80.	I	KAULUWELA F	ELEME	NTARY SCHO	OL. OAHU	
	PLANS, E FOR CLA S AND BU CONSTRU TO ONE I EXISTIN SITE IMP	DESIGN, AND C SSROOM WALI JILDING D. DE UCTION TO CO LOCATION ANI G FACILITIES; ROVEMENTS; J ENANCES. TOTAL FUN	ONSTR SIGN A NSOLI D RENO GROUN EQUIPN	RUCTION UILDING AND DATE CAMPU DVATE ID AND		С
					- ,	5

					APPROPRIATIO	DNS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
81.		KAULUWELA	ELEME	NTARY SCHO	DOL, OAHU	
	FOR PLA D; GROU	DESIGN, AND YGROUND BI 'ND AND SITE ENT AND APE TOTAL FU	EHIND B E IMPRO PURTEN	UILDING VEMENTS; ANCES	1,000 C	С
82.		KAUNAKAKA	IELEM	ENTARY SCH	IOOL, MOLOKAI	
	EQUIPM	DESIGN, CONS ENT FOR ROC TALL BLEAC TOTAL FU	OF REPLA HERS.		750 C	С
83.		KAWANANAK	KOA MID	DLE SCHOO	L, OAHU	
	DESIGN TRANSIT	AND CONSTR FION. TOTAL FUI			100 C	С
84.		KAWANANAK	COA MID	DLE SCHOO	L, OAHU	
	BUILDIN AND SIT	AND CONSTR IG F AND G R E IMPROVEM PURTENANCE TOTAL FUI	AILINGS ENTS; EG ES.	S; GROUND QUIPMENT	150 C	С
85.		KAWANANAK	XOA MID	DLE SCHOO	L. OAHU	
	DESIGN Buildin Site imp	AND CONSTR IG J RAILING PROVEMENTS ENANCES. TOTAL FUI	RUCTION S; GROU ; EQUIPN	I TO REPAIR ND AND MENT AND	,	С
86.		KE KULA O E	HUNUIK	KAIMALINO,	HAWAII	
	FIRE ALA IMPROVI	UCTION TO R ARMS; GROU EMENTS; EQU ENANCES.	ND AND JIPMENT	SITE TAND		
		TOTAL FU			207 C	С
87.		KEAAU ELEM		·		
	ALARM I SITE IMP	UCTION FOR REPLACEMEN PROVEMENTS ENANCES. TOTAL FUI	NT; GRO ; EQUIPN	UND AND MENT AND	270 C	С
88.		KEAAU HIGH	SCHOO	L, HAWAII		
	CAMPUS FIRE AL IMPROVI	AND CONSTR -WIDE RE-WI ARMS; GROU EMENTS; EQU ENANCES.	RING OI ND AND	SITE		
	ATT OKT	TOTAL FU	NDING	EDN	175 C	С

		CAPITAL IN	APRC	OVEMENT I	PROJECTS	
					APPROPRIATI	ONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
ITEM	PROJECT		Ε	XPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	A	GENCY	2019-2020 F	2020-2021 F
89.]	KEAAU MIDDL	E SCH	OOL, HAWAII		
	DESIGN	AND CONSTRU	CTION	J FOR CAMPLI	S	
		FIRE ALARM SY			5	
		E IMPROVEMEN		QUIPMENT		
	AND APF	URTENANCES. TOTAL FUNI		EDN	90 C	С
		IOTALIUNI	JINO	LDN	900	C
90.]	KEALAKEHE E	LEME	NTARY SCHOO	DL, HAWAII	
		AND ACQUISIT				
		UCTION FOR A G; IMPROVEMI				
		ND PARKING I)	
		ROVEMENTS; E				
	APPURTI	ENANCES.		EDV	14,000 G	C
		TOTAL FUNI	JING	EDN	14,990 C	С
91.]	KEALAKEHE H	IGH S	CHOOL, HAWA	AII	
		UCTION OF A A				
		TIC TRACK; GR EMENTS; EQUII				
		ENANCES.	IVILIN.	IAND		
		TOTAL FUNI	DING	EDN	3,000 C	С
92.	1	KEAUKAHA EL	EMEN	TARY SCHOO	L, OAHU	
	CONSTRU	UCTION TO RE	PLACE	E AC		
		ABLES; GROUN				
		EMENTS; EQUII ENANCES.	PMEN	ΓAND		
	AFFUKII	TOTAL FUNI	DING	EDN	140 C	С
93.	1	KEKAHA ELEM	IENTA	RY SCHOOL &	ATTAT	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				· · · · · · · · · · · · · · · · · · ·	u loi li	
		AND MAINTEN 'S BUILDINGS, I				
		N IN CAFETERI				
	AND RE-	TILING, BASKE	TBAL	L COURT		
		ACING, REPLAC			~	
		ED BEAMS AND AND CONSTRU			j.	
		IDATE CAMPUS			1	
	AND REN	NOVATE EXISTI	NG FA	CILITIES;	•	
		O AND SITE IMP				
	EQUIPMI	ENT AND APPU TOTAL FUNI			2,050 C	С
94.	1				2,000 C	C
74.		KEKAULIKE HI				
		UCTION TO REI ARM; GROUND				
		EMENTS; EQUI				
	APPURTI	ENANCES		EDM	115.0	~
		TOTAL FUNI	JING	EDN	117C	С

		APPROPRIA	RIATIONS (IN 000'S)			
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
95.		KEKAULIKE	HIGH SC	HOOL, MAUI		
	A BASÉB TURF FI LIGHTS,	DESIGN AND ALL AND SO ELD, SITE IM SCOREBOAR ENANCES. TOTAL FU	FTBALL PROVEM D, EQUIF	ENTS, PMENT AND	1,700 C	С
96.		KEONEPOKO	ELEME	NTARY SCHOO	DL, HAWAII	
	DESIGN CAMPUS FIRE AL IMPROVI	AND CONSTI -WIDE REPL/ ARMS; GROU EMENTS; EQU ENANCES. TOTAL FU	RUCTION ACEMEN ND AND JIPMENT	FOR T OF SITE AND	500 C	С
97.		KIHEI ELEMI	ENTARY	SCHOOL, MAU	Л	
		FOR ADA TR TOTAL FU	ANSITIO	N.	С	270 C
98.		KIHEI HIGH	SCHOOL,	MAUI		
	EFFORT SOLUTIC	ND DESIGN FOR A PEDES N; PROJECT D PLANS, STU TOTAL FU	STRIAN S MAY INC JDIES, AN	SAFETY LUDE ND REPORTS.	250 C	С
99.		KILAUEA ELI	EMENTA	RY SCHOOL, I	KAUAI	
	RESURF	UCTION TO F ACE CRACKE DR PLAYCOUI TOTAL FU	D AND F RT.	EELING	325 C	С
100.		KOKO HEAD	ELEMEN	TARY SCHOO	L, OAHU	
	DESIGN	FOR ADA TR TOTAL FU			С	180 C
101.		KONAWAENA	HIGH S	CHOOL, HAWA	AII	
	COMPOS OFFICE; IMPROVI APPURT	UCTION TO P ITION TILE I GROUND AN EMENTS; EQU ENANCES. TOTAL FU	N ADMIN ID SITE JIPMENT	NISTRATIVE CAND	20 C	С
102.		KONAWAENA	HIGH S	CHOOL, HAWA	AII	
	DESIGN	AND CONSTI LL FIELD IMI TOTAL FU	RUCTION PROVEMI	FOR ENTS.	1,130 C	С
103.		KUALAPUU I	ELEMEN'	TARY SCHOOI	L, MOLOKAI	
	CONSTR	UCTION FOR TOTAL FU			300 C	С

		CAPITAL	IMPRO	VEMENT F		
						ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
104.	ŀ	KUHIO ELEM	ENTARY	SCHOOL, OA	HU	
	C AND H; IMPROVE	JCTION TO R ; GROUND A1 EMENTS; EQU ENANCES.	ND SITE			
		TOTAL FUI	NDING	EDN	150 C	С
105.	Ι	LAHAINALUI	NA HIGH	I SCHOOL, MA	UI	
		AND CONSTR CTURAL BAI TOTAL FUI	RRIER R	EMOVAL.	150 C	С
106.	Ι	LAHAINALUN	NA HIGH	I SCHOOL, MA	UI	
	EQUIPME AND/OR METERS INFRAST THE MAI K, L, W, Y	ESIGN, CONS ENT FOR REP REPLACEME AND OTHER RUCTURE IN N CAMPUS F (, DAIRY, BOA LES P-1, P-12, F	AIRS, UI NT OF E ELECTR IPROVEN OR BUIL RDER'S	PGRADES, LECTRICAL LICAL SYSTEM MENTS AT JDING H, I, J, FIELD, AND	ſ	
	1-10.	TOTAL FUI	NDING	EDN	5,000 C	С
107.	Ι	LAHAINALUI	NA HIGH	I SCHOOL, MA	JUI	
	AND RES GROUND	AND CONSTR JURFACE TRA AND SITE IN ENT AND APP TOTAL FUI	ACK ANI MPROVE PURTEN	D FIELD; MENTS; ANCES.	2,000 C	С
108.	Ι	LEILEHUA HI	GH SCH	OOL, OAHU		
	EQUIPME STADIUM SCOPE TO TURF AN RESTROC ANNOUN SITE IMP	AND FOOTI DINCLUDE T DSYNTHET MS, CONCES ICERS BOOTI ROVEMENTS ENANCES.	ROVEMI BALL FII HE STAI IC TRAC SSION ST H; GROU ; EQUIPN	ENTS TO THE ELD; PROJECT DIUM FIELD K SURFACE, ANDS, AND ND AND MENT AND		
		TOTAL FUI			5,300 C	С
109.		LEILEHUA HI				
	EXISTINO GROUND	AND CONSTR G CAMPUS R() AND SITE IN ENT AND APH TOTAL FUI	DADS AN MPROVE PURTEN	ID DRIVEWAY MENTS; ANCES.	2,500 C	C
110.	Ι	LIHOLIHO EL	EMENT	ARY SCHOOL,	OAHU	
		LDING J, F, Al		AGE SYSTEM PREVENT		
		TOTAL FUI	NDING	EDN	100 C	С

					APPROPRIATIO	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
111.		LIKELIKE ELE	MENTA	ARY SCHOOL, (DAHU	
	CUSTOD SITE IMF	UCTION TO DE IAN COTTAGE; PROVEMENTS; I ENANCES. TOTAL FUN	GROU EQUIPN	ND AND MENT AND	120 C	С
112.		LIKELIKE ELE	MENTA	ARY SCHOOL, (DAHU	
	DESIGN TRANSIT				190.0	1 500 C
		TOTAL FUN			180 C	1,500 C
113.		LOKELANI INT	ERME	DIATE SCHOO	L, MAUI	
		AND CONSTRU ECTURAL BAR TOTAL FUN	RIER R	EMOVAL.	300 C	С
114.		LUMP SUM CIP	- COM	PLIANCE, STA	TEWIDE	
	TO BRIN WITH AI	AND CONSTRU G THE DOE IN DA, ABR, AND C EMENTS.	COMPI GENDE	LIANCE R EQUITY		
		TOTAL FUN	DING	EDN	5,000 C	С
115.		LUMP SUM CIP	- HEA	LTH AND SAFI	ETY, STATEWIDE	
	FOR IMP FACILITI HEALTH LAWS, AI COUNTY SITE IMP	DESIGN, AND C ROVEMENTS T IES AND GROU AND SAFETY I ND ORDINANC Y REQUIREMEN PROVEMENTS; I ENANCES. TOTAL FUN	O SCH NDS TO REQUI ES ANI NTS; GF EQUIPN	OOL O MEET REMENTS/ D/OR ROUND AND MENT AND	10,000 C	10,000 C
116.		LUMP SUM CIP	- PROJ	ECT COMPLE	FION, STATEWIDI	Ξ
	CONSTR PROJECT CONSTR PURCHA CHANGI		EQUIP INCLU GEME TILITIE DALL (E COMI	MENT FOR JDING NT COSTS, ES CHARGES, DTHER COSTS PLETION OF A		28.000 C
		TOTAL FUN		EDN	38,000 C	38,000 C
117.	PLANS, I TO MAIN AND INF HAZARI GROUNI	DESIGN, AND C VTAIN AND IMI FRASTRUCTUR DOUS MATERIA DAND SITE IMI ENT AND APPU	ONSTE PROVE E, INCI ALS REI PROVE	RUCTION FACILITIES LUDING MEDIATION; MENTS; ANCES.	ITENANCE, STAT	
		TOTAL FUN	DING	EDN	110,700 C	110,000 C

		CAPITAL IM	PRC	VEMENT P	ROJECTS	
					APPROPRI	ATIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	I FISCAL M YEAR O
118.		LUMP SUM - OFF STATEWIDE	ICE (OF INFORMAT	ION TECHNO	DLOGY SERVICES,
	TO MAIN CONVER PROVIDI FOR SCH INFRAST ACCESS	CONSTRUCTION ITAIN AND IMPR GED INFRASTRU NG BELLS AND F IOOL SAFETY; CC IRUCTURE PROV TO ON-LINE LEA ET RESOURCES; F ENANCES. TOTAL FUNDI	OVE JCTU PAGIN DNVE IDIN RNIN EQUI	DOÈ'S JRE NG G SHCOOLS ¹ NG AND PMENT AND	, 8,500 С	2,500 C
119.		MAKAWAO ELEN	IENT	ARY SCHOOL,	MAUI	
	GROUNI	UCTION OF COVI O AND SITE IMPR ENT AND APPUR TOTAL FUNDI	OVE TEN	MENTS; ANCES.	850 C	С
120.		MAUI HIGH SCH	DOL,	MAUI		
	GIRLS A AND BA FACILITI FACILITI IMPROVI	AND CONSTRUC THLETIC LOCKEI THROOM, P.E. AN IES, AND OTHER IES; GROUND AN EMENTS; EQUIPM ENANCES.	R RO ID AT RELA D SIT	OM ΓHLETIC ΑTED ΓΕ		
		TOTAL FUNDI	NG	EDN	С	8,000 C
121.	DESIGN, FOR AIR THE HEA INTERM INCLUD C, D, G, E IMPROVI	MAUI WAENA IN CONSTRUCTION CONDITIONING AT ABATEMENT (EDIATE SCHOOL E, BUT NOT LIMI , B, AND A; GROU EMENTS; EQUIPM ENANCES.	I, AN SYS DF M , PRC TED JND	D EQUIPMENT TEMS FOR AUI WAENA DJECT MAY TO, BUILDING AND SITE		
		TOTAL FUNDI	NG	EDN	1,000 C	С
122.		MAUI WAENA IN	TER	MEDIATE SCH	OOL, MAUI	
	TO AERA MAY ALS OF THE I	CONSTRUCTION ATE THE P.E. FIEI SO INCLUDE REC FIELD TO REMOV O AND SITE IMPR TOTAL FUNDI	LD; P BRAE /E HA OVE	ROJECT DING AREAS ARD SOIL;	С	1,810C
123.		MCKINLEY HIGH	I SCI	HOOL, OAHU		
		AND CONSTRUC ECTURAL BARRI TOTAL FUNDI	ER R	EMOVAL.	2,350 C	С

CAPITAL IMPROVEMENT PI

		CAPITAL IMI	PROVEMENT	PROJECTS		
				APPROPRIATIONS (IN 000'S)		
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F	
124.		MILILANI HIGH S	CHOOL, OAHU			
	DESIGN	AND CONSTRUCT IC LOCKER ROOM TOTAL FUNDI	TION FOR GIRLS	650 C	С	
125.		MILILANI HIGH S	CHOOL, OAHU			
		AND CONSTRUCT LL FIELD IMPROV TOTAL FUNDII	EMENTS.	1,680 C	С	
126.		MILILANI HIGH S	CHOOL, OAHU			
	OF A NE AND REI GYMNAS ARTS FA IMPROVI	ESIGN, AND CONS W GYMNASIUM B FURBISHMENT O SIUM INTO A PER CILITY; GROUND EMENTS; EQUIPM ENANCES. TOTAL FUNDII	UILDING F CURRENT FORMING AND SITE ENT AND	250 C	С	
127.		MILILANI MIDDL	E SCHOOL, OAHU	J		
	AND EQU IMPROVI WIDENIN	DESIGN, CONSTRU UIPMENT FOR SII EMENT PROJECT; NG OF ALL SIDEW ROUND AND SITE TOTAL FUNDII	DEWALK EXPANSION AND ALKS CAMPUS- E IMPROVEMENTS		С	
128.		MILILANI UKA EI	LEMENTARY SCH	OOL, OAHU		
	UNDEVE FRONTIN THE SCH SITE IMP	UCTION TO STABI ELOPED ERODING NG THE KAMEHA IOOL CAMPUS; GI PROVEMENTS; EQI ENANCES. TOTAL FUNDII	SLOPE MEHA SIDE OF ROUND AND UIPMENT AND	1,200 C	С	
129.		MOANALUA ELEN	MENTARY SCHOO	L, OAHU		
	DESIGN TO CONS AND AIR	FOR DUE DILIGE STRUCT ELECTRI CONDITIONING ENT AND APPURI TOTAL FUNDI	NCE EFFORT CAL UPGRADES IMPROVEMENTS FENANCES.		С	
130.		MOANALUA HIGH	I SCHOOL, OAHU			
	LIGHT P IMPROVI	UCTION TO REPL OLES; GROUND A EMENTS; EQUIPM ENANCES.	ND SITE ENT AND		-	
		TOTAL FUNDI	NG EDN	2,100 C	С	

		CAPITAL IMPR	OVEMENT I	PROJECTS	
				APPROPRIATI	ONS (IN 000'S)
	CAPITAL			FISCAL M	FISCAL M
	PROJECT		EXPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F
131.]	MOANALUA MIDDI	LE SCHOOL, OAI	HU	
	CONSTRU A CENTR TO BE DI THE ARE CEMENT LOCATE ADMINIS SITE IMP	AND ACQUISITION UCTION, AND EQUI ALIZED AREA FOR OPPED OFF AND/C A NEEDS TO BE CO ED WITH SEATING D BETWEEN THE CA STRATION OFFICE; ROVEMENTS; EQUI ENANCES. TOTAL FUNDINC	PMENT FOR STUDENTS OR PICKED UP. VERED AND AND WILL BE AFETERIA AND GROUND AND PMENT AND	1,500 C	С
				,	0
132.	DESIGN CAMPUS REPLACI AND SIT AND APP IS DEEM FOR FED	MOKAPU ELEMENT AND CONSTRUCTIO IMPROVEMENTS IN EMENT FACILITIES; E IMPROVEMENTS; PURTENANCES. TH ED NECESSARY TO DERAL AID FINANC RSEMENT.	ON FOR VCLUDING GROUND EQUIPMENT IS PROJECT QUALIFY	OAHU	
		TOTAL FUNDING	G EDN EDN	18,500 C 74,000 P	C P
133.]	MOLOKAI HIGH SC	HOOL, MOLOKA	AI	
		AND CONSTRUCTIO LL FIELD. TOTAL FUNDING		С	300 C
10.4					2000
134.	CONSTRI REPLACI SITE IMP	NAHIENAENA ELEN UCTION FOR PLAYH E IRRIGATION; GRC ROVEMENTS; EQUI ENANCES. TOTAL FUNDINC	FIELD DUND AND PMENT AND	225 C	С
135.	,	NAHIENAENA ELEN	MENTARY SCHO	OL MAUI	
155.	CONSTR GROUNI	UCTION TO REPAIN O AND SITE IMPROV ENT AND APPURTE TOTAL FUNDING	T PORTABLES; 'EMENTS; NANCES.	225C	С
136.	1	NANAKULI HIGH A	ND INTERMED	IATE SCHOOL. O	AHU
100.	PLANS, E TO BUILI AUDITOI IMPROVI	DESIGN, AND CONS D A PERFORMING A RIUM; GROUND AN EMENTS; EQUIPME ENANCES.	TRUCTION ARTS CENTER D SITE NT AND		
		TOTAL FUNDING	G EDN	2,000 C	С

					APPROP	RIATIO	NS (IN 000	'S)
	CAPITAL				FISCAL		FISCAL	Μ
ITEM NO.	PROJECT NO.	TITLE		XPENDING GENCY	YEAR 2019-2020		YEAR 2020-2021	O F
							2020 2021	-
137.				Y SCHOOL, OAI	HU			
	D STRUC SITE IMP	UCTION FOR TURAL REPA ROVEMENTS ENANCES.	AIRS; GRO	DUND AND				
	MITORI	TOTAL FU	NDING	EDN	1,263 0	2		С
138.	1	NIU VALLEY	MIDDLE	SCHOOL, OAH	IU			
		AND CONSTR ECTURAL BA TOTAL FU	RRIER R	EMOVAL.	2,800 0	2		С
139.	,	NOELANI EL	EMENTA	RY SCHOOL, O	AHU			
	PLANS, E EQUIPMI OF A NE ^v B; GROU	DESIGN, CON ENT FOR THI W PLAYGROU ND AND SITE ENT AND API	STRUCTI E INSTAL JND BY E E IMPROV PURTENA	ON, AND LATION BUILDING /EMENTS; ANCES.				
		TOTAL FU	NDING	EDN	1500	2		С
140.]	NUUANU ELI	EMENTA	RY SCHOOL, O	AHU			
	UPGRAE SITE IMP	AND CONST DE FIRE ALAF PROVEMENTS ENANCES.	RMS; GRO	DUND AND				
	ATTORN	TOTAL FU	NDING	EDN	1100	2		С
141.]	PAAUILO ELE	EMENTAI	RY AND INTER	MEDIATE	SCHOO	L, HAWAI	Ι
	DESIGN	FOR ADA TR TOTAL FU			180 0	2		С
142.]	PAIA ELEME	NTARY S	CHOOL, MAUI				
	CLASSRO SITE IMP	AND CONSTE OM BUILDIN ROVEMENTS ENANCES.	NG; GROU					
		TOTAL FU	NDING	EDN	17,000 0	2		С
143.	1	PALISADES E	LEMENT	ARY SCHOOL,	OAHU			
	COVERE	AND CONSTR D PLAYCOUR Strooms.	T WITH S	STORAGE	5 500 (C
		TOTAL FU		EDN	5,500 C	~		С
144.				Y SCHOOL, OA	HU			
		UCTION AND OF NETTING TOTAL FU		IENT FOR EDN	10 C	1		С
					100	-		-

				APPROPRIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
145.		PARKER ELEM	IENTARY SCHOOI	L, OAHU	
	TILES IN SITE IMP	BUILDING H; PROVEMENTS; ENANCES.	EPLACE ACM FLO GROUND AND EQUIPMENT ANE DING EDN		С
146.			LEMENTARY SCH		C
140.	DESIGN	AND CONSTRU ECTURAL BAR		1,570 C	1,200 C
147.		PEARL CITY H COMPLEX, OAI		EBALL AND SOFTE	BALL
	SOFTBAI GROUNI	LL COMPLEX I D AND SITE IM ENT AND APPU	A BASEBALL AND N PEARL CITY; PROVEMENTS; JRTENANCES. DING EDN	2,500 C	С
148.		PEARL CITY H	IGH SCHOOL, OA	HU	
	LOT DRI IMPROVI	VEWAY; GROU: EMENTS; EQUI ENANCES.	PMENT AND		
			DING EDN	400 C	С
149.	PLANS, L CONSTR NEW ELI SITE IMF	AND ACQUISI UCTION, AND EMENTARY SC ROVEMENTS; ENANCES.	LEMENTARY SCH TION, DESIGN, EQUIPMENT FOR HOOL; GROUND A EQUIPMENT ANE DING EDN	A AND	С
150.		POMAIKAI ELI	EMENTARY SCHO	OL, MAUI	
		J LOT FENCIN	CONSTRUCTION F G. DING EDN	OR 500 C	C
151.		POPE ELEMEN	TARY SCHOOL, O	AHU	
	REPAIR I AND SIT	BUILDING C R.			С
152.		POPE ELEMEN	TARY SCHOOL, O	AHU	
	PLAYCOU IMPROVI	UCTION TO RE URT; GROUND EMENTS; EQUI ENANCES.	AND SITE		
		TOTAL FUN	DING EDN	300 C	С

					APPROP	RIATIO	NS (IN 000	'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL YEAR 2019-2020	0	FISCAL YEAR 2020-2021	0
153.		PRESIDENT C	GEORGE	WASHINGTON	MIDDLES	SCHOOL	L, OAHU	
		UCTION AND ING STUDIO TOTAL FUI	AÙDIO I	NTEGRATION	. 7200	2		С
154.		PUOHALA EL	EMENTA	ARY SCHOOL,	OAHU			
	BUILDIN AND CHI IMPROVI	AND CONSTR IG D TO REPL ILLER BOX; G EMENTS; EQU ENANCES.	ACE FRI ROUND	EEZER AND SITE				
		TOTAL FUI	NDING	EDN	1100	2		С
155.		QUEEN KAAH	IUMANU	J ELEMENTAR	RY SCHOOL	., OAHU	J	
	PARKINO AND REI		ATION; I IE KINA ROUND	EPAIR U STREET- AND SITE	200	7		C
		TOTAL FUI	NDING	EDN	2000			С
156.		QUEEN KAAF	IUMANU	J ELEMENTAF	AY SCHOOL	., OAHU	J	
	A PLAYC IMPROVI	AND CONSTR OURT; GROUI EMENTS; EQU ENANCES.	ND AND	SITE				
		TOTAL FUI	NDING	EDN	1750	2		С
157.		RADFORD HI	GH SCH	OOL, OAHU				
		AND CONSTR IC LOCKER R TOTAL FUI	OOM.		2500	۲	6,000	C
158.					2000	<u> </u>	0,000	Ċ
136.		RADFORD HI		, i i i i i i i i i i i i i i i i i i i				
		ENT AND FUI N/MULTI-PUR TOTAL FUI	POSE RC	OOM.	650	2		С
159.		ROOSEVELT H	HIGH SCI	HOOL, OAHU				
	A NEW C ROOMS, RELATEI AND ARC AND VEI TO ACCC OFF ANI IMPROVI	AND CONSTR FYMNASIUM CLASSROOMS D FACILITIES OUND THE G' HICLE ACCES MMODATE C D PICK-UP; GF EMENTS; ANI ENANCES. TOTAL FUI	WITH LC 5, AND O ; PARKIN YMNASI 5 IMPRO GROUP D ROUND A O EQUIPI	OCKER THER IG BELOW UM; BUS VEMENTS ROP- AND SITE MENT AND	19,4750	2		С
160.		ROOSEVELT H			.,			
100.		AND CONSTR		<i>.</i>				
		LL FIELD IMP TOTAL FUI	ROVEMI		(C	100	C

					APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
161.		ROYAL ELEME	ENTARY	SCHOOL, OAI	HU	
	FOUNTA SITE IMF	UCTION TO IN IN IN BUILDI PROVEMENTS; ENANCES. TOTAL FUN	NG D; G EQUIPN	ROUND AND MENT AND	10 C	С
162.		STEVENSON M	1IDDLE	SCHOOL, OAF	IU	
	WATER F SITE IMF	UCTION TO RI FOUNTAINS; G PROVEMENTS; ENANCES.	ROUND	O AND MENT AND	80.0	C
		TOTAL FUN			80 C	С
163.	DESIGN	WAHIAWA ELE AND CONSTRI ECTURAL BAR	UCTION	FOR	OAHU	
		TOTAL FUN	IDING	EDN	270 C	2,500 C
164.		WAIAKEA ELE	EMENTA	RY SCHOOL, O	DAHU	
	PLAYGRO BUILDIN IMPROVI	UCTION TO RI OUND EQUIPM IG B; GROUND EMENTS; EQUI ENANCES. TOTAL FUN	IENT BE AND SI IPMENT	EHIND ITE YAND	150 C	С
165.		WAIAKEA HIG	H SCHO	OOL, HAWAII		
		AND CONSTR IC LOCKER RC TOTAL FUN	DOM.		С	5,000 C
166.		WAIALUA HIG	H AND	INTERMEDIA	TE SCHOOL, OAH	IU
	EQUIPM INNOVAT SITE IMF	AND DESIGN, (ENT FOR A NE FION CENTER; PROVEMENTS; ENANCES. TOTAL FUN	EW STEN ; GROUI EQUIPN	A ND AND MENT AND	500 C	С
167.		WAIANAE ELE	EMENTA	RY SCHOOL, (DAHU	
	DESIGN CONSTR AIR CON AND SIT	FOR DUE DIL UCT AND INST IDITIONING S E IMPROVEME PURTENANCE TOTAL FUN	IGENCE FALL CA YSTEMS ENTS; EC S.	EFFORT TO AMPUS-WIDE GROUND QUIPMENT	100 C	C
168.		WAIANAE HIG	H SCHC	OOL, OAHU		
		AND CONSTRUIC LOCKER RC	DOM.		2 020 C	<i>c</i>
		TOTAL FUN	DING	EDN	3,920 C	С

					APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
169.	,	WAIANAE INT	ERME	DIATE SCHOO	DL, OAHU	
	BUILDIN SITE IMP	UCTION TO R IG A SEWER; C PROVEMENTS; ENANCES. TOTAL FUN	GROUNI EQUIPI	D AND MENT AND	300 C	С
170.	,	WAIANAE INT	ERME	DIATE SCHOO	DL, OAHU	
		AND CONSTR ECTURAL BAF TOTAL FUN	RRIER R	EMOVAL.	3,300 C	С
171.	,	WAIAU ELEM	ENTARY	SCHOOL, OA	AHU	
	CAMPUS GROUNE	AND CONSTR -WIDE ELECT O AND SITE IM ENT AND APP TOTAL FUN	RICAL IPROVE URTEN	UPGRADES; MENTS; ANCES.	1,100 C	С
172.	,	WAIHEE ELEN	1ENTAF	Y SCHOOL, N	MAUI	
	DESIGN DRAINA	AND CONSTR GE IMPROVEN NG; GROUND	UCTION MENTS 1	N FOR FO PREVENT		
		TOTAL FUN	NDING	EDN	80 C	420 C
173.	,	WAIHEE ELEN	1ENTAF	Y SCHOOL, N	MAUI	
	EQUIPMI ACROSS SITE IMP	DESIGN, CONS ENT FOR COV VARIOUS ARE PROVEMENTS; ENANCES. TOTAL FUN	ERED V EAS; GRO EQUIPI	VALKWAYS DUND AND MENT AND	3,000 C	С
174.	,	WAIKIKI ELEI	MENTAI	RY SCHOOL,	OAHU	
	DESIGN	FOR ADA TRA TOTAL FUN			С	180 C
175.	,	WAILUKU ELI	EMENTA	ARY SCHOOL	, MAUI	
	DESIGN	FOR ADA TRA TOTAL FUN		N. EDN	С	270 C
176.	,	WAILUKU ELI	EMENTA	ARY SCHOOL	, MAUI	
	BUILDIN IMPROVI	AND CONSTR IG G AND J; GI EMENTS; EQU	ROUND	AND SITE	7	
	APPURTI	ENANCES. TOTAL FUN	NDING	EDN	1,200 C	С

		CAPITAL IMP	ROVEMENT H	PROJECTS	
				APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
177.		WAILUKU ELEMEN	NTARY SCHOOL,	MAUI	
	EQUIPM AIR CON WIDE TO ELEMEN ELECTRI AND SIT	CONSTRUCTION, A ENT FOR THE INST IDITIONING SYSTE AIR CONDITION ITARY SCHOOL; IN ICAL SYSTEM UPG E IMPROVEMENTS PURTENANCES. TOTAL FUNDIN	TALLATION OF EMS CAMPUS- WAILUKU CLUDING RADES; GROUNI ; EQUIPMENT	D 3,900 C	С
178.		WAIMANALO ELEN OAHU	MENTARY AND I	NTERMEDIATE S	SCHOOL,
		AND CONSTRUCT ECTURAL BARRIE TOTAL FUNDIN	R REMOVAL.	270 C	2,500 C
179.		WAIMEA CANYON	MIDDLE SCHOO	L, KAUAI	
		AND CONSTRUCT ECTURAL BARRIE TOTAL FUNDIN	R REMOVAL.	С	300 C
180.	,	WAIMEA ELEMEN'	TARY SCHOOL, H	IAWAII	
	BUILDIN ROOF; G	AND CONSTRUCTI IG B TO REPAIR CE ROUND AND SITE ENT AND APPURTI TOTAL FUNDIN	ILING AND RE- IMPROVEMENTS ENANCES.	; 376 C	С
181.	,	WAIANAE HIGH SO	CHOOL, OAHU		
	AND EQU CLASSRO LEARNII SITE IMP	DESIGN, CONSTRU UIPMENT TO CON DOM INTO A MARI NG CENTER; GROU PROVEMENTS; EQU ENANCES. TOTAL FUNDIN	VERT Á NE SCIENCE JND AND IPMENT AND	650 C	С
182.	,	WAIANAE HIGH SO	CHOOL, OAHU		
	INSTALL WEATHE AND SIT	CONSTRUCTION, A ATION FOR A RUB R TRACK AND FIF E IMPROVEMENTS PURTENANCES. TOTAL FUNDIN	BERIZED ALL- ELD; GROUND ; EQUIPMENT	1,750 C	750 C
183.		WAIPAHU ELEMEN	TARY SCHOOL,	OAHU	
	C; GROU	UCTION TO REROO ND AND SITE IMPI ENT AND APPURT TOTAL FUNDIN	ROVEMENTS; ENANCES.	280 C	С

					APPROPRIAT	IONS (IN 000'S)
	CAPITAL				FISCAL M	FISCAL M
ITEM	PROJECT		EX	PENDING	YEAR O	YEAR O
NO.	NO.	TITLE	AG	ENCY	2019-2020 F	2020-2021 F
184.		WAIPAHU HIGH	SCHO	DL, OAHU		
	EQUIPM CLASSRO SITE IMF	CONSTRUCTION ENT FOR PHASE DOM BUILDING; PROVEMENTS; EQ ENANCES. TOTAL FUNDI	ONE (GROU QUIPM	OF A NEW ND AND ENT AND	5,500 C	С
185.		WAIPAHU HIGH	SCHO	DL, OAHU		
		AND CONSTRUC	M.		1 7 00 G	
		TOTAL FUND	ING	EDN	4,700 C	С
186.		WEBLING ELEM	ENTAI	RY SCHOOL, O	AHU	
	RESURF. SITE IMF	AND CONSTRUC ACE PARKING LO PROVEMENTS; EQ ENANCES. TOTAL FUND	OT; GR QUIPM	OUND AND ENT AND	600 C	С
187.		WEBLING ELEM			AHU	
	EQUIPM FACILIT LIBRARY SITE IMP	CONSTRUCTION ENT FOR EXPAN IES (ADMINISTR. Y BUILDING); GR PROVEMENTS, EQ ENANCES. TOTAL FUND	SION (ATION OUNE QUIPM	DF SUPPORT AND AND ENT AND	1,500 C	С
188.		WILSON ELEMEN	NTARY	SCHOOL, OA	HU	
	TO CONS AND OU GROUNI	FOR DUE DILIGI STRUCT COVER (TDOOR STUDEN D AND SITE IMPR ENT AND APPUR TOTAL FUND	OVER V IT MEE ROVEM RTENA	WALKWAY ETING AREA; IENTS; NCES.	100 C	С
EDN40	0 - SCHOOI	SUPPORT				
189.		HAWAII 3R'S, STA	ATEWI	DE		
	EQUIPM OF PUBL OF STUE	DESIGNS, CONST. ENT FOR THE IM JIC SCHOOLS AN DENTS; EQUIPME ENANCES.	IPROV D BEN	EMENT EFIT		
	AFFUKL	TOTAL FUND	ING	EDN	10,000 C	С

					APPROPRIATIO	ONS (IN 000'	S)
	CAPITAL PROJECT			XPENDING	FISCAL M YEAR O		0
NO.	NO.	TITLE	A	GENCY	2019-2020 F	2020-2021	F
EDN60	00 - CHARTE	R SCHOOLS					
190.]	KAOHAO SCH	OOL, OA	AHU			
	FOR CAF BUILDIN BUILDIN FACILITI IMPROVE	CONSTRUCTI ETERIA/MUL G AND RENO G FOR ADMIN ES; GROUND EMENTS; EQUI ENANCES. TOTAL FUN	FIPURP VATION VISTRA AND SI IPMENT	OSE I OF KITCHE TIVE TE I AND		6,2500	С
191.	,	VOLCANO SCH	IOOL O	F ARTS. HAW	AII		
	CONSTRI TO RELO	UCTION FOR T CATE AND UN CAMPUS AND	THE EN NITE TH	TIRE CAMPU IE STUDENT	JS, S		
	01 <i>D</i> /(11)	TOTAL FUN	DING	EDN EDN	12,000 C 3,000 R		C R
192.		WAIMEA MIDI HAWAII	DLE PU	BLIC CONVE	RSION CHARTER S	CHOOL,	
	EQUIPMI LEARNIN FROM W AND FLC EXTERIC BUILDIN IMPROVE	DESIGN, CONS ENT TO SECUP NG CENTER EI IND AND RAII ODING, AND DR LIGHTING IG ACCESS; GR EMENTS; EQUI ENANCES. TOTAL FUN	RE THE NTRYW N EXPO INSTAI TO ENS OUND IPMENT	STÉAM AYS SURE LLING URE SAFE AND SITE FAND	1,200 C	(С

EDN407 - PUBLIC LIBRARIES

193. HAWAII STATE PUBLIC LIBRARY SYSTEM, HEALTH AND SAFETY, STATEWIDE

С

PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HEALTH, SAFETY, ACCESSIBILITY, AND OTHER CODE REQUIREMENTS. PROJECTS MAY INCLUDE, BUT NOT LIMITED TO, THE REMOVAL OF HAZARDOUS MATERIALS, RENOVATIONS FOR LIBRARY PATRONS AND EMPLOYEES, ENVIRONMENTAL CONTROLS, FIRE PROTECTION, IMPROVEMENTS TO BUILDINGS AND GROUNDS, AND OTHERS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES. TOTAL FUNDING AGS 10,000 C

					APPROPRIATIO	NS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
194.]	HAWAII STAT	E LIBRA	RY, OAHU		
	EQUIPMI STATE LI TO REPA BUILDIN PLUMBIN	DESIGN, CONS ENT FUNDS I BRARY FOR IR DETERIOF IG, UPGRADE NG INFRASTI TO ENERGY TOTAL FU	FOR THE MAJOR V RATION (E ELECTH RUCTUR EFFICIE	HÁWAII WORK OF THE RICAL AND E AND NT LIGHTING.	3,000 C	C
195.]	KANEOHE PU	JBLIC LI	BRARY, OAHU		
	EQUIPMI RENOVA IMPROVI	DESIGN, CON ENT FOR UPO TIONS; GROU EMENTS; EQU ENANCES. TOTAL FU	GRADES JND ANE JIPMENT	AND SITE	2,169 C	С
10.0					2,1090	C
196.				BRARY, MAUI		
	FOR LAN	FOR DUE DII ND ACQUISIT LIBRARY.	ION FOR	MAKAWAO	200 G	C
		TOTAL FU	NDING	AGS	200 C	С
UOH1(00 - UNIVER	SITY OF HAW	AII, MAN	IOA		
197.]	MANOA, MIN	II MASTE	ER PLAN PHASE	E 2, OAHU	
	FOR REN NEW FAC FOR SNY DEMOLI AND REI GROUNI	CONSTRUCT NOVATIONS, R CILITIES, ANI DER HALL R TION OF EXIS LATED INFRA O AND SITE IN ENT AND API TOTAL FU	REPLACE D IMPRO EPLACE STING FA ASTRUCT MPROVEJ PURTENA	VEMENTS MENT; ACILITIES TURE; MENTS; ANCES.	С	6,000 C
198.]	MANOA, SINO	CLAIR LI	BRARY RENOV	ATION, OAHU	
	AND EQU REPLACI IMPROVI GROUNI	DESIGN, CON UIPMENT FOI EMENTS, NEV EMENTS FOR O AND SITE IN ENT AND API TOTAL FU	R RENOV V FACILI SINCLA MPROVE PURTEN	/ATÍONS, TIES, AND IR LIBRARY; MENTS;	41,000 C	С
199.	1	UHM PARKI	NG STRU	CTURE IMPRO	VEMENTS, OAHU	
	PLANS, E EQUIPMI IMPROVI PROJECT MAINTE	DESIGNS, CON ENT FOR REN EMENTS TO P TO INCLUDI NANCE, REN	NSTRUCT NOVATIO PARKING E REPAIF OVATION	TION AND N AND STRUCTURE. RS AND		
	OTHER F	RELATED WO TOTAL FU		UOH	38,000 E	E

					APP	ROP	RIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISC	CAL AR	M O	FISCAL M YEAR O 2020-2021 F
200.		UNIVERSITY AND HUMAN MAUI						GRICULTURE STATION,
	AND EQ IMPROV IMPROV NEW CC SITE IM	DESIGN, CONS UIPMENT FOR 'EMENTS; REL. 'EMENTS, REFF INSTRUCTION; PROVEMENTS; 'ENANCES. TOTAL FUY	ATED ATED URBISH GROUI EQUIPI	ATION MENT, AND ND AND MENT AND		500 (C	С
UOH21	10 - UNIVER	RSITY OF HAW	AII, HILO	0				
201.		HILO, PHARM	ACY LA	BORATORY	IMPROV	EME	ents,	HAWAII
	TO THE PHARM INCLUD MODUL CLASSR	RUCTION FOR UNIVERSITY (ACY MODULA DING RENOVAT AR BUILDING OOMS INTO RI ATORIES AND	OF HAW R BUILI TON OF S FROM ESEARC RELATE	AII AT HILO DINGS, EXISTING OFFICES/ H ED PROJECT				
		TOTAL FUN	JDING	UOH	3,	000 (2	С
202.	EQUIPM UNIVER TO INCL AND MO AND EX MECHA PEDEST GROUN TO UPG	HILO, RENEW DESIGN, CONS IENT FOR IMP SITY OF HAW LUDE RENEWA DERNIZATIO TERIOR STRU NICAL AND EI RIAN PATHWA DS, AND OTHE RADE EXISTIN CILITIES. TOTAL FUN	TRUCTI ROVEMI AII, HILO L, IMPR N OF IN CTURES LECTRIO YS, ROA R PROJI IG TEMI	ION, AND ENTS TO THH O. PROJECTS GOVEMENTS, TERIOR S, ROOFS, CAL SYSTEM DWAYS, ECT COSTS	E S, D	000 с		II 8.000 C
203.		UNIVERSITY	OF HAW	AII AT HILO,	HAWAII			
	NECESS FOR UH BACHEL SCIENCE NOT LIN SIMULA MAINTE UPGRAI	RUCTION AND ARY REPAIRS A I HILO AERONA OR OF SCIENC ES PROGRAM; MITED TO 2 CR TORS, 6 DESK ENANCE AND S DES, UAS EQUI ENANCE. TOTAL FUN	AND MA AUTICA CE IN AI INCLUI X OPEN FOP SIM SOFTWA PMENT	AINTENANCI L SCIENCE, ERONAUTICA DING BUT I COCKPIT IULATORS, ARE	AL	3210	2	С

APPROPRIATIONS (IN 000'S)

ITEM NO.		TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
UOH8	00 - UNIVERSI	TY OF HAWA	II, CON	IMUNITY COI	LEGES	
204.	C	C'S MINOR C	IP FOR	THE COMMU	NITY COLLEG	ES, STATEWIDE
	EQUIPMEN IMPROVEM FOR CAMI UNIVERSI COLLEGE INCLUDE MODERNI ADDITION FACILITIE AND PROJ		OR CAP RAM P ES WIT I'I, COM ROJECT IS FOR SACILIT ION OF R IMPI O UPG F THE	TTAL ROJECTS HIN THE AMUNITY MAY THE TES, EXISTING ROVEMENTS RADE AND COMMUNITY	14,000 C	10,000 C
205.		CS, CAPITAL I TATEWIDE	RENEW	AL AND DEF	ERRED MAIN	FENANCE,
	EQUIPMEN UNIVERSI COLLEGE: TO INCLU REDUCTIC MAJOR AN MODERNI ROOFING, SYSTEMS, INFRASTR EXISTING AND PROJ	ND MINOR RI ZATION OF F MECHANIC/ RESURFACIN UCTURE, DE FACILITIES, J ECT COSTS T S AT COMMU	OVEMI II COM CILITIE RENEV IENAN ENOVA ACILII AL ANI AG, REE MOLIT AND O O UPG INITY (ENTS TO MUNITY SS. PROJECT VAL, CE BACKLOG, TIONS, TES, RE- DELECTRICAI VAINTING, TON OF THER REPAIR RADE COLLEGES	L	14,500 C
206.	C	OMMUNITY (COLLE	GE SYSTEM, H	IANGAR 111, C	AHU
	CONSTRU THE ACQU RELATED	OVEMENTS;	EQUIPI IANGA RTY; G EQUIPI	MENT FOR AR 111 AND ROUND AND MENT AND	11 (50 C	
207					11,650C	С
207.	FUNDS FC PURCHAS SYSTEMS; IMPROVEN	OR THE BUY O E AGREEMEN GROUND AN MENTS; MAY LUCTURE; EQ	OUT OF NT PHO ID SITE INCLU	TOVOLTAIC DE RELATED	γα γνυ απυ	
	ALIUKIE	TOTAL FUN	DING	UOH	4,000 D	D

				APPROPRIATI	FIONS (IN 000'S)	
	CAPITAL			FISCAL M	FISCAL M	
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O	
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F	
UOH9	00 - UNIVER	SITY OF HAWAII, SY	STEMWIDE SUP	PPORT		
208.	:	SYS, LAND ACQUIS	TION, STATEWI	DE		
	OF CAMI FOR UNI BUT NOT	DESIGNS, AND LAN PUS-ADJACENT RE/ VERSITY FUNCTIO TLIMITED TO UNIV DHOUSING,	AL PRÒPERTY NS INCLUDING			
		TOTAL FUNDING	G UOH	4,800 E	4,800 E	
209.	:	SYSTEM, RENEW, IN	/IPROVE, AND M	IODERNIZE, STA	TEWIDE	
	CONSTRU IMPROVI OF HAWA TO INCLU AND MO AND EXT MECHAN PEDESTF GROUNE		PMENT FOR NIVERSITY TES. PROJECT PROVEMENTS INTERIOR ES, ROOFS, RICAL SYSTEMS, DADWAYS, JJECT COST TO DRARY, AND			
		TOTAL FUNDING	G UOH	80,000 C	50,000 C	
210.		UNIVERSITY OF HA OAHU	WAII AT MANO	A, ATHLETICS D	EPARTMENT,	
	FOR NEW	ND DESIGN FOR M V ATHLETIC AND A ES FOR LOWER CA TOTAL FUNDING	CADEMIC MPUS.	750 C	С	
211.	1	UNIVERSITY OF HA	WAII AT MANO	A ATHLETICS D	EPARTMENT	
211.	PLANS, E EQUIPMI THE CLA COMPLE REPLACI	OAHU DESIGN, CONSTRUC ENT FOR IMPROVE RENCE T.C. CHINC X FIELD; PROJECT EMENT OF THE EXI IAL TURF; GROUNI	TION, AND MENTS TO 3 ATHLETICS TO INCLUDE STING	.,		
		TOTAL FUNDING	G UOH	2,000 C	С	
212.	1	UNIVERSITY OF HA	WAII CANCER O	CENTER, OAHU		
	FOR THE CLINICA UNIVERS	CONSTRUCTION, A E HAWAII EARLY PH L TRIALS FACILITY SITY OF HAWAII CA	ASE CANCER AT THE	Г		
	ANNEX.	TOTAL FUNDING	G UOH	6,500 C	С	
				-		

				APPROPRIATI	ONS (IN 000'S)
	CAPITAL			FISCAL M	FISCAL M
ITEM	PROJECT		EXPENDING	YEAR O	YEAR O
NO.	NO.	TITLE	AGENCY	2019-2020 F	2020-2021 F

CAPITAL IMPROVEMENT PROJECTS

H. CULTURE AND RECREATION

AGS881 - STATE FOUNDATION ON CULTURE AND THE ARTS

1. NO. 1 CAPITOL DISTRICT BUILDING, SITE AND ACCESSIBILITY IMPROVEMENTS, OAHU

CONSTRUCTION OF IMPROVEMENTS		
TO THE FACILITY AND SITE TO		
ACCOMMODATE INCREASED AND SAFER		
ACCESS AND BUILDING USE. THESE		
IMPROVEMENTS INCLUDE RENOVATION		
OF BUILDING WALKWAY AND ENTRANCE		
FOR ADA ACCESS AND REPLACEMENT OF		
BROKEN SECURITY GATES.		
TOTAL FUNDING AGS	300 B	2,300 B

LNR802 - HISTORIC PRESERVATION

2.	EAST HAWAII HISTOR	RIC PRESERVATION	CENTER, HAWAII	
	DESIGN FOR DEVELOPMENT	OF		
	FACILITY IN EAST HAWAII FO			
	PROPER STORAGE OF STATE I			
	PRESERVATION DOCUMENTS	AND		
	ARTIFACTS. TOTAL FUNDING	INP	250 C	С
	TOTAL FUNDING	LINK	2500	C
LNR804	- FOREST AND OUTDOOR RECE	REATION		
11111001				
3.	NA ALA HELE PROGR	AM PLAN REVISIO	N, STATEWIDE	
	PLANS TO REVISE AND UPDA	TE THE		
	CURRENT STATEWIDE TRAIL	S AND ACCESS		
	PROGRAM PLAN.			_
	TOTAL FUNDING	LNR	450 C	С
4.	POLOLU TRAILHEAD	, HAWAII		
	PLANS AND DESIGN FOR PAR	KING,		
	RESTROOM, AND TRAILHEAD)		
	RESTORATION.			
	TOTAL FUNDING	LNR	С	500 C
LNR806	- PARKS ADMINISTRATION ANI	O OPERATION		
5.	DIAMOND HEAD STA	TE MONUMENT, OA	HU	
	CONSTRUCTION OF PARK IMI	PROVEMENTS		
	INCLUDING THE KAPAHULU			
	BATTERY HARLOW AND OTH	ER PARK		
	AREAS.	IND	250.0	750 C
	TOTAL FUNDING	LINK	250 C	750 C

					APPROPRIAT	IONS (IN 000'S)
ITEM	CAPITAL PROJECT		E	XPENDING	FISCAL M YEAR O	FISCAL M YEAR O
NO.	NO.	TITLE	A	GENCY	2019-2020 F	2020-2021 F
6.		MALAEKAHA OAHU	NA STA	TE RECREATIO	ON AREA, KAHU	JKU SECTION,
	INCLUD STATION RELATE IS DEEM FOR FEI	ING NEW UTI I, ROADWAY, F	LITIES, ATHWA ENTS. T RY TO Q NANCII	Y AND THIS PROJECT UALIFY NG AND/OR	1,000 C 500 N	2,200 C 500 N
7.		PUSSIAN FOR	TELIZ	ΑΡΕΤΗ ΥΤΛΤΕ Η	IISTORICAL PAI	
7.	PLANS, I EQUIPM REPAIRS AND REI	DESIGN, CONS ENT FOR CON S; SERVICE RO PAVING, PATH RETIVE DISPL TOTAL FUI	TRUCT AFORT S AD REP WAY RI AY REP	ION, AND Station Air Epairs, Airs.	800 C	C
8.		STATE PARKS STATEWIDE	HAZAF	RD MITIGATION	N IMPROVEMEN	ITS,
	FOR STA	TE PARKS HA EMENTS, INC CAL AND ANT	ZAŔD N LUDINC	G NATURAL,		
	IIALAKL	TOTAL FUI	NDING	LNR	1,000 C	1,000 C
9.		WAHIAWA FR	ESHWA	TER STATE REC	CREATION AREA	A, OAHU
	EQUIPM	DESIGN, CONS ENT FOR SITH LKING PATHS	E IMPRC S.	WEMENTS		
		TOTAL FUI	NDING	LNR	1,500 C	С
LNR80	1 - OCEAN-I	BASED RECRE	ATION			
10.		KAILUA-KON	A WHAI	RF, HAWAII		
	OF EXIST	UCTION FOR FING WOODE NT TO BOAT L TOTAL FUI	N LOAD	DING DOCK I RAMP.	150 C	С
11.		MAALAEA SM REPAIR, MAU		DAT HARBOR S	OUTH MOLE FI	NDER PIER
	OF WOO SOUTH M HARBOR OF THE I	DEN FINGER MOLE AT MAA R, INCLUDINC	PIERS A LAEA S THE D RS AND	SMALL BOAT EMOLITION STEEL PILES,		
		PIERS AND		PROJECT		

				APPROP	RIATION	S (IN 000)'S)
	CAPITAL			FISCAL	М	FISCAL	Μ
ITEM	PROJECT	Ε	XPENDING	YEAR	0	YEAR	0
NO.	NO. TITLE	Α	GENCY	2019-2020	F 2	2020-2021	F
12.	PUNA BOAT	RAMP AN	ND PIER FEAS	IBILITY ST	UDY, HAV	WAII	
	PLANS AND DESIGN	FOR FEA	SIBILITY ANI)			
	COST STUDY FOR T	HE CONST	RUCTION OF				
	A NEW BOAT RAMP	AND PIER	R IN PUNA.				
	TOTAL F	UNDING	LNR	500 0	2		С
13.	WAILOA SM	ALL BOAT	T HARBOR, HA	AWAII			
	CONSTRUCTION FO	R INSTAL	LATION OF				
	NEW STRUCTURAL	PLASTIC I	LUMBER				
	FENDERS TO REPLA	CE DAMA	GED				
	WOODEN FENDERS.						
	TOTAL F	UNDING	LNR	5000	2		С
I DI	BLIC SAFETY						
1. 10	DEIC SAFET I						
PSD90	0 - GENERAL ADMINIST	TRATION					
1.	PSD FACILI'	TY-WIDE I	REPAIRS, DEF	ERRED MA	INTENAI	NCE,	
	RELATED S	UPPORT, A	AND IMPROVE	EMENTS, ST	ATEWIDI	E	
	PLANS, DESIGN, CO	NSTRUCT	ION, AND				
	EQUIPMENT AND R	ELATED S	ERVICES IN				
	SUPPORT OF AND T	O ADDRE	SS IMMEDIAT	E			

CAPITAL IMPROVEMENT PROJECTS

REPAIRS, DEFERRED MAINTENANCE, AND IMPROVEMENTS AFFECTING FACILITY AND BUILDING INFRASTRUCTURE, SECURITY, AND OPERATIONS OR SIMILAR, WHILE ALSO ADDRESSING CODE VIOLATIONS AND/OR INFRACTIONS AFFECTING PSD FACILITIES, STATEWIDE, TOTAL FUNDING PSD 3,000 C 3,000 C

2.	PSD GENERAL ADMINISTRATION, LUI	MP SUM CIP, STATEWIDE	
	PLANS, DESIGN, CONSTRUCTION		
	AND EQUIPMENT FOR URGENT AND		
	IMMEDIATE REPAIRS, REHABILITATION,		
	RENOVATIONS, REPLACEMENT, UPGRADES,		
	IMPROVEMENTS OF BUILDINGS, SITES,		
	INFRASTRUCTURE AND RELATED		
	EQUIPMENT, MECHANICAL AND		
	ELECTRICAL SYSTEMS AND PROCESSES,		
	SECURITY AND OPERATIONS EQUIPMENT		
	AND INFRASTRUCTURE, AND TO ADDRESS		
	ADA, HEALTH AND SAFETY VIOLATIONS		
	IMPACTING PSD FACILITIES, STATEWIDE.		
	TOTAL FUNDING AGS	15,000 C	С

					APPROPRIAT	TIONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPE AGEN	NDING ICY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O
3.		MAUI COMMUN	JITY COR	RECTION	AL CENTER MA	
5.	PLANS, I EQUIPM RENOVA UPGRAI AND NE COMMU GROUNI	DESIGN, CONST ENT FOR IMPRO TIONS, REFURE DES, INFRASTRU W CONSTRUCTI NITY CORRECT D AND SITE IMP ENT AND APPU TOTAL FUNE	RUCTION DVEMENT BISHMENT JCTURE V ON FOR T TONAL CI PROVEMEN RTENANC	, AND S, TS, VORK, THE MAUI ENTER; NTS; CES.		C
DEF11	0 - AMELIO	RATION OF PHY	SICAL DI	SASTERS		
4.		BIRKHIMER EN ACCESS IMPROV			ION CENTER SI	ECURITY AND
	SECURIT TO THE I OPERAT INCREA: PERIME OF EXIS' OF PERII INSTALL DOWN S INSTALL	DESIGN, AND CO TY AND ACCESS BIRKHIMER EM ION CENTER (E SED SECURITY TER SIGNAGE, F TING AND INST METER SECURI ATION OF PEDI LOPE OVERFLO ATION OF ALL TWEEN THE EOO HU. TOTAL FUNE	IMPROVI IERGENC' OC) TO IN LIGHTING REALIGNI ALLATIOI TY FENCI ESTRIAN W PARKIN W PARKIN C AND BU	EMENTS Y CLUDE G, MENT N NG, STAIRS TC VG, AND R WALK ILDING) 313C	127 C
5.		DISASTER WAR STATEWIDE	NING AN	D COMML	UNICATIONS DE	VICES,
	PLANS, I CONSTR INCREM AND UP WARNIN EQUIPM EXPAND OF THE Y AS WELI	LAND ACQUISIT UCTION, AND E ENTAL ADDITI GRADE OF STAT IG AND COMMU ENT, STATEWID THE COVERAG WARNING AND LAS MODERNIZ OVERAGE GAP TOTAL FUNI	QUIPMEN ON, REPL TE CIVIL I JNICATIO E. THIS V E AND RE CONTRO ZE AND AI AREAS.	VT FOR ACEMENT DEFENSE NS VILL ELIABILIT L SYSTEM LLEVIATE	Y	С
6.		FORT RUGER B	306 AND B	306A, HUF	RRICANE HARD	DENING, OAHU
	IMPROVI 306 AND FORCE V IMPROVI GENERA	AND CONSTRUCE EMENTS TO RET 306A TO RESIST VINDS, AIR CON EMENTS, NEW E KTOR, AND ASSO EMENTS, OAHU TOTAL FUND	TROFIT BU HURRIC DITIONIN MERGEN DCIATED	JILDINGS ANE NG CY	665 C	1,240 C

CAPITAL	IMPROVE	MENT	PROJECTS
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				APPROPRIATIO	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
7.		HAWAII ARMY NATIO OAHU	ONAL GUARD P	HYSICAL FITNE	SS CENTER,
	OF A PH NATION PERSON THIS PRO QUALIFY	CONSTRUCTION, AN YSICAL FITNESS CEN AL GUARD SOLDIER NEL ON THE ISLANE DJECT IS DEEMED NI Y FOR FEDERAL AID REIMBURSEMENT. TOTAL FUNDING	TER FOR S AND OF OAHU. ECESSARY TO	100 C 300 P	425 C 1,275 P
8.		RETROFIT PUBLIC B MEASURES, STATEW		HURRICANE PI	ROTECTIVE
	CONSTR RETROF PROTEC	AND ACQUISITION, UCTION, AND EQUIP IT BUILDINGS WITH TIVE MEASURES TO I MBER OF EMERGENG IDE. TOTAL FUNDING	MENT TO HURRICANE INCREASE CY SHELTERS	С	3,000 C
9.		UPGRADES AND IMI READINESS CENTER	PROVEMENTS T	O NATIONAL GU	,
	IMPROVI NATION, (ARMOR TO CURI AND U.S STANDA MEET HI CODE RI IS DEEM FOR FEL	AND CONSTRUCTIO EMENTS AND UPGR/ AL GUARD READINE IES) AND FACILITIES RENT NATIONAL GU. DEPARTMENT OF T RDS AND CRITERIA, EALTH, SAFETY, ANT EQUIREMENTS. THIS ED NECESSARY TO Q DERAL AID FINANCI RSEMENT. TOTAL FUNDING	ADES TO SS CENTERS TO CONFORM ARD BUREAU HE ARMY AND TO BUILDING BUILDING DUILDING DUALIFY NG AND/OR	C P	2,096 C 7,456 P

CAPITAL IMPROVEMENT PROJECTS

K. GOVERNMENT-WIDE SUPPORT

AGS130 - ENTERPRISE TECHNOLOGY SERVICES - GOVERNANCE AND INNOVATION

1. KALANIMOKU DATA CENTER UPS REPLACEMENT AND UPGRADE ELECTRICAL CIRCUIT PANEL, OAHU

PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR FULL REPLACEMENT AND UPGRADE OF TWO CURRENT END-OF-SERVICE-LIFE UNINTERRUPTIBLE POWER SUPPLY (UPS) SYSTEMS IN THE KALANIMOKU BUILDING ROOM B-30 AND UPGRADE ELECTRICAL CIRCUIT PANEL. TOTAL FUNDING AGS

1,800 C

С

				APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
			OGY SERVICES - O	PERATIONS AND I	NFRASTRUC-
TURE	MAINTENA	NCE			
2.			ALTH AND SAFETY ION SERVICES DIV		
	CONSTR FOR REF AND EXI COMMU THE STA MICROW RADIO, S RADIO S	TEWIDE ANUE AVE SYSTEMS A STATEWIDE SHA	QUIPMENT IIZATION, ITICAL STEMS, INCLUDING NUE AND HAWAIL AND LAND MOBIL ARED BLENDED EW RADIO SITES DE.	AN	С
3.		RADIO SYSTEM	ENHANCEMENT,	STATEWIDE	
	EQUIPM: COMMU	ENT FOR DIGIT	TEM UPGRADES	365 C	C
AGS11	1 - ARCHIVE	S - RECORDS N	IANAGEMENT		
4.		KEKAULUOHI I	BACKUP GENERAT	FOR, OAHU	
	TO INSTA	ALL A BACKUP Al storage af			С
5.		KEK AULUOHU	HALON SYSTEM R	EPI ACEMENT OA	HII
5.	DESIGN, EQUIPM SUPPRES	CONSTRUCTIO ENT TO REPLAC SSION SYSTEM	N, AND CE HALON GAS FII WITH NON-OZONE 0 OR EQUIVALENT	RE	C
LNR10	1 - PUBLIC I	LANDS MANAG	EMENT		
6.	-	HALOA AINA C	ONSERVATION EAS	SEMENT ACQUISI	ΓΙΟΝ, HAWAII
	LAND AO CONSER HAWAII 7	CQUISITION OF VATION EASEM	2800 ACRES Ent in Kona, Iportant Native Nd Products.		В

TOTAL FUNDING LNR

1,000 B

В

CAPITAL	IMPROVEMENT	PROJECTS
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					APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE		XPENDING GENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
7.		HOOMAU FO HAWAII	REST CO	NSERVATION	EASEMENT ACQ	UISITION,
	CONSER KONA, H	CQUISITION (VATION EASE AWAII COUN ANT NATIVE I TOTAL FU	MENT II TY, TO PI FOREST	N SOUTH ROTECT RESOURCES.	100 B	В
8.		ROYAL HAWA	IIAN GR	OIN REPLACE	EMENT, OAHU	
	HAWAIIA STRUCTI PURPOSI		TH A NE ROIN TO DIN TO R	W GROIN SERVE SAME ETAIN SAND	1,250 C	С
				LNR	1,250 R	Ř
9.		WAIKIKI MAS	STER PL	AN IMPROVEN	IENTS, OAHU	
	TO CONI ALONG V SHERATO HAWAIIA IMPROVI RESTOR DERELIO OF NEW	DESIGN, AND DUCT VARIOU WAIKIKI BEA ON-HALEKUI AN, AND KUH EMENTS TO II ATION, REFU CT GROINS, A GROINS, WIT REDGING, WI FNT	JS IMPRO CH IN TH LANI, RC IO BEAC NCLUDE RBISHM ND CON H OFFSI	OVEMENTS HE DYAL CH SECTORS. SAND ENT OF STRUCTION HORE		
	I El IOEIN	TOTAL FU	NDING		B C	1,500 B
				LNR LNR LNR	R T	1,850 C 3,000 R 4,000 T
AGS22	1 - PUBLIC V	WORKS - PLAI	NNING, I	DESIGN, AND C	CONSTRUCTION	
10.		LUMP SUM M WORKS DIVIS			STING FACILITIE	ES, PUBLIC
	CONSTR IMPROVI PUBLIC I PROJECT	AND ACQUIS UCTION, ÀNE EMENTS AND FACILITIES A TS MAY INCLU EMENTS. TOTAL FU	D EQUIPN D MAINT ND SITE JDE REP	MENT FOR ENANCE OF S, STATEWIDE	28,609 C	С
11.	:	STATE CAPIT	OL BUIL	DING, OAHU		
	FOR REF INSTALL INFRAST HAWAII S	FURBISHMEN ATION, CONS FRUCTURE, R STATE CAPITO	T, RÉNO STRUCTI EPAIR F	ON,	Γ	
	AFPUKI	ENANCES. TOTAL FU	NDING	AGS	1,480 C	С

				APPROPRIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDIN AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
12.		STATE CAPITOL	BUILDING, OA	AHU	
	IMPROV IMPROV CHANGI	AND CONSTRUC EMENTS TO PUB EMENTS TO INC ING STATIONS; E ENANCES. TOTAL FUND	LIC RESTROO LUDE DIAPER QUIPMENT AN	· ·	С
AGS23	3 - CENTRA	L SERVICES - BU	ILDING REPAI	RS AND ALTERATION	S
13.		LUMP SUM FIRE UPGRADE, STAT		EMS REPLACEMENT	AND
	EQUIPM FIRE AL	DESIGN, CONSTF ENT TO REPLAC ARM SYSTEMS T EMENTS, STATE' TOTAL FUND	E AND UPGRA O MEET CODE WIDE.	ADE	2,000 C
SUB20	1 - CITY AN	D COUNTY OF H	ONOLULU		
14.		WAHIAWA WAST	EWATER TREA	ATMENT PLANT, OAH	IU
	EQUIPM AND INF	DESIGN, CONSTF ENT FOR SITE IN FRASTRUCTURE HIAWA WASTEW TOTAL FUND	APROVEMENT DEVELOPMEN ATER TREATM	'S NT AT	C
SUB30	1 - COUNTY	OF HAWAII			
15.		CLEAN WATER I	FOR REEFS PU	AKO, HAWAII	
	FOR A P AREA. P OF HAW FUNDS I THE STA	ND DESIGN FOI RIORITY CESSPO PROVIDED THAT AII SHALL PROV EQUALING TWEI TE FUNDS APPR RPOSE OF THIS P TOTAL FUND	OOL REPLACEN THE COUNTY IDE MATCHIN NTY PERCENT OPRIATED FO ROJECT.	MENT G OF	1,300 C 260 S
16.		KEALAKEHE WA	ASTEWATER TI	REATMENT FACILITY	, HAWAII
	IRRIGAT AND PRO WATER; OF HAW FUNDS I THE STA	OF DUAL PIPING TE WITH R-1 REC OVIDE SAFE ACC PROVIDED THAT AII SHALL PROV EQUALING TWEI TE FUNDS APPR RPOSE OF THIS P TOTAL FUND	YCLED WATE ESS TO POTAB THE COUNTY IDE MATCHIN NTY PERCENT OPRIATED FO ROJECT.	BLE Y G OF	С
		TOTALTOND	СОН	150 S	S

CAPITAL IMPROVEMENT PROJECTS

				APPROPRIATI	ONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO.		EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
17.		ALAMILO 10-MILL TORAGE, HAWAII	ION GALLON W	ATER RESERVOI	R PUMP
	WATER R SYSTEM; I OF HAWA FUNDS E THE STAT	CTION FOR 10-MIL ESERVOIR FOR LAI PROVIDED THAT TI II SHALL PROVIDE QUALING TWENTY E FUNDS APPROPF POSE OF THIS PROJ TOTAL FUNDING	LAMILO WATER HE COUNTY MATCHING PERCENT OF RIATED FOR ECT.	8,750 C 1,750 S	C S
18.	Ν	ON-POTABLE WAT	ER WELL, HAW	AII	
	FOR AN E NON-POT AND REL NORTH K THAT THI PROVIDE TWENTY	ESIGN, AND CONST XPLORATORY WEI ABLE AGRICULTUI ATED IMPROVEME OHALA, HAWAII; PI E COUNTY OF HAW MATCHING FUND PERCENT OF THE S IATED FOR THE PU	LL FOR RAL USE NTS IN ROVIDED AII SHALL S EQUALING STATE FUNDS	5	
		TOTAL FUNDING	COH COH	2,500 C 500 S	C S
19.		ASTEWATER MAN TUDY, PAHOA, HAV		ATMENT PLANT	FEASIBILITY
	COST STU OF A WAS PLANT IN THAT THI PROVIDE TWENTY	ND DESIGN FOR FE DY FOR THE CONS TEWATER TREATM PAHOA, HAWAII; P E COUNTY OF HAW MATCHING FUND PERCENT OF THE S IATED FOR THE PU	STRUCTION IENT ROVIDED AII SHALL S EQUALING STATE FUNDS		
	TROJECT.	TOTAL FUNDING	COH COH	500 C 100 S	C S
SUB40	1 - COUNTY	OF MAUI			
20.		ANAHA BEACH PA ROJECT, MAUI	RK GREYWATE	R REUSE DEMO	NSTRATION
	DI ANIC DI				

CAPITAL IMPROVEMENT PROJECTS

PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR KANAHA BEACH PARK GREYWATER REUSE DEMONSTRATION PROJECT; PROJECT TO INCLUDE INSTALLATION, UPDATES, AND IMPROVEMENTS; PROVIDED THAT PARTIAL MATCHING FUNDS BE PROVIDED BY THE COUNTY OF MAUI. TOTAL FUNDING COM 450C C COM 45S S

	APPROPRIATIONS (IN 00			ONS (IN 000'S)	
ITEM NO.	CAPITAL PROJECT NO.		EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
21.		WAILUKU-KAHULU			
21.	PLANS F IMPLEM PUBLIC F TRANSPO THE TRA WAILUK CIVIC IM HOUSING WAILUK PROVIDE	OR DEVELOPMENT ENTATION STRATE FACILITY AND MUL ORTATION IMPROVI .NSIT CORRIDOR CO U AND KAHULUI, A PROVEMENT AND A G TO INCREASE LIV U AND KAHULUI TO D THAT PARTIAL M E PROVIDED BY TH TOTAL FUNDINC	OF GY FOR TI-MODAL EMENTS FOR ONNECTING ND RELATED AFFORDABLE ABILITY OF OWN CENTERS; IATCHING E COUNTY OF	500 C	C
		TOTAL FUNDING	COM	100 S	S
22.	PLANS A OF IMPO IN MAUI REPORTS GROUNE EQUIPMI PROVIDE	IMPORTANT AGRIC ND DESIGNS FOR T RTANT AGRICULTU COUNTY; PROJECT S AND RELATED ST O AND SITE IMPROV ENT AND APPURTE ID THAT PARTIAL M SE PROVIDED BY TH	HE MAPPING JRAL LAND TO INCLUDE UDIES; EMENTS; NANCES; IATCHING	Э, MAUI	
	MAUI.	TOTAL FUNDING	G COM COM	125 C 125 S	C S
SUB50	1 - COUNTY	OF KAUAI			
23.	1	ANAHOLA SPORTS (COMPLEX, KAU	AI	
	SPORTS O	ND DESIGN FOR A COMPLEX IN ANAH E GYMNASIUM, BAS TION SIZE RODEO A TOTAL FUNDINC	OLA, KAUAI, TO Seball Fields, Arena and		500 C
24.]	KALAHEO-LAWAI-O	MAO WATER SY	STEM, KAUAI	
	FOR WAT AND OTH PROVIDE SHALL P EQUALIN STATE FU	CONSTRUCTION, A TER SYSTEM IMPRO HER RELATED IMPF D THAT THE COUN ROVIDE MATCHINC G TWENTY PERCE JNDS APPROPRIATI E OF THIS PROJECT. TOTAL FUNDINC	VEMENTS ROVEMENTS; TY OF KAUAI FUNDS NT OF THE ED FOR THE		8 000 C
		IUIAL FUNDINC	G COK COK	2,200 C 440 S	8,000 C 1,600 S

CAPITAL IMPROVEMENT PROJECTS

			APPROPRIAT	IONS (IN 000'S)
ITEM NO.	CAPITAL PROJECT NO. TITLE	EXPENDING AGENCY	FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
25.	KILAUEA WAT	ER SYSTEM, KAUAI		
	DESIGN, CONSTRUCTIO FOR CHLORINATION F OTHER RELATED IMPF PROVIDED THAT THE (SHALL PROVIDE MATC EQUALING TWENTY P STATE FUNDS APPROP PURPOSE OF THIS PRO TOTAL FUN	ACILITIES AND ROVEMENTS; COUNTY OF KAUAI PHING FUNDS ERCENT OF THE RIATED FOR THE JECT.	NT 1,300 C 260 S	1,300 C 260 S
26.	WAIMEA-KEK	AHA WATER SYSTEM	M, KAUAI	
	DESIGN, CONSTRUCTIO FOR IMPROVEMENTS A FOR PAUA VALLEY TAN RELATED IMPROVEME THAT THE COUNTY OF PROVIDE MATCHING F TWENTY PERCENT OF APPROPRIATED FOR T	AND RENOVATIONS NK AND OTHER NTS; PROVIDED F KAUAI SHALL UNDS EQUALING THE STATE FUNDS		
	PROJECT. TOTAL FUN	DING COK COK	1,000 C 200 S	200 C 40 S

CAPITAL IMPROVEMENT PROJECTS

PART IV. CAPITAL IMPROVEMENT PROGRAM PROVISIONS

SECTION 5. Section 30 of Part IV, Act 49, Session Laws of Hawaii 2017, as amended and renumbered by section 5 of Act 53, Session Laws of Hawaii 2018, is amended by amending Item A-17.01 to read as follows:

"17.01. AGRICULTURAL LAND, OAHU

PLANS, ACQUISITION [OF EASEMENTS FOR-		
DEEP WELLS AND ACQUISITION] OF LANDS		
ON OAHU: TMK [6-5-002-006; 6-5-002-008; 6-5-		
002-027; 6-5-002-028 IN KAMANANUI, OAHU,		
AND DESIGN FOR DEEP WELLS AND LAND		
ACQUISITIONS FOR CULTIVATION AND		
IRRIGATION OF GALBRAITH, KAMANANUI,		
AND PAALAA UKA LANDS.]6-5-001-044; 6-5-		
001-014, AND PLANS AND ACQUISITION OF		
EASEMENTS FOR DEEP WELLS ON OAHU:		
<u>TMK 6-4-003-022.</u>		
PLANS		[2,350]1
LAND		[2,350]4,699
TOTAL FUNDING AGR	С	4,700 C"

SECTION 6 There is appropriated out of the dwelling unit revolving fund (BED160) the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for reasonable costs relating to entitling and rehabilitating or replacing four (4) existing structures with at least twelve (12) permanent rental housing units with support services on a site owned by the County of Maui in Kahului, Maui and identified as tax map key (2) 3-8-007:117. Such appropriation may also be expended for pre-development costs relating to envi-

ronmental studies, planning, and entitlements for the development of additional rental housing units on the site.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation, pursuant to a regulatory agreement between the Hawaii housing finance and development corporation and the County of Maui, for the purposes of this Act.

SECTION 7. Provided that of the general obligation fund appropriation for the department of education for lump sum capital improvement projects repair and maintenance, statewide for school-based budgeting (EDN100) the sum of \$70,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and \$70,000,000 or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for the department's job order contracting program where the department determines that it may benefit from either significant savings in project cost or time in project execution and completion.

SECTION 8. Provided that the general obligation bond fund appropriations for Maui Health System, a KFH LLC (HTH214), for fiscal year 2019-2020 and fiscal year 2020-2021 shall be disbursed by the Hawaii health systems corporation to the Maui Health System, a Kaiser Foundation Hospitals LLC, for its capital subsidies in the respective fiscal years.

SECTION 9. Provided that the appropriations for the city and county of Honolulu (SUB201), county of Hawaii (SUB301), county of Maui (SUB401), and county of Kauai (SUB501) shall be expended for the purposes established in this Act; provided further that no funds shall be made available to any county:

- (1) Unless that county provides matching funds for the amount appropriated in its respective program ID identified in this section; and
- (2) If the county adopts or amends an ordinance, on or before June 30, 2021, to levy, assess, and collect a tax upon real property at a rate lower than that county's real property tax rate as it existed on the effective date of this Act.

Provided further that if a county violates paragraph (2), then any unexpended or unencumbered balance of that county's appropriation made pursuant to this Act and subject to this section shall lapse into the fund from which those funds were appropriated, and that county shall reimburse the State for any expenditures made with state moneys that are subject to this section.

SECTION 10. Any law to the contrary notwithstanding, the appropriations under Act 119, Session Laws of Hawaii 2015, section 47, as amended and renumbered by Act 124, Session Laws of Hawaii 2016, section 5, in the amount indicated or balances thereof, unallotted, unencumbered, or encumbered and unrequired are hereby lapsed:

"Item No.	Amount (MOF)
A-5	3,547,371 C"

SECTION 11. Any law to the contrary notwithstanding, the appropriations under Act 49, Session Laws of Hawaii 2017, section 30, as amended and renumbered by Act 53, Session Laws of Hawaii 2018, section 5, in the amount indicated or balances thereof, unallotted, unencumbered, or encumbered and unrequired are hereby lapsed:

"Item No.	Amount (MOF)
F-28	3,000,000 C
F-29.06	2,000,000 C

Item No.	Amount (MOF)
G-79	1,750,000 C
G-80	650,000 C

PART V. ISSUANCE OF BONDS

SECTION 12. AIRPORT REVENUE BONDS. The department of transportation may issue airport revenue bonds for airport capital improvement projects authorized in part II and listed in part III of this Act and designated to be financed by revenue bond funds or by general obligation bond funds with debt service cost to be paid from special funds, in a principal amount as shall be required to yield the amounts appropriated for the capital improvement projects, and, if so determined by the department and approved by the governor, any additional principal amount as may be necessary by the department to pay interest on the airport revenue bonds during the estimated period of construction of the capital improvement projects for which the airport revenue bonds are issued, to establish, maintain, or increase reserves for the airport revenue bonds and to pay the expenses of issuance of the bonds. The airport revenue bonds shall be issued pursuant to the provisions of part III of chapter 39, Hawaii Revised Statutes, as amended. The principal of and interest on airport revenue bonds, to the extent not paid from the proceeds of the bonds, shall be payable solely from and secured solely by the revenues from airports and related facilities under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to sections 243-4(a)(2) and 248-8, Hawaii Revised Statutes, or the parts of either thereof as the department may determine, including rents, landing fees, and other fees or charges presently or hereafter derived from or arising through the ownership, operation, and management of airports and related facilities and the furnishing and supplying of the services thereof, and passenger facility charges pursuant to section 261-5.5, Hawaii Revised Statutes. as amended, as determined by the department. The expenses of the issuance of the airport revenue bonds, to the extent not paid from the proceeds of the bonds, shall be paid from the airport revenue fund and passenger facility charge special fund as determined by the department.

The governor, in the governor's discretion, may use the airport revenue fund and passenger facility charge special fund to finance those projects authorized in part II and listed in part III of this Act where the method of financing is designated to be by airport revenue bond funds; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of regular sessions of 2020 and 2021.

SECTION 13. RENTAL MOTOR VEHICLE CUSTOMER FACIL-ITY REVENUE BONDS. The department of transportation may issue rental motor vehicle customer facility revenue bonds for airport capital improvement projects relating to consolidated rental car facilities authorized in part II and listed in part III of this Act and designated to be financed by revenue bond funds with debt service cost to be paid from the rental motor vehicle customer facility charge special fund, as authorized by section 261-5.6, Hawaii Revised Statutes, in a principal amount as shall be required to yield the amounts appropriated for the capital improvement projects, and, if so determined by the department and approved by the governor, any additional principal amount as may be necessary by the department to pay interest on the rental motor vehicle customer facility revenue bonds during the estimated period of construction of the capital improvement projects for which the rental motor vehicle customer facility revenue bonds are issued, to establish, maintain, or increase reserves for the rental motor vehicle customer facility revenue bonds and to pay the expenses of issuance of the bonds. The rental motor vehicle customer facility revenue bonds shall be issued pursuant to the provisions of part III of chapter 39, Hawaii Revised Statutes, as amended. The principal of and interest on rental motor vehicle customer facility revenue bonds, to the extent not paid from the proceeds of the bonds, shall be payable solely from and secured solely by the revenues from the rental motor vehicle surcharge tax and the rental motor vehicle customer facility charge special fund pursuant to section 261-5.6, Hawaii Revised Statutes, as amended, as determined by the department. The expenses of the issuance of the rental motor vehicle customer facility revenue bonds, to the extent not paid from the proceeds of the bonds, shall be paid from the rental motor vehicle customer facility charge special fund as determined by the department.

The governor, in the governor's discretion, may use the rental motor vehicle customer facility charge special fund to finance those projects authorized in part II and listed in part III of this Act where the method of financing is designated to be by rental motor vehicle customer facility revenue bond funds; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 14. HARBOR REVENUE BONDS. The department of transportation may issue harbor revenue bonds for harbor capital improvement projects authorized in part II and listed in part III of this Act and designated to be financed by revenue bond funds or by general obligation bond funds with debt service cost to be paid from special funds, in a principal amount as shall be required to yield the amounts appropriated for the capital improvement projects, and, if so determined by the department and approved by the governor, any additional principal amount as may be deemed necessary by the department to pay interest on the revenue bonds during the estimated construction period of the capital improvement projects for which the harbor revenue bonds are issued to establish. maintain. or increase reserves for the harbor revenue bonds or harbor revenue bonds heretofore authorized (whether authorized and issued or authorized and still unissued), and to pay the expenses of issuance of the bonds. The harbor revenue bonds shall be issued pursuant to the provisions of part III of chapter 39, Hawaii Revised Statutes, as amended. The principal of and interest on harbor revenue bonds, to the extent not paid from the proceeds of the bonds, shall be payable solely from and secured solely by the revenues derived from harbors and related facilities under the ownership of the State or operated and managed by the department, including rents, mooring, wharfage, dockage, port entry fees, and other fees or charges presently or hereafter derived from or arising through the ownership, operation, and management of harbor and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of the harbor revenue bonds, to the extent not paid from the proceeds of the bonds, shall be paid from the harbor special fund.

The governor, in the governor's discretion, may use the harbor revenue fund to finance those projects authorized in part II and listed in part III of this Act where the method of financing is designated to be by harbor revenue bond funds; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 15. HIGHWAY REVENUE BONDS. The department of transportation may issue highway revenue bonds for highway capital improvement projects authorized in part II and listed in part III of this Act and designated to be financed by revenue bond funds or by general obligation bond funds with the debt service cost to be paid from special funds, in a principal amount as shall be required to yield the amounts appropriated for the capital improvement projects, and, if so determined by the department and approved by the governor, any additional principal amount as may be deemed necessary by the department to pay interest on the highway revenue bonds during the estimated period of construction of the capital improvement projects for which the highway revenue bonds are issued, to establish, maintain, or increase reserves for the highway revenue bonds or highway revenue bonds heretofore authorized (whether authorized and issued or authorized and still unissued), and to pay all or any part of the expenses related to the issuance of the highway revenue bonds. The highway revenue bonds shall be issued pursuant to the provisions of part III of chapter 39, Hawaii Revised Statutes, as amended. The principal of and interest on the highway revenue bonds, to the extent not paid from the proceeds of the highway revenue bonds, shall be payable from and secured by the revenues derived from highways and related facilities under the ownership of the State or operated and managed by the department; from the highway fuel taxes, vehicle weight taxes, and vehicle registration fees levied and paid pursuant to sections 243-4, 248-8, 249-31, and 249-33, Hawaii Revised Statutes; from federal moneys received by the State or any department thereof that are available to pay principal of or interest on indebtedness of the State, or the part of any thereof as the department may determine; and from other user taxes, fees, or charges currently or hereafter derived from or arising through the ownership, operation, and management of highways and related facilities and the furnishing and supplying of the services thereof. The expenses related to the issuance of the highway revenue bonds, to the extent not paid from the proceeds of the bonds, shall be paid from the state highway fund.

The governor, in the governor's discretion, may use the state highway fund to finance those projects authorized in part II and listed in part III of this Act where the method of financing is designated to be by highway revenue bond funds; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

PART VI. SPECIAL PROVISIONS

SECTION 16. GOVERNOR'S DISCRETIONARY POWERS. Any law or provision to the contrary notwithstanding, the governor may replace general obligation bond funds appropriated for capital improvement projects with general obligation reimbursable bond funds, when the expenditure of the general obligation reimbursable bond funds is deemed appropriate for the project; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 17. All general obligation bond funds used for a public undertaking, improvement, or system designated by the letter (D) shall have the bond principal and interest reimbursed from the special fund in which the net revenue, net user tax receipts, or combination of both of the public undertaking, improvement, or system are deposited or credited. Bonds issued for irrigation and housing projects shall be reimbursed as provided by section 174-21 and chapter 201H, Hawaii Revised Statutes, respectively.

The governor, in the governor's discretion, may use the state highway fund, the harbor special fund, the boating special fund, the airport revenue fund, the special land and development fund, or other appropriate special funds to finance the respective public undertaking, improvement, or system described above and authorized in this Act, where the method of financing is designated to be general obligation bond fund with debt service cost to be paid from the funds; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 18. If the authorized appropriations specified for capital improvement projects listed in this Act are insufficient and where the source of funding is designated as special funds, general obligation bond fund with debt service cost to be paid from special funds, revenue bond funds, or revolving funds, the governor may make supplemental allotments from the special fund or revolving fund responsible for cash or debt service payments for the projects or transfer unrequired balances from other unlapsed projects in this Act or prior appropriation acts that authorized the use of special funds, general obligation bond fund with debt service costs to be paid from special funds, revenue bond funds, or revolving funds; provided that the supplemental allotments shall not be used to increase the scope of the project; provided further that the supplemental allotments shall not impair the ability of the fund to meet the purposes for which it was established; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 19. If the authorized appropriations specified for capital improvement projects listed in this Act are insufficient and where the source of funding is designated as airport passenger facility charge funds, the governor may make supplemental allotments from the airport revenue fund or airport revenue bond funds, or transfer unrequired balances from other unlapsed projects in this Act or prior appropriation acts that authorized the use of airport passenger facility charge funds; provided that the supplemental allotments shall not be used to increase the scope of the project; provided further that the supplemental allotments shall not be used to increase the scope of the project; provided further that the governor's discretion, may increase the passenger facility charge fund authorization ceiling for the program to accommodate the expenditure of the funds; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 20. The governor may supplement funds for any cost element for capital improvement projects authorized under this Act by transferring sums as may be needed from the funds appropriated for other cost elements of the same project by this Act or any other prior or future act that has not lapsed; provided that the total expenditure of funds for all cost elements shall not exceed the total appropriations for that project; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 21. Any provision of this Act to the contrary notwithstanding, the appropriations made for capital improvement projects authorized under this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all appropriations made to be expended in fiscal biennium 2019-2021 that are unencumbered as of June 30, 2022, shall lapse as of that date; provided further that this lapsing date shall not apply to non-general fund appropriations for projects described in part III of this Act where the appropriations have been deemed necessary to qualify for federal aid financing and reimbursement; provided further that appropriations that are unencumbered as of June 30, 2026, shall lapse as of that date.

SECTION 22. Where it has been determined that changed conditions, such as a reduction in the particular population being served, permit the reduction in the scope of a capital improvement project described in this Act, the governor may authorize a reduction of project scope; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 23. In releasing funds for capital improvement projects, the governor shall consider legislative intent and the objectives of the user agency and its programs; the scope and level of the user agency's intended service; and the means, efficiency, and economics by which the project will meet the objectives of the user agency and the State; provided that agencies responsible for construction shall take into consideration legislative intent, the objectives of the user agency's intended service and the scope and level of the user agency's intended service and construct the improvement to meet the objectives of the user agency in the most efficient and economical manner possible.

SECTION 24. With the approval of the governor, designated expending agencies for capital improvement projects authorized in this Act may delegate to other state or county agencies the implementation of projects when it is determined advantageous to do so by both the original expending agency and the agency to which expending authority is to be delegated; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 25. Where county capital improvement projects are partially or totally funded by state grants as authorized in this Act or any other act of the legislature, this fact should be appropriately acknowledged during construction and upon completion of these projects.

SECTION 26. The governor may authorize the expenditure of funds for capital improvement projects not previously authorized in this Act to cope with the effects of natural disasters or unforeseen emergencies when the effects of the natural disasters or unforeseen emergencies create an urgent need to pursue a course of action that is in the best interest of the State; provided that no funds shall be expended without a formal declaration of a natural disaster or emergency by the governor; provided further that the governor shall use the project adjustment fund authorized in part II and described in part III to accomplish the purposes of this section; provided further that the governor shall notify the legislature within five days of each use of this authority and submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 27. Any provision in part IV of this Act to the contrary notwithstanding, the governor may transfer savings or unrequired balances as may be available from the appropriated funds of any program in this Act to supplement the appropriation for any other program in this Act to cope with the effects of natural disasters or other unforeseen emergencies; provided that the effects of natural disasters or emergencies create an urgent need to pursue a course of action that is in the best interest of the State; provided further that the use of the funds does not conflict with general law; provided further that no funds shall be expended without a formal declaration of a natural disaster or emergency by the governor; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 28. No appropriation authorized in this Act for expenditure by a political subdivision of this State shall be considered to be a mandate to undertake new programs or to increase the level of services under existing programs of that political subdivision. If any appropriation authorized in this Act constitutes such a mandate within the provisions of section 5 of article VIII of the Hawaii State Constitution, the authorization shall be void and, in the case of capital improvement appropriations designated to be financed from the general obligation bond fund, the total general obligation bonds authorized for the projects shall be correspondingly decreased.

SECTION 29. Whenever the expending agency to which an appropriation is made is changed due to legislation enacted during any session of the legislature that affects the appropriations made by this Act, the governor shall transfer the necessary funds and positions to the proper expending agency as provided by law.

SECTION 30. If the State should assume the direct operation of any non-governmental agency receiving state funds under the provisions of this Act, all related state funds shall constitute a credit to the State against the costs of acquiring all or any portion of the property, real, personal, or mixed, of the non-governmental agency. This credit shall be applicable regardless of when the acquisition takes place.

SECTION 31. If unanticipated federal funding cutbacks diminish or curtail essential, federally funded state programs, the governor may utilize savings as determined to be available from other state programs for the purpose of maintaining the programs until the next legislative session; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 32. The governor may approve the expenditure of all federal funds that are in excess of levels authorized by the legislature; provided that the governor may allow for an increase in the appropriate federal fund authorization

ceiling for the program to accommodate the expenditure of the funds; provided further that the governor shall notify the legislature within five days of each use of this authority and submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 33. Any provision of this Act to the contrary notwithstanding, the governor may approve the extension of the lapse dates for federal fund or other federal fund appropriations and appropriations of other means of financing, except general funds, deemed necessary to qualify for federal aid financing or reimbursement, or both, provided in this Act or authorized by the governor pursuant to section 32 of this Act as necessary to meet the intent of the federal grant awards.

SECTION 34. Where an agency is authorized to secure funds or other property from private organizations or individuals to be expended or utilized in connection with any authorized program, the agency, with the governor's approval, may enter into the undertaking; provided that the provisions of the undertaking comply with applicable state constitutional and statutory requirements; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 35. Except as otherwise provided by general law, negotiations for the purchase of land by state agencies shall be subject to the approval of the governor and the department of land and natural resources or other appropriate agency; provided that private lands may be acquired for the purpose of exchange for federal lands when the department of land and natural resources and the governor determine that the acquisition and exchange are necessary for the completion of any project specifically authorized by this Act.

SECTION 36. With the approval of the governor, expending agencies that use appropriations authorized in part II of this Act for planning, land acquisition, design, construction, and equipment for repair and alterations may delegate that responsibility and transfer funds to public works – planning, design, and construction (AGS221) for the implementation of the repair and alterations when it is determined by the agencies that it is advantageous to do so; provided that the governor shall submit to the legislature a summary report of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2020 and 2021.

PART VII. MISCELLANEOUS AND EFFECTIVE DATE

SECTION 37. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of the appropriation to the extent possible. SECTION 38. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor is hereby authorized to correct the errors.

SECTION 39. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

Note

1. So in original.

ACT 41 H.B. NO. 1319

A Bill for an Act Relating to Special Purpose Revenue Bonds for Electric Public Utilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part VI, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$700,000,000, in one or more series, for the purpose of assisting Hawaiian Electric Company, Inc., and including its subsidiaries Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., Hawaii corporations, for multi-project capital improvement programs, including costs to cover the acquisition of land or the construction or acquisition of facilities used or related to the production, transmission, or distribution of electricity, or any combination thereof; provided that the approval of the public utilities commission shall be required for any project financed by the issuance of special purpose revenue bonds under this Act. The special purpose revenue bonds shall be issued for the aforementioned purposes in the following distribution:

(1) Up to \$400,000,000 for Hawaiian Electric Company, Inc.;

(2) Up to \$150,000,000 for Maui Electric Company, Limited; and

(3) Up to \$150,000,000 for Hawaiian Electric Light Company, Inc;

provided that any benefits or savings realized due to the issuance of these special purpose revenue bonds shall be apportioned to ratepayers.

The legislature hereby finds and determines that the capital improvement projects and programs of Hawaiian Electric Company, Inc., and its subsidiaries Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., constitute a project as defined in part VI, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to utilities serving the general public in providing electric energy.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part VI, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist utilities serving the general public in providing electric energy.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds autho-

rized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 42

H.B. NO. 1375

A Bill for an Act Relating to the State of Hawaii Museum of Natural and Cultural History.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State of Hawaii museum of natural and cultural history is the world's premier resource for Hawaiian and Pacific materials, housing the world's largest collection of Hawaiian and oceanic cultural artifacts including more than twenty-two million biological specimens from Hawaii and the Pacific region.

The legislature also finds that the State has supported the State of Hawaii museum of natural and cultural history's mission and operational activities through annual appropriations of general revenues, but these appropriations have decreased significantly during the preceding decade.

The legislature further finds that restoring the State's allocation to the State of Hawaii museum of natural and cultural history is critical to ensure that the museum's collections are properly preserved, protected, and maintained, and that its essential cultural and historical services continue to be provided to the State.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$874,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to support the State of Hawaii museum of natural and cultural history, including the hiring of necessary staff; provided that any funds appropriated pursuant to this section shall be in addition to and shall not supplant any portion of the base budget of the department of budget and finance for the State of Hawaii museum of natural and cultural history.

The sums appropriated shall be expended by the department of budget and finance for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist E Ola Mau Na Leo O Kekaha.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that E Ola Mau Na Leo O Kekaha proposes to obtain, remediate, and develop the old Kekaha Sugar Mill from Kekaha MS, LLC, in Kekaha, Kauai, Hawaii, through its subsidiary Kekaha Community Development Corporation, to create, among other things, a smart farming enterprise, tourist and cultural center, community sunshine market, community greenhouse, and community manufacturing and incubator facility. Acquiring, remediating, and developing the property to provide various services will address community and island-wide issues relating to the preservation of a historic cultural site, preservation of important agricultural endeavors, and development and creation of diverse economic drivers on the west side of Kauai that have significantly diminished in recent years due to the closing of the Kekaha Sugar Mill.

The legislature additionally finds and declares that the proposed acquisition, remediation, and development of the Kekaha Sugar Mill through the issuance of special purpose revenue bonds under this Act is in the public interest and will further public health, safety, and general welfare.

The purpose of this Act is to authorize the issuance of special purpose revenue bonds to assist E Ola Mau Na Leo O Kekaha, with the financing, acquisition, remediation, construction, and development of the old Kekaha Sugar Mill through its subsidiary, Kekaha Community Development Corporation.

SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$10,000,000 in one or more series, for the purpose of assisting E Ola Mau Na Leo O Kekaha, a Hawaii domestic 501(c)(3) entity, in acquiring, remediating, and developing the aforementioned project. The legislature hereby finds and determines that E Ola Mau Na Leo O Kekaha's financing, acquisition, remediation, construction, and development of this project constitutes projects as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof will provide assistance to an industrial enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 44

S.B. NO. 494

A Bill for an Act Relating to the General Fund Balance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that article VII, section 6, of the Hawaii Constitution requires the legislature to dispose of excess general fund revenues when certain factors are met, as follows:

- "(1) Provide for a tax refund or tax credit to the taxpayers of the State, as provided by law;
 - (2) Make a deposit into one or more funds, as provided by law, which shall serve as temporary supplemental sources of funding for the State in times of an emergency, economic downturn, or unforeseen reduction in revenue, as provided by law; or
 - (3) Appropriate general funds for the pre-payment of either or both of the following, as provided by law:
 - (A) Debt service for general obligation bonds issued by the State; or
 - (B) Pension or other post-employment benefit liabilities accrued for state employees."

The legislature finds that the necessary factors have been met for the second year in a row and that the legislature is constitutionally required to dispose of excess tax revenues, as authorized under article VII, section 6, of the Hawaii Constitution.

Accordingly, the purpose of this Act is to implement article VII, section 6, of the Hawaii Constitution, by making a deposit of \$5,000,000 into the emergency and budget reserve fund established under section 328L-3, Hawaii Revised Statutes.

SECTION 2. In accordance with article VII, section 6, of the Hawaii Constitution, there is appropriated out of the general revenues of the State of Hawaii the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for deposit into the emergency and budget reserve fund established under section 328L-3, Hawaii Revised Statutes.

SECTION 3. This Act shall take effect on July 1, 2019.

(Approved June 7, 2019.)

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Pearl Harbor Floating Drydock, LLC.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$60,000,000, in one or more series, for the purpose of assisting Pearl Harbor Floating Drydock, LLC, a Hawaii corporation, for the construction of a purpose-built floating drydock at Pearl Harbor to service submarines and surface ships. The legislature hereby finds and determines that the construction of a purpose-built floating drydock at Pearl Harbor to service submarines and surface ships constitute a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

S.B. NO. 1002

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Seawater Air Conditioning Projects on Oahu.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Act 113, Session Laws of Hawaii 2009, authorized the issuance of special purpose revenue bonds to assist Honolulu Seawater Air Conditioning, LLC, in constructing a district cooling project consisting of its chilled water distribution system and balance-of-system components and structures, to assist with the development of a seawater air conditioning system in downtown Honolulu. The authorization to issue special revenue bonds was set to lapse on June 30, 2014. Act 150, Session Laws of Hawaii 2014, extended the lapse date until June 28, 2019.

The purpose of this Act is to extend the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning, LLC, under Act 113, Session Laws of Hawaii 2009, as amended by Act 150, Session Laws of Hawaii 2014, until June 30, 2024.

SECTION 2. Act 113, Session Laws of Hawaii 2009, as amended by Act 150, Session Laws of Hawaii 2014, is amended by amending sections 4 and 5 to read as follows:

"SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to [June 28, 2019,] June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on [June 28, 2019.] June 30, 2024."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on June 27, 2019. (Approved June 7, 2019.)

A Bill for an Act Relating to Public Employment Cost Items.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive representative of collective bargaining units (2), (3), (4), (6), (8), (9), (13), and (14):

	FY 2019-2020	FY 2020-2021
General funds	\$4,333,324	\$17,877,691

SECTION 2. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 the Hawaii employer-union health benefits trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (2), (3), (4), (6), (8), (9), (13), and (14):

	FY 2019-2020	FY 2020-2021
General funds	\$753,690	\$3,121,783

SECTION 4. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 6. Funds appropriated by this Act that are not expended or encumbered by June 30, 2020, and June 30, 2021, of the respective fiscal years, shall lapse as of those dates.

SECTION 7. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

S.B. NO. 1195

A Bill for an Act Relating to Public Employment Cost Items.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (5):

	FY 2019-2020	<u>FY 2020-2021</u>
General funds	\$13,847,977	\$16,477,943
Federal funds	\$332,395	\$381,695
Other federal funds	\$3,815	\$4,554
Trust funds	\$14,581	\$17,432
Interdepartmental transfers	\$1,333	\$1,588

SECTION 2. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within bargaining unit (5):

	FY 2019-2020	FY 2020-2021
General funds	\$447,975	\$509,260
Federal funds	\$52,051	\$57,045
Other federal funds	\$2,831	\$3,235
Trust funds	\$3,247	\$3,711

SECTION 4. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. There are appropriated from the source of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2020 the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive representative of collective bargaining unit (5):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$3,572,625	\$10,904,070

SECTION 6. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART IV

SECTION 7. There are appropriated from the source of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2020 the Hawaii employer-union health benefits trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining unit (5):

	FY 2019-2020	FY 2020-2021
General funds	\$3,297	\$12,056

SECTION 8. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART V

SECTION 9. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 10. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2020, and June 30, 2021, of the respective fiscal years, shall lapse as of those dates.

SECTION 11. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 49

S.B. NO. 1197

A Bill for an Act Relating to Public Employment Cost Items.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive representative of collective bargaining unit (7):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$803,723	\$3,471,287

SECTION 2. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the Hawaii employer-union health benefits trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining unit (7):

	FY 2019-2020	FY 2020-2021
General funds	\$40,309	\$157,664

SECTION 4. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, all collective bargaining cost items in the agreement negotiated with the exclusive bargaining representative of collective bargaining units (1) and (10):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$1,913,005	\$6,199,406
Special funds	\$367,382	\$1,277,564
Federal funds	\$48,073	\$164,096
Other federal funds	\$9,068	\$32,185
Interdepartmental transfers	\$2,157	\$7,621
Revolving funds	\$7,893	\$27,672
Special fund CIP	\$846	\$2,990

Of the above amounts, the following amounts are for the department of education:

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$477,798	\$1,611,290
Special funds	\$111	\$379
Federal funds	\$95	\$324
Revolving funds	\$182	\$639

SECTION 6. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART IV

SECTION 7. There are appropriated from the sources of funding indicated below to administration (JUD 601) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, all collective bargaining cost items for salary increases and other wage related costs in the agreement negotiated with the exclusive bargaining representative of collective bargaining units (1) and (10):

	FY 2019-2020	FY 2020-2021
General funds	\$68,371	\$168,293

SECTION 8. Funds appropriated by this part shall be expended by the chief justice in the respective fiscal year for the purposes of this part.

PART V

SECTION 9. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10):

	FY 2019-2020	<u>FY 2020-2021</u>
General funds	\$103,196	\$352,756
Special funds	\$5,923	\$20,891
Federal funds	\$179	\$704
Other federal funds	\$757	\$2,421
Revolving funds	\$309	\$1,090

Of the above amounts, the following amounts are for the department of education:

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$85,323	\$291,244
Special funds	\$218	\$746
Federal funds	\$18	\$63

SECTION 10. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART VI

SECTION 11. There are appropriated from the sources of funding indicated below to administration (JUD 601) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees of the judiciary who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10):

	<u>FY 2019-2020</u>	FY 2020-2021
General funds	\$9,366	\$14,661

SECTION 12. The sums appropriated by this part shall be expended by the chief justice in the respective fiscal year for the purposes of this part.

PART VII

SECTION 13. There is authorized from the sources of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the collective bargaining cost items in the agreement negotiated for state employees in collective bargaining units (1) and (10) and are assigned to the Hawaii health systems corporation:

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
Special funds	\$435,728	\$1,102,794

SECTION 14. The sums authorized by this part shall be allotted by the director of finance to the Hawaii health systems corporation in the respective fiscal year for the purposes of this part.

PART VIII

SECTION 15. There is authorized from the sources of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10) and are assigned to the Hawaii health systems corporation:

	FY 2019-2020	FY 2020-2021
Special funds	\$7,284	\$26,896

SECTION 16. Funds authorized by this part shall be allotted by the director of finance to the Hawaii health systems corporation in the respective fiscal year for the purposes of this part.

PART IX

SECTION 17. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive bargaining representative of collective bargaining units (1) and (10):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$1,531,378	\$6,251,273

SECTION 18. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART X

SECTION 19. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary, to fund for fiscal biennium 2019-2021, the Hawaii employer-union health benefits trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10):

	FY 2019-2020	FY 2020-2021
General funds	\$6,890	\$28,374

SECTION 20. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART XI

SECTION 21. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 22. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2020, and June 30, 2021, of the respective fiscal years, shall lapse as of those dates.

SECTION 23. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 50 S.B. NO. 1201

A Bill for an Act Relating to Public Employment Cost Items.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (11):

	FY 2019-2020	FY 2020-2021
General funds	\$212,910	\$429,024
Special funds	\$971,154	\$1,793,201

SECTION 2. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining unit (11):

	FY 2019-2020	FY 2020-2021
General funds	\$13,008	\$26,277
Special funds	\$48,610	\$90,227

SECTION 4. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the Hawaii employer-union health benefits trust fund costs in the agreement negotiated with the exclusive bargaining representative of collective bargaining unit (11):

	FY 2019-2020	FY 2020-2021
General funds	\$56,110	\$206,499

SECTION 6. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART IV

SECTION 7. There are appropriated from the sources of funding indicated below to health premium payments (BUF 761) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2019-2021, the Hawaii employer-union health benefits trust fund costs authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining unit (11):

	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>
General funds	\$2,838	\$11,087

SECTION 8. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART V

SECTION 9. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 10. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2020, and June 30, 2021, of the respective fiscal years, shall lapse as of those dates.

SECTION 11. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

A Bill for an Act Relating to the Hawaii Employer-Union Health Benefits Trust Fund Definitions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Hawaii employer-union health benefits trust fund offers health benefits to dependents of state and county employees and retirees. Due to the current interpretation of chapter 87A, Hawaii Revised Statutes, when an employee is killed in the performance of the employee's duty, the employee passes away when eligible for retirement, or the retiree passes away, the employee's or retiree's surviving spouse's children that are born after the employee's or retiree's death are eligible to participate in benefit plans offered by the fund. However, the legislature finds that a child born or legally adopted after an employee's or retiree's death who is not the natural or adopted child of the deceased employee or retiree should not be eligible to participate in fund benefit plans because the child is not the child of the state or county employee or retiree.

The legislature further finds that the definition of "employee-beneficiary" limits coverage up to age nineteen for surviving children of employees who pass away when eligible for retirement and retirees who pass away, and that is a lower age than surviving children of employees who are killed in the performance of their duty. The date of coverage termination of surviving children of employees who pass away when eligible for retirement and retirees who pass away should be the same as surviving children of employees who are killed in the performance of their duty.

The legislature also finds that the definition of "dependent-beneficiary" in section 87A-1, Hawaii Revised Statutes, should be amended to be consistent with the federal Patient Protection and Affordable Care Act of 2010, which prohibits restricting health insurance coverage to only unmarried dependents and dependents who live with the employee-beneficiary, and denying health insurance coverage to married dependents who do not live with the employee-beneficiary. The legislature further finds that chapter 87A, Hawaii Revised Statutes, should be amended to be consistent with chapter 572B, Hawaii Revised Statutes, regarding civil unions.

The purpose of this Act is to:

- (1) Amend the definition of "dependent-beneficiary" in chapter 87A, Hawaii Revised Statutes, to clarify eligibility of children for participation in fund benefit plans;
- (2) Amend the definition of "employee-beneficiary" in chapter 87A, Hawaii Revised Statutes, to distinguish between surviving children and surviving spouses of employees who are killed in the performance of the employee's duty;
- (3) Amend the definition of "employee-beneficiary" in chapter 87A, Hawaii Revised Statutes, to change eligibility of surviving children of employees who pass away when eligible for retirement and retirees who pass away for participation in fund benefit plans;
- (4) Bring the definition of "dependent-beneficiary" into conformance with the federal Patient Protection and Affordable Care Act of 2010; and
- (5) Bring references to marriages into conformance with chapter 572B, Hawaii Revised Statutes.

SECTION 2. Section 87A-1, Hawaii Revised Statutes, is amended as follows:

1. By amending the definition of "dependent-beneficiary" to read:

- "Dependent-beneficiary" means an employee-beneficiary's:
- (1) Spouse;
- (2) [Unmarried child] Child deemed eligible by the board, including a legally adopted child, stepchild, foster child, or recognized natural child [who lives with the employee-beneficiary;], but excluding a child born or legally adopted more than ten months after the date of the death of:
 - (A) An active employee killed in the performance of duty;
 - (B) An active employee who was eligible to retire on the date of death; or
 - (C) A retired employee-beneficiary; and
- (3) Unmarried child regardless of age who is incapable of self-support because of a mental or physical incapacity, which existed prior to the unmarried child's reaching the age of nineteen years."
- 2. By amending the definition of "employee-beneficiary" to read:
- ""Employee-beneficiary" means:
- (1) Ân employee;
- (2) The beneficiary of an employee who is killed in the performance of the employee's duty[;], including:
 - (A) The surviving child, if there is no surviving parent who is eligible to be an employee-beneficiary and the child is unmarried and under the limiting age as defined by the board; and
 - (B) The surviving spouse, if the surviving spouse does not subsequently remarry;
- (3) An employee who retired prior to 1961; and
- (4) The beneficiary of a retired member of the employees' retirement system; a county pension system; or a police, firefighters, or bandsmen pension system of the State or a county, upon the death of the retired member[<u>-]</u>, including:
- [(5)] (A) The surviving child [of a deceased retired employee], if there is no surviving parent who is eligible to be an employee-beneficiary and the child is unmarried and under the [age of nineteen; or] limiting age as defined by the board; and
- [(6)] (B) The surviving spouse [of a deceased retired employee], if the surviving spouse does not subsequently remarry;

provided that the employee, the employee's beneficiary, or the beneficiary of the deceased retired employee is deemed eligible by the board to participate in a health benefits plan or long-term care benefits plan under this chapter."

SECTION 3. Section 87A-32, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund a monthly contribution equal to the amount established under chapter 89C or specified in the applicable public sector collective bargaining agreements, whichever is appropriate, for each of their respective employee-beneficiaries and employee-beneficiaries with dependent-beneficiaries, which shall be used toward the payment of costs of a health benefits plan; provided that:

- (1) The monthly contribution shall be a specified dollar amount;
- (2) The monthly contribution shall not exceed the actual cost of a health benefits plan;

- (3) If [both husband and wife are] two employee-beneficiaries[,] are married or in a civil union, the total contribution by the State or the county shall not exceed the monthly contribution for a family plan; and
- (4) If the State or any of the counties establish cafeteria plans in accordance with Title 26, United States Code section 125, the Internal Revenue Code of 1986, as amended, and section 78-30, the monthly contribution for those employee-beneficiaries who participate in a cafeteria plan shall be made through the cafeteria plan, and the payments made by the State or counties shall include their respective contributions to the fund and their employee-beneficiary's share of the cost of the employee-beneficiary's health benefits plan."

SECTION 4. Section 87A-33, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Effective January 1, 2014, there is established a base monthly contribution for health benefit plans that the State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund, up to the following:

- (1) \$524.73 for each employee-beneficiary enrolled in supplemental medicare self plans;
- (2) \$1,051.70 for each employee-beneficiary enrolled in supplemental medicare two-party plans;
- (3) \$1,531.78 for each employee-beneficiary enrolled in supplemental medicare family plans;
- (4) \$736.60 for each employee-beneficiary enrolled in non-medicare self plans;
- (5) \$1,484.72 for each employee-beneficiary enrolled in non-medicare two-party plans; and
- (6) \$2,173.06 for each employee-beneficiary enrolled in non-medicare family plans.

The monthly contribution by the State or county shall not exceed the actual cost of the health benefit plan or plans and shall not be required to cover increased benefits above those initially contracted for by the fund for plan year 2004-2005. If [both husband and wife are] two employee-beneficiaries[-] are married or in a civil union, the total contribution by the State or county shall not exceed the monthly contribution for a supplemental medicare family or non-medicare family plan, as appropriate."

SECTION 5. Section 87A-34, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund a monthly contribution equal to one-half of the base monthly contribution set forth under section 87A-33(b) for retired employees enrolled in medicare or non-medicare health benefits plans. If [both husband and wife are] two employee-beneficiaries[-] are married or in a civil union, the total contribution by the State or county shall not exceed the monthly contribution for supplemental medicare family or non-medicare family plan, as appropriate."

SECTION 6. Section 87A-35, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund:

- (1) For retired employees enrolled in medicare or non-medicare health benefit plans with ten or more years but fewer than fifteen years of service, a monthly contribution equal to one-half of the base monthly contribution set forth under section 87A-33(b); and
- (2) For retired employees enrolled in medicare or non-medicare health benefit plans with at least fifteen but fewer than twenty-five years of service, a monthly contribution of seventy-five per cent of the base monthly contribution set forth under section 87A-33(b).

If [both husband and wife are] two employee-beneficiaries[,] are married or in a civil union, the total contribution by the State or county shall not exceed the monthly contribution for a supplemental medicare family or non-medicare family plan, as appropriate."

SECTION 7. Section 87A-36, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund:

- (1) For retired employees based on the self plan with ten or more years but fewer than fifteen years of service, a monthly contribution equal to one-half of the base medicare or non-medicare monthly contribution set forth under section 87A-33(b);
- (2) For retired employees based on the self plan with at least fifteen but fewer than twenty-five years of service, a monthly contribution equal to seventy-five per cent of the base medicare or non-medicare monthly contribution set forth under section 87A-33(b);
- (3) For retired employees based on the self plan with twenty-five or more years of service, a monthly contribution equal to one hundred per cent of the base medicare or non-medicare monthly contribution set forth under section 87A-33(b); and
- (4) One-half of the monthly contributions for the employee-beneficiary or employee-beneficiary with dependent-beneficiaries upon the death of the employee, as defined in paragraph (1)(D) of the definition of "employee" in section 87A-1;

If [both husband and wife are] two employee-beneficiaries[,] are married or in a civil union, the total contribution by the State or county shall not exceed the monthly contribution for two supplemental medicare self or non-medicare self plans, as appropriate."

SECTION 8. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 10. This Act shall take effect upon its approval.

(Approved June 7, 2019.)

A Bill for an Act Relating to Special Purpose Revenue Bonds for Trevi Systems, Inc., or its Related Entity, Kona Coast Water LLC.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$100,000,000, in one or more series, for the purpose of assisting Trevi Systems, Inc., a Delaware corporation, or its related entity, Kona Coast Water LLC, a Hawaii limited liability company, to finance and refinance the costs relating to the planning, designing, construction, equipping, land leases, and other assets for two or more plants that will desalinate water using one hundred per cent renewable solar energy and supply it to customers on Hawaii island and potentially on other islands, together with solar power plants that will supply one hundred per cent renewable thermal energy and power that is able to be fully dispatched. The legislature hereby finds and determines that constructing two or more solar plants to desalinate water and dispatch it to customers using one hundred per cent renewable energy constitutes a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

A Bill for an Act Relating to the Employees' Retirement System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to establish a clear statutory basis for the recovery of overpayments of employees' retirement system benefits. This Act declares overpaid member benefits to be a debt due and owing to the employees' retirement system and authorizes the employees' retirement system to adopt and enforce such rules and regulations as may be necessary to recover overpaid member benefits. In addition, this Act provides the board of trustees or the executive director of the employees' retirement system with the discretion to waive the recovery of overpayments in cases of bona fide hardship or where the costs of recovery would exceed the amount expected to be recovered.

SECTION 2. Section 88-6, Hawaii Revised Statutes, is amended to read as follows:

"§88-6 Payment of refunds and retirement benefits. (a) Notwithstanding any other provision of this chapter:

- (1) All retirees and beneficiaries of the state retirement system or county pension funds shall be paid semimonthly; provided that:
 - (A) All retirees and beneficiaries of the state retirement system who either retire or become beneficiaries after January 1, 2003, shall be paid monthly; and
 - (B) Effective July 1, 2011, all retirees and beneficiaries of the state retirement system shall be paid monthly; provided that this subparagraph shall not apply to any retiree or beneficiary who:
 - (i) Became a retiree or beneficiary prior to January 1, 2003;
 - (ii) Is eighty years of age or older on January 1, 2011; and
 - (iii) Receives \$800 or less of pension benefits each month; and
- (2) Any retiree or beneficiary of the state retirement system whose benefit commences after June 30, 2001, shall designate a financial institution account into which the system shall be authorized to deposit their retirement benefit; and effective April 1, 2011, all retirees and beneficiaries of the state retirement system shall designate a financial institution account into which the system shall be authorized to deposit their state retirement system benefits. This method of payment may be waived by the system.

(b) Any member, former employee, retirant, or beneficiary to whom accumulated contributions or a hypothetical account balance, as defined in section 88-311, is payable after June 30, 2008, [shall,] if the payment will be greater than \$250 and the member, former employee, retirant, or beneficiary does not elect to rollover the payment into an eligible retirement plan, shall designate a financial institution account into which the system shall be authorized to deposit the payment. This method of payment may be waived by the system if another method is determined to be more appropriate.

(c) All overpayments of refunds and retirement benefits, including but not limited to the over issuance of death benefits, beneficiary benefits, payments to alternate payees, and adjustment payments, shall constitute a debt due and owing to the system by the recipient of such overpayments. In addition to the remedies elsewhere prescribed in this chapter for the recovery of benefits, recovery of all overpayments shall be made in accordance with applicable state law and federal regulations. The system shall adopt and enforce rules as may be necessary to effect the maximum recovery of retirement benefit overpayments. System rules for the recovery of overpayments shall prescribe procedures for recourse to the civil courts when required, the filing of liens against the real property of overpaid recipients, and the filing of claims against the estate of a deceased recipient who has received overpayments that have not been recovered. Nothing in this section shall preclude the board of trustees or the executive director of the system from adopting procedures for waiving the recovery of overpayments in cases of bona fide hardship or where the costs of recovery would exceed the amount expected to be recovered."

SECTION 3. Section 88-106, Hawaii Revised Statutes, is amended to read as follows:

"§88-106 Correction of errors. Should any change or error in records result in any member, retirant, or beneficiary receiving from the system more or less than the member, retirant, or beneficiary would have been entitled to receive had the records been correct, the board of trustees shall correct the error and as far as practicable, shall adjust the payments in such a manner that the actuarial equivalent of the benefit to which the member, retirant, or beneficiary was correctly entitled shall be paid. Should any error in calculation or records result in any member, retirant, or beneficiary receiving from the system more than the member, retirant, or beneficiary would have been entitled to receive had the calculation or records been correct, the board of trustees shall correct the error and [may forgive] shall recover any such overpayment[-] unless recovery is waived pursuant to procedures adopted under section 88-6."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 54 H.B. NO. 250

A Bill for an Act Relating to School-Based Health Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$752,066 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to implement, expand, and sustain the Hawaii keiki: healthy and ready to learn program.

The sums appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$256,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to license electronic school records.

The sums appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019.

(Approved June 7, 2019.)

H.B. NO. 340

A Bill for an Act Relating to Hawaii Technology Development Corporation.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that the Hawaii technology development corporation is a key state agency in the development and support of the State's manufacturing industry. Furthermore, continued support for the manufacturing industry is essential to Hawaii's economy. The legislature further finds that the Hawaii technology development corporation's small business innovation research program, manufacturing assistance program, and excelerator program all play important roles in providing support to more manufacturing companies.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the small business innovation research program.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2019-2020 to continue operations, administration, and provision of grants by the manufacturing assistance program.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the excelerator program.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 56

H.B. NO. 624

A Bill for an Act Relating to the Structure of Government.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that to be successful in the twentyfirst century global economy, Hawaii must position itself as a leader in technology development, transfer, and commercialization. Significant progress has been made in past years through programs supported by federal and state initiatives, such as programs administered by the Hawaii technology development corporation, Hawaii strategic development corporation, and Hawaii technology development venture. However, the legislature believes that additional efforts are required to move Hawaii's technology industry to achieve local technology commercialization. Innovation in science and technology fields will not only enable the State to succeed in the global marketplace, but will also support the State's sustainable economic development goals to include a viable and vibrant technology and manufacturing labor force.

The purpose of this Act is to transfer the resources, duties, and responsibilities of the Hawaii strategic development corporation to the Hawaii technology development corporation to:

- (1) Promote, develop, and expand Hawaii's innovation and technology industry;
- (2) Promote a more diverse economy that offers high quality, knowledgebased jobs; and
- (3) Develop policy and resource allocations to enable and support start-up companies, sustain existing companies, and attract companies to relocate or establish offices in Hawaii.

PART II

SECTION 2. Chapter 206M, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . STRATEGIC DEVELOPMENT PROGRAMS

A. GENERAL PROVISIONS

§206M-A Strategic development programs; purpose; powers. The purpose of the strategic development programs is to encourage economic development and diversification in Hawaii through innovative actions in cooperation with private enterprises. The development corporation shall establish programs to stimulate private capital investment in Hawaii toward investments that promote the welfare of citizens in this State, economic growth, employment, and economic diversification. The development corporation may use public funds to provide incentives to private investment activity, by co-investing public funds in private financial organizations to increase the impact of the public investment while utilizing the investment acumen of the private sector, and by using public funds to reduce the risks of private investments. The development corporation shall have the flexibility to provide various types of financial assistance. When providing financial assistance, the development corporation shall make provision for the recovery of its expenditures, as far as possible.

§206M-B Strategic development programs revolving fund. There is established the strategic development programs revolving fund. The following moneys shall be deposited into the strategic development programs revolving fund and shall not be considered part of the general fund: all moneys appropriated by the legislature, received as repayments of loans, earned on investments, received pursuant to a venture agreement, received as royalties, received as premiums or fees charged by the development corporation, or otherwise received by the development corporation.

§206M-C Hydrogen investment special fund. (a) There shall be established the hydrogen investment special fund, into which shall be deposited:

- (1) Appropriations made by the legislature to the fund;
- (2) All contributions from public or private partners;

- (3) All interest earned on or accrued to moneys deposited in the special fund; and
- (4) Any other moneys made available to the special fund from other sources.

(b) Moneys in the fund shall be expended by the development corporation:

- (1) To provide seed capital for and venture capital investments in private sector and federal projects for research, development, testing, and implementation of the Hawaii renewable hydrogen program, as set forth in section 196-10; and
- (2) For any other purpose deemed necessary to carry out the purposes of section 196-10.

§206M-D Contracts for services necessary for management and operation of the strategic development programs. The development corporation may contract with others, public or private, for the provision of all or a portion of the services necessary for the management and operation of the strategic development programs. The development corporation may use all appropriations, grants, contractual reimbursements, and all other funds not appropriated for a designated purpose to pay for the proper general expenses and to carry out the purposes of the strategic development programs.

§206M-E Actions of the development corporation; guidelines. (a) All actions taken by the development corporation shall be necessary to achieve the purposes and objectives of this part. The development corporation shall evaluate all programs after three years to determine their effectiveness. The development corporation shall establish rules to assure equal opportunity to minority-owned businesses, and shall encourage the development of minority-owned businesses. The development corporation shall support and encourage participation by Hawaii companies in federal grant programs, such as the Small Business Innovation Research Program.

(b) Financial participation shall be made on the condition that the recipient of the assistance shall utilize the money to assist economic development projects within the State that have potential for creating new jobs or retaining current jobs within the State.

(c) Financial participation by the development corporation in private financial investment funds shall be made with the provision that the private fund shall make investments in Hawaii in amounts at least equal to the amount of state participation.

(d) The development corporation shall not make direct investments in individual businesses except upon a two-thirds vote of the board in each case considered. When deciding whether to enter into a direct investment, the development corporation shall consider whether:

- (1) The project is economically sound;
- (2) The project can be successfully completed;
- (3) The project will promote economic diversification;
- (4) The project is located in or will locate in the State and has a reasonable potential to create desirable employment opportunities for residents of the State;
- (5) The project has been unable to obtain sufficient funding on reasonable terms through ordinary means; and
- (6) The project can be partially financed through ordinary means at reasonable terms.

The development corporation shall not acquire securities to an extent that would provide the development corporation effective voting control of any enterprise after giving effect to the conversion of all outstanding convertible securities of the enterprise.

(e) Investments by the development corporation to persons shall be made on the basis of solicitation and a competitive technical review process, subject to the availability of funds allocated to the development corporation for making investments. Investments by the development corporation shall not be subject to chapter 42F. Any organization applying for an investment shall meet the following standards:

- (1) Have bylaws or policies that describe the manner in which business is conducted and policies relating to nepotism and management of potential conflict of interest situations;
- (2) Be licensed and accredited, as applicable, in accordance with the requirements of federal, state, and county governments;
- (3) Comply with applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, or physical handicap; and
- (4) Comply with other requirements as the board may prescribe.

§206M-F Business and industry evaluation and priorities for job opportunity and economic development. The development corporation shall develop procedures to set priorities as to which types of businesses and industries are most likely to provide significant opportunities for economic development and diversification in the State, consistent with the purposes of this subpart. This evaluation shall take into account the guidelines provided by the state plan for economic development. Based on these findings, the development corporation shall establish targets by which the operations and programs of the development corporation under this part shall be guided.

§206M-G Confidentiality of trade secrets or the like; disclosure of financial information. Notwithstanding chapter 92, 92F, or any other law to the contrary, any documents or data made or received by any member or employee of the development corporation under this part, to the extent that the material or data consist of trade secrets, commercial or financial information regarding the operation of any business conducted by an applicant for, or recipient of, any form of assistance that the development corporation is empowered to render, or regarding the competitive position of that applicant in a particular field of endeavor, shall not be a public record; provided that if the development corporation purchases a qualified security from an applicant, the commercial and financial information, excluding confidential business information, shall be deemed to become a public record of the development corporation. If the information is made or received by any member or employee of the development corporation after the purchase of the qualified security, it shall become a public record three years from the date the information was made or received. Any discussion or consideration of trade secrets or commercial or financial information, shall be held by the board, or any subcommittee of the board, in executive sessions closed to the public; provided that the purpose of any such executive session shall be set forth in the official minutes of the development corporation and business which is not related to that purpose shall not be transacted, nor shall any vote be taken during the executive sessions.

§206M-H Requests for assistance from the development corporation; procedure. (a) The board shall approve or disapprove requests for assistance

within ninety days of receiving a written application under this part. Upon written request by an applicant, the board may reconsider its denial of an application for assistance or may waive the ninety-day deadline for approving or disapproving an application.

(b) Any person who submits any statement, report, application, or other document to the development corporation under this part that is known to the person to be false in any material respect shall be guilty of a class C felony.

(c) The development corporation may condition any assistance of any type under this part by placing restrictions on the recipient in regard to the recipient's assets or indebtedness or in any other manner deemed appropriate by the development corporation. A recipient who accepts assistance from the development corporation under this part shall be deemed to agree to be bound by any conditions or restrictions imposed by the development corporation.

§206M-I Private sector financial support. Significant private sector financial support shall be associated with any economic development project for which the development corporation provides assistance under this part.

§206M-J Limitations on debt owed to the development corporation. Not more than \$5,000,000 in financial assistance, excluding rights and royalties under a venture capital agreement, shall be provided to any one enterprise at any time under this part. The direct investments of the development corporation shall not exceed five per cent of the assets of the development corporation, excluding rights and royalties under a venture capital agreement; provided that by a two-thirds vote of the board, this amount may be increased to a limit of twenty-five per cent of the development corporation.

§206M-K Limitation on liability. Chapters 661 and 662 or any other law to the contrary notwithstanding, nothing in this part shall create an obligation, debt, claim, cause of action, claim for relief, charge, or any other liability of any kind whatsoever in favor of any person or entity, without regard to whether that person or entity receives any benefits under this part, against the State or its officers and employees. The State and its officers and employees shall not be liable for the results of any investment, purchase of securities, loan, or other assistance provided pursuant to this part. Nothing in this part shall be construed as authorizing any claim against the development corporation in excess of any note, loan, or other specific indebtedness incurred by the development corporation or in excess of any insurance policy acquired for the development corporation or its employees.

§206M-L HI growth initiative; report to legislature. The development corporation shall submit an annual report to the legislature no later than twenty days prior to the convening of a regular session on the specific annual outcome achieved through the activities and expenditures of the HI growth initiative.

§206M-M Annual audit. The books and records of the strategic development programs shall be subject to an annual audit by an independent auditor.

B. PROGRAM FOR SEED CAPITAL ASSISTANCE

§206M-N Establishment. The development corporation shall establish a program for seed capital assistance.

§206M-O Seed capital investments. Subject to this subpart, the development corporation may invest in:

- (1) A certified development company under sections 501 to 503 of the Small Business Investment Act of 1958 (15 U.S.C. 695 to 697) and the regulations adopted under those sections;
- (2) A small business investment company under the Small Business Investment Act (15 U.S.C. 631 to 634, 636 to 649) and the regulations adopted under those sections;
- (3) A minority enterprise small business investment corporation or equivalent venture capital corporation;
- (4) A similar entity that may leverage its capital under a federal program; or
- (5) A seed capital fund or partnership.

§206M-P Purposes and terms of investments. (a) Investments may be used for any purpose consistent with the purposes and objectives of this part, including but not limited to:

- (1) Developing a working prototype;
- (2) Preparing a development plan;
- (3) Performing an initial market analysis;
- (4) Organizing a management team; and
- (5) Any other purpose reasonably related to an economic development project.

(b) Investments may be made on such terms and conditions as the development corporation shall determine to be reasonable, appropriate, and consistent with the purposes and objectives of this part.

C. PROGRAM FOR VENTURE CAPITAL ASSISTANCE

§206M-Q Establishment. The development corporation shall establish a program for venture capital.

§206M-R Venture capital investments. Subject to this subpart, the development corporation may invest in:

- (1) A certified development company under sections 501 to 503 of the Small Business Investment Act of 1958 (15 U.S.C. 695 to 697) and the regulations adopted under those sections;
- (2) A small business investment company under the Small Business Investment Act (15 U.S.C. 631 to 634, 636 to 649) and the regulations adopted under those sections;
- (3) A minority enterprise small business investment corporation or equivalent venture capital corporation;
- (4) A similar entity that may leverage its capital under a federal program; or
- (5) A venture capital fund or partnership.

§206M-S Purposes and terms of investments. (a) Investments may be used for any purpose consistent with the purposes and objectives of this part.

(b) Investments may be made on such terms and conditions as the development corporation shall determine to be reasonable, appropriate, and consistent with the purposes and objectives of this part.

D. PROGRAM FOR CAPITAL ACCESS

§206M-T Establishment. The development corporation shall establish a program for capital access.

§206M-U Financial assistance. The development corporation, through the program for capital access, may:

- (1) Procure insurance, a guarantee, or a letter of credit from any source for all or a part of a loan, debenture, or lease of others, public or private, or a revenue bond issue of the State or other entity or authority authorized by law to issue revenue bonds; and
- (2) Procure insurance, a guarantee, or a letter of credit for either a single loan, debenture, or lease or for any combination of loans, debentures, or leases, or a single revenue bond issue or for all or a part of any combination of revenue bond issues.

§206M-V Purposes and priorities required in the procuring of insurance, loan guarantees, or letters of credit. (a) Insurance, guarantees, or letters of credit procured pursuant to section 206M-U shall be procured only for economic development projects within the State that are consistent with the purposes and objectives of this part.

(b) The development corporation shall give paramount priority in procuring insurance, guarantees, and letters of credit to economic development projects that have the greatest potential for creating new jobs or retaining current jobs within the State.

§206M-W Conditions for procuring of insurance, loan guarantees, or letters of credit. (a) Insurance, guarantees, or letters of credit shall not be procured pursuant to section 206M-U unless the development corporation is assured that the loans, debentures, or leases insured, or guaranteed, or for which letters of credit are issued, shall be used to assist economic development projects that also have significant private sector financial support.

(b) Insurance, guarantees, or letters of credit may be procured on such terms and conditions as the development corporation, in its sole discretion, shall determine to be reasonable, appropriate, and consistent with the purposes and objectives of this part.

(c) The development corporation shall charge the lender or the borrower, or both, a fee or premium for procuring loan, debenture, or lease insurance, guarantee, or a letter of credit. Rules for premiums or fees shall be established by the corporation.

§206M-X Program for capital access participation agreements. The development corporation shall enter into agreements with lenders for participation in the program for capital access that shall include but not be limited to:

- (1) Authorization for the lender to determine, collect, and transmit to the development corporation a fee or premium charge within a specified range established consistent with the purposes and objectives of the development corporation;
- (2) Specification of whether the premium charge shall be paid by the lender, the borrower, the development corporation, or by a combination thereof in specified proportions;
- (3) The procedure by which a lender may make a claim upon the development corporation upon default by the borrower, and the conditions under which a claim may be made; and

(4) The maximum amount of claims a lender may make upon the development corporation, which amount may be equal to or less than the proportion of the total premiums contributed by the development corporation.

§206M-Y Establishment of special funds to secure loan insurance obligations; source of funds. The development corporation may establish a special fund or funds for capital access into which fees or premiums collected by the development corporation are deposited."

SECTION 3. Any unencumbered balances remaining in the Hawaii strategic development revolving fund on June 30, 2019, shall be deposited into the strategic development programs revolving fund.

SECTION 4. Any unencumbered balances remaining in the hydrogen investment capital special fund as of June 30, 2019, shall be deposited into the hydrogen investment special fund.

SECTION 5. Chapter 206M, Hawaii Revised Statutes, is amended by amending the title of part I to read as follows:

"PART I. [HAWAII TECHNOLOGY DEVELOPMENT CORPORATION] <u>GENERAL PROVISIONS</u>"

SECTION 6. Section 206M-1, Hawaii Revised Statutes, is amended by adding seven new definitions to be appropriately inserted and to read:

"Economic development project" means an endeavor related to industrial, commercial, or advanced technology-based agricultural enterprise. "Economic development project" shall not include that portion of an endeavor devoted to the construction of housing.

"Enterprise" means a person with a place of business in Hawaii which is, or proposes to be, engaged in business in Hawaii; provided that the endeavor shall not be devoted to the sale of goods at retail, construction of housing, or tourism-related services.

"Minority-owned businesses" means businesses at least fifty per cent owned, controlled, and managed by socially or economically disadvantaged persons.

"Person" means a sole proprietorship, partnership, joint venture, corporation, or other association of persons organized for commercial or industrial purposes.

"Professional investor" means any bank, bank holding company, savings institution, trust company, insurance company, investment company registered under the federal Investment Company Act of 1940, financial services loan company, pension or profit-sharing trust or other financial institution or institutional buyer, licensee under the federal Small Business Investment Act of 1958, or any person, partnership, or other entity of whose resources a substantial amount is dedicated to investing in securities or debt instruments and whose net worth exceeds \$250,000.

"Seed capital" means financing provided for the earliest stage of business development, including but not limited to developing a working prototype, preparing a business plan, performing an initial market analysis, or organizing a management team.

"Venture capital investment" means any of the following investments in a business:

- (1) Common or preferred stock and equity securities without a repurchase requirement for at least five years;
- (2) <u>A right to purchase stock or equity securities;</u>
- (3) Any debenture or loan, whether or not convertible or having stock purchase rights, which are subordinated, together with security interests against the assets of the borrower, by their terms to all borrowings of the borrower from other institutional lenders, and that is for a term of not less than three years, and that has no part amortized during the first three years; and
- (4) General or limited partnership interests."

SECTION 7. Section 206M-2, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) There is established the Hawaii technology development corporation, which shall be a public body corporate and politic and an instrumentality and agency of the State. The development corporation shall be placed within the department of business, economic development, and tourism for administrative purposes, pursuant to section 26-35. The purpose of the development corporation shall be to facilitate the growth and development of the commercial technology industry in Hawaii. Its duties shall include[₁] but not be limited to:

- (1) <u>Connecting Hawaii-based technology companies and entrepreneurs</u> to new market opportunities;
- [(1)] (2) Developing and encouraging industrial parks as technology innovation centers <u>and other technology infrastructure projects</u> and developing or assisting with the development of projects within or outside of industrial parks, including participating with the private sector in such development;
- [(2) Providing financial and other support and services to Hawaii-based technology companies;
- (3) Collecting and analyzing information on the state of commercial technology activity in Hawaii;
- (4) Promoting and marketing Hawaii as a site for commercial technology activity; and
- (5) Providing advice on policy and planning for technology-based economic development.]
- (3) Encouraging, initiating, and aiding in the development and commercialization of local innovation and technology;
- (4) Furnishing the financial and other support and services to institute and grow local innovation and technology;
- (5) Developing policy and resource allocations to enable and support start-up companies, sustain existing companies, and attract companies to relocate or establish offices in Hawaii;
- (6) Attracting resources from public and private sector organizations and agencies to develop a local qualified innovation research and technology workforce;
- (7) Coordinating with other state agencies and entities to support the innovation and technology industry;
- (8) Collecting and analyzing information on the state of local and global technology activity; and
- (9) Taking any and all other actions reasonably designed to promote the purposes of the corporation in the interest of promoting the general welfare of the people of the State.

(b) The governing body of the development corporation shall consist of a board of directors having [eleven] nine voting members. [Seven of the members

shall be appointed by the governor for staggered terms pursuant to section 26-34. Six of the appointed members shall be from the general public and selected on the basis of their knowledge, interest, and proven expertise in, but not limited to, one or more of the following fields: finance, commerce and trade, corporate management, marketing, economics, engineering, and telecommunications, and other technology fields. The other appointed member shall be selected from the faculty of the University of Hawaii.] The director of business, economic development, and tourism, and an appointed member from the University of Hawaii, or their designated representatives, shall serve as ex officio voting members of the board. All members shall have knowledge, interest, and proven expertise in, but not limited to, one or more of the following fields: finance, commerce and trade, corporate management, marketing, economics, engineering, telecommunications, innovation, and other technology fields. Seven of the members shall be appointed by the governor pursuant to section 26-34 for staggered terms; provided that membership shall include:

- (1) Three members who shall be appointed by the governor from a list of four nominees submitted by the president of the senate, and three members who shall be appointed by the governor from a list of four nominees submitted by the speaker of the house of representatives; provided that if fewer than four nominees are submitted for each appointment, the governor may disregard the list; and
- (2) One member who shall be appointed by the governor from the economic development board of Maui, Kauai, or Hawaii county.

The governor shall make board member appointments to ensure the fulfillment of all requirements of paragraphs (1) and (2); provided that upon the occurrence of a vacancy subject to paragraph (1), the governor shall notify the president of the senate and the speaker of the house of representatives of any unfulfilled requirements pursuant to paragraphs (1) and (2), and the president of the senate or the speaker of the house of representatives, as appropriate, shall submit nominees who fulfill the requirements pursuant to paragraphs (1) and (2). All appointed members of the board shall continue in office until their respective successors have been appointed. [The director of business, economic development, and tourism, the director of finance, an appointed member from the board of the Hawaii strategic development corporation, and an appointed member from the board of the natural energy laboratory of Hawaii authority, or their designated representatives, shall serve as ex officio[,] voting members of the board.] The director of business, economic development, and tourism shall serve as the chairperson until such time as a chairperson is elected by the board from the membership. The board shall elect [such] other officers as it deems necessary."

SECTION 8. Section 206M-3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The development corporation shall have all the powers necessary to carry out its purposes, including the powers to:

- (1) Sue and be sued;
- (2) Have a seal and alter the same at its pleasure;
- (3) Make and execute, enter into, amend, supplement, and carry out contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this chapter, including, with the approval of the governor, a project agreement, or an amendment or supplement to an existing project agreement, with a qualified person, and to enter into and carry out any agreement whereby the obligations of a qualified person under a project agreement shall be unconditionally guaranteed or insured by, or the per-

formance thereof assigned to, or guaranteed or insured by, a person or persons other than the qualified person; and extend or renew any project agreement or any other agreement related thereto; provided that any such renewal or extension shall be subject to the approval of the governor unless made in accordance with provisions for the extension or renewal contained in a project agreement or related agreement theretofore approved by the governor;

- (4) Make and alter bylaws for its organization and internal management;
- (5) Adopt rules under chapter 91 necessary to effectuate this chapter in connection with industrial parks, projects, multi-project programs, and the operations, properties, and facilities of the¹ corporation;
- (6) Through its chief executive officer, appoint officers, agents, <u>consul-tants</u>, <u>advisors</u>, and employees, prescribe their duties and qualifications, and fix their salaries, without regard to chapter 76;
- (7) Prepare or cause to be prepared development plans for industrial parks;
- (8) Acquire, own, lease, hold, clear, improve, and rehabilitate real, personal, or mixed property and assign, exchange, transfer, convey, lease, sublease, or encumber any project, including by way of easements;
- (9) Acquire, construct, improve, install, equip, or develop or provide for the acquisition, construction, improvement, installation, equipping, or development of any project and designate a qualified person as its agent for such purpose;
- (10) Own, hold, assign, transfer, convey, exchange, lease, sublease, or encumber any project;
- (11) Arrange or initiate appropriate action for the planning, replanning, opening, grading, or closing of streets, roads, roadways, alleys, easements, or other places, the furnishing of improvements, the acquisition of property or property rights, or the furnishing of property or services in connection with an industrial park or project;
- (12) Prepare, or cause to be prepared, plans, specifications, designs, and estimates of cost for the acquisition, construction, reconstruction, improvement, installation, equipping, development, or maintenance of any project or industrial park, and from time to time modify the plans, specifications, designs, or estimates;
- (13) Engage the services of consultants on a contractual basis for rendering professional and technical assistance and advice;
- (14) Procure insurance against any loss in connection with its property and other assets and operations in amounts and from insurers as it deems desirable;
- [(15) Accept and expend gifts or grants in any form from any public agency or from any other source;
- (16)] (15) Issue special purpose revenue bonds and refunding special purpose revenue bonds pursuant to and in accordance with this chapter in principal amounts as may be authorized from time to time by law to finance or refinance the cost of a project, singly or as part of a multi-project program, or an industrial park as authorized by law and provide for the security thereof as permitted by this chapter;
- [(17)] (16) Lend or otherwise apply the proceeds of the bonds issued for a project or an industrial park either directly or through a trustee to a qualified person for use and application by the qualified person in the acquisition, construction, improvement, installation, equipping, or development of a project or industrial park, or agree with the

qualified person whereby any of these activities shall be undertaken or supervised by that qualified person or by a person designated by the qualified person;

- [(18)] (17) As security for the payment of the principal of, premium, if any, and interest of the special purpose revenue bonds issued for a project to:
 - (A) Pledge, assign, hypothecate, or otherwise encumber all or any part of the revenues and receipts derived or to be derived by the development corporation under the project agreement for the project for which the bonds are issued;
 - (B) Pledge and assign the interest and rights of the development corporation under the project agreement or other agreement with respect to the project or the special purpose revenue bonds;
 - (C) Pledge and assign any bond, debenture, note, or other evidence of indebtedness received by the development corporation with respect to the project; or
 - (D) Any combination of the foregoing;
- [(19)] (18) With or without terminating a project agreement, exercise any and all rights provided by law for entry and reentry upon or take possession of a project at any time or from time to time upon breach or default by a qualified person under a project agreement, including any action at law or in equity for the purpose of effecting its rights of entry or reentry or obtaining possession of the project or for the payments of rentals, user taxes, or charges, or any other sum due and payable by the qualified person to the development corporation pursuant to the project agreement;
- [(20)] (19) Enter into arrangements with qualified county development entities whereby the board would provide financial support to qualified projects proposed;
- [(21)] (20) Create an environment in which to support technology economic development, including but not limited to:
 - (A) Supporting all aspects of technology-based economic development;
 - (B) Developing instructive programs, identifying issues and impediments to the growth of technology industry in Hawaii; and
 - (C) Providing policy analysis and information important to the development of technology industries in Hawaii;
- [(22)] (21) Develop programs that support start-up and existing technology companies in Hawaii and attract new companies to relocate to or establish operations in Hawaii by assessing the needs of these companies and providing the physical and technical infrastructure to support their operations;
- [(23)] (22) Coordinate its efforts with other public and private agencies involved in stimulating technology-based economic development in Hawaii, including but not limited to:
 - (A) The department of business, economic development, and tourism;
 - (B) The Pacific international center for high technology research; [and]
 - (C) The office of technology transfer and economic development of the University of Hawaii; and
 - (D) The state energy office;

- [(24)] (23) Promote and market Hawaii as a site for commercial technology activity, including the expenditure of funds for protocol purposes at the discretion of the board;
- [(25)] (24) Provide advice on policy and planning for technology-based economic development;
- [(26)] (25) Finance, conduct, or cooperate in financing or conducting technological, business, financial, or other investigations that are related to or likely to lead to business, technology, and economic development by making and entering into contracts and other appropriate arrangements, including the provision of loans, start-up and expansion capital, loan guaranty, loans convertible to equity, equity charged and received by the corporation, and other forms of assistance;
- [(27)] (26) Solicit, study, and assist in the preparation of business plans and proposals of new or established businesses;
- [(28)] (27) Provide advice, technical and marketing assistance, support, and promotion to enterprises in which investments have been made;
- [(29)] (28) Acquire, hold, and sell qualified securities;
- [(30)] (29) Consent, subject to the provisions of any contract with noteholders or bondholders, whenever the corporation deems it necessary or desirable in the fulfillment of the purposes of this chapter, to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, or any other terms, of any contract or agreement of any kind to which the corporation is a party;
- [(31)] (30) Invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in such investments as may be lawful for fiduciaries in the State; [and]
 - (31) Coordinate the development corporation's programs with any education and training program;
 - (32) Carry out specialized programs designed to encourage the development of new products, businesses, and markets;
 - (33) Prepare, publish, and distribute such technical studies, reports, bulletins, and other materials as it deems appropriate, subject only to the maintenance and respect for confidentiality of client proprietary information;
 - (34) Organize, conduct, sponsor, or cooperate in and assist in the conduct of conferences, demonstrations, and studies relating to the stimulation and formation of businesses;
 - (35) Provide and pay for such advisory services and technical, managerial, and marketing assistance, support, and promotion as may be necessary or desirable to carry out the purposes of this chapter;
 - (36) Accept donations, grants, bequests, and devises of money, property, service, or other things of value that may be received from the United States or any agency thereof, any governmental agency, or any public or private institution, person, firm, or corporation, to be held, used, or applied for any or all of the purposes specified in this chapter. Receipt of each donation or grant shall be detailed in the annual report of the development corporation. The report shall include the identity of the donor or lender, the nature of the transaction, and any conditions attaching thereto;
 - (37) Acquire real property, or an interest therein, by purchase or foreclosure, where that acquisition is necessary or appropriate to protect or secure any investment or loan in which the development corpo-

ration has an interest; sell, transfer, and convey the property to a buyer and if the sale, transfer, or conveyance cannot be effected with reasonable promptness or at a reasonable price, to lease the property to a tenant;

- (38) Acquire, own, hold, dispose of, and encumber personal property of any nature, or any interest therein;
- (39) Enter into agreements or other transactions with any federal, state, or county agency;
- (40) Appear on its own behalf before state, county, or federal agencies;
- (41) Appoint advisory committees as deemed necessary;
- (42) Exercise any other powers of a corporation organized under the laws of the State; and
- [(32)] (43) Do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted in this chapter."

PART III

SECTION 9. Section 227D-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The governing body of the authority shall consist of a board of directors having [thirteen] twelve voting members. Three members from the general public shall be appointed by the governor for staggered terms pursuant to section 26-34, except that one of these members shall be a resident of the county of Hawaii. The members shall be selected on the basis of their knowledge, interest, and proven expertise in, but not limited to, one or more of the following fields: finance, commerce and trade, corporate management, marketing, economics, engineering, energy management, real estate development, property management, aquaculture, and ocean science. The chairperson and secretary of the research advisory committee shall serve on the board. The director of business, economic development, and tourism, the chairperson of the board of land and natural resources, the president of the University of Hawaii, the mayor of the county of Hawaii, and an appointed member from the board of the Hawaii technology development corporation, and an appointed member from the board of the Hawaii strategic development corporation,] or their designated representatives, shall serve as ex officio, voting members of the board. The tenants of the authority shall elect two members to the board from among the tenants of the authority, of which one member shall serve a two-year term, and one member shall serve a four-year term. In electing the tenant members, each tenant shall be entitled to cast one vote for each member position. The tenant members shall be recused from voting on setting lease rents, water rates, or utility rates, but may participate in discussions. The director of business, economic development, and tourism shall serve as the chairperson until such time as a chairperson is elected by the board from the membership. The board shall elect other officers as it deems necessary."

PART IV

SECTION 10. Chapter 211F, Hawaii Revised Statutes, is repealed.

SECTION 11. On July 1, 2019, the terms of the board members of the Hawaii strategic development corporation shall expire.

SECTION 12. All rights, powers, functions, and duties of the Hawaii strategic development corporation are transferred to the Hawaii technology development corporation.

All employees who occupy civil service positions and whose functions are transferred to the Hawaii technology development corporation by this Act shall retain their civil service status, whether permanent or temporary. Employees shall be transferred without loss of salary, seniority (except as prescribed by applicable collective bargaining agreements), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act; provided that the employees possess the minimum qualifications and public employment requirements for the class or position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act may retain the employee's exempt status, but shall not be appointed to a civil service position as a consequence of this Act. An exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, vacation or sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act; provided that the employees possess legal and public employment requirements for the position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable employment and compensation laws. The chief executive officer of the Hawaii technology development corporation may prescribe the duties and qualifications of these employees and fix their salaries without regard to chapter 76, Hawaii Revised Statutes.

SECTION 13. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the Hawaii strategic development corporation relating to the functions transferred to the Hawaii technology development corporation shall be transferred with the functions to which they relate.

SECTION 14. All rules, policies, procedures, guidelines, and other materials adopted or developed by the Hawaii strategic development corporation to implement provisions of the Hawaii Revised Statutes, which are made applicable to the Hawaii technology development corporation by this Act, shall remain in full force and effect until amended or repealed by the department of business, economic development and tourism pursuant to chapter 91, Hawaii Revised Statutes. In the interim, every reference to the Hawaii strategic development corporation in those rules, policies, procedures, guidelines, and other material is amended to refer to the Hawaii technology development corporation as appropriate.

SECTION 15. All deeds, leases, contracts, loans, agreements, permits, or other documents executed or entered into by or on behalf of the Hawaii strategic development corporation pursuant to the provisions of the Hawaii Revised Statutes, which are made applicable to the Hawaii technology development corporation by this Act, shall remain in full force and effect. Upon the effective date of this Act, every reference to the Hawaii strategic development corporation therein shall be construed as a reference to the Hawaii technology development corporation as appropriate.

PART V

SECTION 16. Section 206M-15.5, Hawaii Revised Statutes, is amended to read as follows:

"§206M-15.5 Technology special fund. There is established in the state treasury a fund to be known as the technology special fund, into which shall be deposited, except as otherwise provided by section 206M-17:

- (1) Any appropriations or other funds required to be deposited by law; and
- (2) All moneys, fees, and equity from tenants, qualified persons, or other users of the development corporation's industrial parks, projects, other leased facilities, and other services and publications;

provided that the total amount of moneys in the fund shall not exceed [\$3,000,000] \$300,000 at the end of any fiscal year. All moneys in the fund are appropriated for the purposes of and shall be expended by the development corporation for the operation, maintenance, and management of its industrial parks, projects, facilities, services, and publications, and to pay the expenses in administering the special purpose revenue bonds of the development corporation or in carrying out its project agreements."

SECTION 17. Any unencumbered balances remaining in the technology special fund as of July 1, 2019, shall lapse to the credit of the general fund.

PART VI

SECTION 18. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this part or as provided by general law.

				APPROPRIATIONS	
				FISCAL M	FISCAL M
ITEM	PROG.		EXPENDING	YEAR O	YEAR O
NO.	ID	PROGRAM	AGENCY	2019-2020 F	2020-2021 F
10	000142				NT.
19.	BED143	- HAWAII IECHNO	LOGY DEVELOPME		
				3.00*	3.00*
				5.00#	5.00#
	OPERA	TING	BED	1,336,222 A	1,336,222 A
			BED	1,604,258 B	1,604,258 B
			BED	2,017,203 W	2,017,203 W
				9.00#	9.00#
			BED	994,214 P	994,214 P

PROGRAM APPROPRIATIONS

SECTION 19. There is appropriated out of the general revenues of the State of Hawaii the sum of \$720,000 or so much thereof as may be necessary for fiscal year 2019-2020 to be expended as follows:

- (1) \$90,000 for one permanent full-time (1.0 FTE) technology park coordinator position; and
- (2) \$630,000 for a first responders technology park proof of concept.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this part.

SECTION 20. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1)² that appropriates funds and establishes position ceilings, the appropriations and positions authorized in this part shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by an applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws.

SECTION 21. Provided that, notwithstanding any law to the contrary, the position ceilings and funds appropriated in this part may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),² for program execution and expenditure.

SECTION 22. If any portion of a specific appropriation made by this part is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of the appropriation to the extent possible.

SECTION 23. If manifest clerical, typographical, or other mechanical errors are found in this part, the governor may correct the errors.

PART VII

SECTION 24. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 25. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 26. The term of office for each existing member of the board of directors of the Hawaii technology development corporation in office as of the day before the effective date of this Act shall terminate on May 31, 2020. The nomination and appointment of successor members of the Hawaii technology development corporation pursuant to section 7 of this Act shall not cause the term of office of any existing member to terminate before that date, regardless of the date of the successor member's appointment by and with the advice and consent of the Senate.

No existing member of the board of directors of the Hawaii technology development corporation as it is constituted on the day prior to the effective date of this Act shall serve as a holdover member due to a vacancy as of May 31, 2020, in the board of directors of the Hawaii technology development corporation as it is constituted by section 7 of this Act.

The speaker of the house of representatives and president of the senate shall each submit lists of four nominees for each appointment subject to their re-

spective nominating authority, as required by section 7 of this Act, no later than January 31, 2020. The governor shall make all appointments of members of the board of directors of the Hawaii technology development corporation, including from each of the lists submitted, no later than March 31, 2020.

SECTION 27. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 28. This Act shall take effect upon its approval; provided that part VI shall take effect on June 28, 2019, and part IV shall take effect on July 1, 2019.

(Approved June 7, 2019.)

Notes

1. Prior to amendment "development" appeared here. 2. Act 5.

ACT 57

H.B. NO. 867

A Bill for an Act Relating to the Department of Human Resources Development.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. It is in the State's best interest to support critical government functions with the most talented and qualified staff. The legislature finds that there continues to be persistent vacancies in various state departments and agencies without a clear root cause as to the breakdown in the recruitment and hiring process to fill these vacant positions.

The legislature also finds that the department of human resources development currently lacks a key type of employee position to serve as a liaison between the department of human resources development and state departments and agencies to facilitate and expedite the hiring and recruitment for civil service positions within the department of human resources development's jurisdiction.

The purpose of this part is to establish an administrative assistant position within the department of human resources development.

SECTION 2. Section 26-5, Hawaii Revised Statutes, is amended to read as follows:

"§26-5 Department of human resources development. (a) The department of human resources development shall be headed by a single executive to be known as the director of human resources development.

(b) The department shall administer the state human resources program, including human resources development and training, and central human resources services such as recruitment, examination, classification, pay administration, and payment of any claims as required under chapter 386.

(c) There shall be within the department of human resources development a board to be known as the merit appeals board which shall sit as an appellate body on matters set forth in section 76-14. The board shall consist of three members. All members shall have knowledge of public employment laws and prior experience with public employment; provided that at least one member's experience was with an employee organization as a member or an employee of that organization and at least one member's experience was with management. The governor shall consider the names of qualified individuals submitted by employee organizations or management before appointing the members of the board. The chairperson of the board shall be designated as specified in the rules of the board.

(d) The provisions of section 26-34 shall not apply and the board members shall be appointed by the governor for four-year terms and may be re-appointed without limitation; provided that the initial appointments shall be for staggered terms, as determined by the governor. The governor shall fill any vacancy by appointing a new member for a four-year term. The governor may remove for cause any member after due notice and public hearing.

(e) Nothing in this section shall be construed as in any manner affecting the civil service laws applicable to the several counties, the judiciary, or the Hawaii health systems corporation or its regional system boards, which shall remain the same as if this chapter had not been enacted.

(f) There is established within the department of human resources development an administrative assistant position exempt from chapter 76. The administrative assistant shall be appointed by and report to the director of human resources development.

The administrative assistant shall:

- (1) Facilitate and expedite the hiring and recruitment for civil service positions under the jurisdiction of the department of human resources development; and
- (2) Have the authority to reclassify and abolish vacant positions within state departments and agencies that are under the jurisdiction of the department of human resources development, subject to the following conditions:
 - (A) Prior to reclassifying or abolishing any vacant position as provided under this paragraph, the administrative assistant shall submit a report to the legislature no later than twenty days prior to each regular session. The report shall include a list of vacant positions for reclassification or abolishment, identify the agency each position is attached to, provide reasons for reclassifying or abolishing the position, and state the duration the position has been vacant; and
 - (B) The administrative assistant may reclassify or abolish any vacant position as provided under this paragraph no earlier than sixty days after the report has been submitted to the legislature as provided under this paragraph.

[(f)] (g) There is established in the state treasury the human resources development special fund, to be administered by the department of human resources development, which shall consist of: all revenues received by the department as a result of entrepreneurial efforts in securing new sources of funds not provided for in the department's budget for services rendered by the department, all revenues received by the department from the charging of participant fees for in-service training that are in addition to general fund appropriations in the department's budget for developing and operating in-service training programs, appropriations made by the legislature to the fund, and moneys directed to the department from any other source, including gifts, grants, and awards.

Moneys in the human resources development special fund shall be used for the following purposes:

(1) Supporting the department's entrepreneurial initiatives, training activities, and programs;

- (2) Administrative costs of the department's entrepreneurial initiatives, training activities, and programs; and
- (3) Any other purpose deemed necessary by the director for the purpose of facilitating the department's entrepreneurial initiatives, training activities, and programs.

[(g)] (h) The department of human resources development shall submit, no later than twenty days prior to the convening of each regular session [[]of the legislature[]] beginning with the regular session of 2007, a report of the number of exempt positions that were converted to civil service positions during the previous twelve months. The report shall include but not be limited to:

- (1) When the position was established;
- (2) The purpose of the position;
- (3) Rationale for the conversion; and
- (4) How many exempt positions remain in each state department after the conversions."

PART II

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$480,436 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$472,436 or so much thereof as may be necessary for fiscal year 2020-2021 for the following expenditures of HRD102-workforce attraction, selection, classification, and effectiveness:

- (1) \$147,464 for fiscal year 2019-2020 and \$139,464 for fiscal year 2020-2021, including one permanent full-time equivalent (1.0 FTE) position to support the learning management system upgrade;
- (2) \$132,972 for fiscal year 2019-2020 and \$132,972 for fiscal year 2020-2021 for one permanent full-time equivalent (1.0 FTE) administrative assistant position; and
- (3) \$200,000 for fiscal year 2019-2020 and \$200,000 for fiscal year 2020-2021 for two permanent full-time equivalent (2.0 FTE) senior recruiter positions.

The sums appropriated shall be expended by the department of human resources development for the purposes of this part.

PART III

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 58

H.B. NO. 888

A Bill for an Act Making Appropriations to the Maui Health System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Maui Health System manages several key health care institutions in the county of Maui that are critical to the health and well-being of county residents, including Maui Memorial Medical Center, Kula Hospital, and Lanai Community Hospital. The Maui Health System, which is an affiliate of Kaiser Permanente, took over these facilities from the Hawaii health systems corporation. Each year, the Maui Health System averages 8,529 inpatient admissions, 53,647 emergency room visits, and provides skilled nursing and long-term care for up to one hundred twenty-four patients. In addition, the Maui Health System is the only health care provider on the neighbor islands that provides cardiac surgery, interventional cardiology, interventional neurosurgery, and neurosurgery.

As part of its transfer agreement with Hawaii health systems corporation and the State, the Maui Health System receives partial operating subsidies from the State to ease the hospitals' transition from being government-managed to privately managed. The Maui Health System intends to become self-sufficient or non-reliant on state operating subsidies by June 30, 2025. The legislature finds that the Maui Health System has made great progress in meeting this goal, and its Maui and Lanai facilities have experienced marked improvements in their quality and revenue cycles and continued cost savings from supply contracting and standardization. The legislature notes that although the Maui Health System is receiving \$28,000,000 in subsidies during fiscal year 2018-2019, this amount is significantly less than the \$36,800,000 that the Hawaii health systems corporation received from the State to manage the hospitals before their transition to the Maui Health System.

In 2019, the Maui Health System will continue on its path toward selfsufficiency. Specifically, the organization is focusing its efforts to resolve union negotiations and identify appropriate staffing levels by managing productivity. In addition, the Maui Health System intends to improve revenues by decreasing the outmigration of services from Maui and recruiting physicians specializing in areas including but not limited to neurosurgery, trauma, oncology surgery, cardiology, nephrology, urology, and primary care. For each physician recruited, the Maui Health System can retain services for the communities of Maui and Lanai on island and generate additional revenue, thus reducing the need for subsidies.

The purpose of this Act is to appropriate moneys to the Maui Health System for fiscal year 2019-2020, to continue assisting the organization's operations as it moves toward self-sufficiency.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$22,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 to support the operations of the Maui Health System, A Kaiser Foundation Hospitals LLC.

The sums appropriated shall be expended by the Hawaii health systems corporation for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 59

S.B. NO. 166

A Bill for an Act Relating to the State Budget.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$789,598 or so much thereof as may be necessary for fiscal year 2019-2020 for a vote counting system contract.

The sum appropriated shall be expended by the office of elections for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 60

S.B. NO. 281

A Bill for an Act Relating to the Department of Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the department of health is responsible for administering and maintaining the state comprehensive emergency medical services system, or state emergency medical system, by planning, coordinating, and providing assistance to all public and private entities and agencies involved in the state emergency medical system. This administration and maintenance ensures that all emergency services, including ground and air ambulance services conducted by or under the authorization of the department of health or any county, are consistent with part XVIII, chapter 321, Hawaii Revised Statutes.

The state emergency medical system provides for the arrangement of personnel, facilities, and equipment, primarily in the pre-hospital setting, for the effective and coordinated delivery of health care services under emergency conditions, regardless of whether the emergency condition occurs as a result of the patient's condition, natural disasters, or other causes. The state emergency medical system also provides personnel, personnel training, communications, emergency transportation, facilities, coordination with emergency medical and critical care services, coordination and use of available public safety agencies, promotion of consumer participation, accessibility to care, mandatory standard medical recordkeeping, consumer information and education, independent review and evaluation, disaster linkage, mutual aid agreements, and other components necessary to meet the purposes of the state emergency medical system.

The department of health is responsible for establishing standards for emergency medical services and for emergency medical service systems consistent with the state emergency medical system and applicable federal guidelines for these services, and the regulation of ambulances within the State, including the certification of vehicles, equipment, supplies, and communication systems.

The state emergency medical services advisory committee is administratively attached to the department of health to serve in an advisory capacity to the department of health on all matters relating to the state emergency medical system. The department of health, in consultation with the state emergency medical services advisory committee, is responsible for determining the levels of emergency medical services that are implemented in each county and is authorized to contract to provide emergency services, including emergency aeromedical services or any necessary component of a county emergency services system, in accordance with the state emergency medical system. The department of health is also responsible for establishing reasonable fees for services rendered to the public by the department of health, any county, or a private agency. To fulfill the duties of the emergency medical services and injury prevention system branch, it is imperative that the department of health strive to ensure that the state emergency medical system is efficiently maintained and effectively provides emergency services. The purpose of this Act is to:

- (1) Require the department of health, under the guidance of a steering committee, to contract with the National Highway Traffic Safety Administration to conduct a study of the state emergency medical system to identify any issues and problems with the system, highlight progress, and propose initiatives to improve the functioning of the system;
- (2) Establish a task force to develop a plan to implement findings and recommendations from the National Highway Traffic Safety Administration's study; and
- (3) Appropriate funds for state emergency medical system expenses.

SECTION 2. (a) The department of health shall establish a steering committee to develop guidelines for an evaluation of the statewide comprehensive emergency medical services system. The steering committee shall be chaired by the director of health or the director's designee and shall include:

- (1) The chair of the emergency medical services advisory council;
- (2) A representative from a private ambulance services company;
- (3) A representative from the Hawaii county fire department;
- (4) A representative from the city and county of Honolulu emergency services department; and
- (5) Other representatives at the discretion of the director.

(b) The department of health shall contract with the National Highway Traffic Safety Administration no later than September 30, 2019, to conduct a study of the state emergency medical system. The purpose of the study is to identify any issues and problems with the system, highlight progress, and propose initiatives to improve the functioning of the system. The department of health shall submit a written report of the National Highway Traffic Safety Administration's findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020. In addition, the department of health shall invite a representative of the National Highway Traffic Safety Administration study team to brief the members of the senate standing committee on commerce, consumer protection, and health, house of representatives standing committee on health, and other interested legislators once the written report is finalized.

SECTION 3. (a) The department of health may establish a task force to develop a plan to implement certain findings and recommendations from the written report of the National Highway Traffic Safety Administration's study. The task force shall be chaired by the director of health or the director's designee and shall include:

- (1) Members of the steering committee established by the department of health pursuant to section 2 of this Act;
- (2) One representative each from the city and county of Honolulu, Hawaii county, Kauai county, and Maui county;
- (3) A physician specializing in emergency medicine;
- (4) A physician specializing in trauma medicine;
- (5) A member of the senate appointed by the president of the senate; and
- (6) A member of the house of representatives appointed by the speaker of the house of representatives.

(b) The task force shall submit a report of its findings and recommendations, including a plan to implement findings and recommendations of the National Highway Traffic Safety Administration's study and any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2021.

(c) The task force shall be dissolved on June 30, 2021.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$11,872,596 or so much thereof as may be necessary for fiscal year 2019-2020 for program ID HTH 730 EMSIPSB to meet the collective bargaining requirements and recurring personnel costs for service providers contracted to provide pre-hospital emergency medical services necessary to maintain the current level of pre-hospital emergency medical services.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,381,815 or so much thereof as may be necessary for fiscal year 2019-2020 for program ID HTH 730 EMSIPSB to meet other current expenses.

SECTION 6. The sums appropriated in sections 4 and 5 shall be expended by the department of health for the purposes of this Act.

SECTION 7. This Act shall take effect upon its approval; provided that sections 4, 5, and 6 of this Act shall take effect on July 1, 2019.

(Approved June 7, 2019.)

ACT 61

S.B. NO. 316

A Bill for an Act Relating to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) The university of Hawaii shall annually collect data by utilizing surveys, focus groups, and other appropriate feedback mechanisms to assess the effectiveness of the Hawaii community college promise program. The data collected shall provide information on the Hawaii community college promise program generally and the scholarship recipients specifically, including but not limited to:

- (1) How many scholarship recipients would have enrolled in the university of Hawaii community college system without the benefit of the program;
- (2) How many scholarship recipients begin a degree program but are unable to complete the program, despite receiving the benefit of a Hawaii community college promise program scholarship; and
- (3) The degree to which receipt of a Hawaii community college promise program scholarship directly increases the likelihood that a recipient completes a degree program.

(b) The university of Hawaii shall submit an annual report to the legislature of its findings and recommendations, including any proposed legislation, no later than thirty days prior to the convening of the regular session of 2021 and each regular session thereafter.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$700,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary

for fiscal year 2020-2021 for additional funds for the Hawaii community college promise program.

The sums appropriated shall be expended by the university of Hawaii for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 62

S.B. NO. 471

A Bill for an Act Relating to Homelessness.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that homelessness is one of the most pressing problems in Hawai'i, which requires a robust, comprehensive, long-term solution to address Hawai'i's affordable housing and homelessness crisis.

Over the last fifty years in Hawai'i, the number of cost-burdened renters, those paying more than thirty per cent of their income for rent, went from less than a quarter of the population to over half. High housing costs have driven more and more Hawai'i residents into homelessness. Hawai'i has the highest homelessness rate in the nation.

The legislature further finds that by making smart investments in homelessness and housing, using data-driven practices, and improving coordination, Hawai'i has gradually begun to turn the tide in the homelessness crisis. In 2017, Hawai'i's homelessness rate went down for the first time in years, a trend that continued in 2018. During the regular session of 2018, the legislature made unprecedented levels of investment in low-income housing and homelessness, appropriating \$200,000,000 for the rental housing revolving fund, \$30,000,000 for ohana zones, and \$13,500,000 for proven-effective and promising homelessness programs.

To turn back the fifty years of growth in Hawai'i's housing and homelessness crisis, investments of this scale must be made consistently in the coming years. Hawai'i must prioritize programs that are the most cost-effective and target the most vulnerable populations, such as outreach, rapid re-housing, housing first, and family assessment centers.

The purpose of this Act is to fund core homelessness services.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$10,800,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the department of human services to fund and administer core homelessness services; provided that the sums appropriated shall be expended as follows:

- (1) \$3,750,000 for the housing first program;
- (2) \$3,750,000 for the rapid re-housing program;
- (3) \$1,550,000 for the family assessment centers; and
- (4) \$1,750,000 for homeless outreach and civil legal services.

The sums appropriated shall be expended by the Department of Human Services for the purposes of this Act.

SECTION 3. (a) There is appropriated out of the general revenues of the State of Hawaii the sum of \$3,000,000 or so much thereof as may be nec-

essary for fiscal year 2019-2020 for the department of human services to fund stored property and debris removal services.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

(b) The department of human services may contract the services of another entity to perform any related services that may be required pursuant to this section. Any contract for services executed pursuant to this section shall be exempt from chapter 103D, Hawaii Revised Statutes.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the state rent supplement program established pursuant to section 356D-151, Hawaii Revised Statutes.

The sum appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 63

S.B. NO. 753

A Bill for an Act Relating to Aquaculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii had an innovative aquaculture development program during the 1980s and 1990s, initially under the department of business and economic development, then under the department of land and natural resources, and currently under the department of agriculture. The aquaculture development program assisted prospective farmers, investors, and technology companies in many ways, including providing technical assistance, and help with site selection and permitting, product and services marketing; and perhaps most importantly, giving a strong and informed voice within government in support of aquaculture as a desirable industry for Hawaii. The program played a large role in creating an industry that generates more than \$70,000,000 annually and is one of the largest sectors of Hawaii's diversified agriculture. Despite its success, the aquaculture development program has been reduced in staff and function. The program continues to be downsized and is now subsumed with livestock support services under the animal industries division of the department of agriculture. It is no coincidence that industry growth and Hawaii's aquaculture revenues have leveled off in recent years.

The purpose of this Act is to appropriate funds for operational expenses to revitalize the aquaculture development program.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the revitalization of the aquaculture development program, including strengthening staff expertise and capabilities to assist the aquaculture industry in the following areas:

- (1) Collection and dissemination of relevant information;
- (2) Species and site selection;
- (3) Facilitating permit acquisition;
- (4) Product and technical services marketing; and

(5) Targeted research and extension services from the University of Hawaii on a cost-sharing basis.

The department of agriculture aquaculture development program shall be the lead state agency for developing aquaculture in the State.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 64

H.B. NO. 941

A Bill for an Act Relating to Employee's Designation of Beneficiary Form.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 78-23, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Upon discharge, an employee shall be entitled to all of the employee's accumulated vacation allowance plus the employee's current accrued vacation allowance to and including the date of discharge, notwithstanding that the current accrued vacation allowance may not have been recorded at the time. If any employee dies with accumulated or current accrued vacation earned but not taken, an amount equal to the value of the employee's pay over the period of such earned vacation, and any earned and unpaid wages, shall be paid to the person or persons who may have been designated as the beneficiary or beneficiaries by the employee during the employee's lifetime in a verified written <u>or electronic</u> statement filed with the comptroller or other disbursing officer who issues warrants or checks to pay the employee for the employee's services as a public employee, <u>or with the department in which the employee was employed</u>, or, failing the designation, to the employee's estate."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 65

H.B. NO. 944

A Bill for an Act Relating to Nonprofit Corporations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 414D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§414D- Purchase of memberships. (a) A public benefit corporation shall not purchase any of its memberships or any right arising therefrom.

(b) A corporation other than a public benefit corporation may purchase its memberships only to the extent provided in section 414D-232."

SECTION 2. Section 414D-14, Hawaii Revised Statutes, is amended by amending the definition of "directors" to read as follows:

"Directors" means individuals, designated in the articles or bylaws or elected by the incorporators, and their successors and individuals elected or appointed by any other name or title, to act as members of the board. <u>Any person</u> who does not have authority to vote as a member of the board is not a director as that term is used in this chapter, regardless of title."

SECTION 3. Section 414D-134, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) If the corporation has members, all the directors (except the initial directors) shall be elected at the first annual meeting of members, and at each annual meeting thereafter, unless the articles or bylaws provide some other time or method of election, or provide that some of the directors are [appointed]:

(1) <u>Appointed</u> by some other person; or [designated representative.]

(2) Designated."

SECTION 4. Section 414D-144, Hawaii Revised Statutes, is amended to read as follows:

"[[]§414D-144[]] Action without meeting. (a) Unless the articles or bylaws provide otherwise, action required or permitted by this chapter to be taken at a board of directors' meeting may be taken without a meeting if the action is taken by all members of the board. The action must be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes filed with the corporate records reflecting the action taken.

(b) Action taken under this section is effective when the last director signs the consent, unless the consent specifies a different effective date.

(c) A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

(d) For purposes of this section, "written consent" includes a consent executed by an electronic or digital signature; provided that the corporation employs reasonable measures to authenticate the electronic or digital signature. Reasonable measures include commercially available security measures used by board meeting portal systems."

SECTION 5. Section 414D-155, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) An officer with discretionary authority shall discharge the officer's duties under that authority:

- (1) In good faith;
- (2) In a manner that is consistent with the officer's duty of loyalty to the corporation;
- (3) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (4) In a manner the officer reasonably believes to be in the best interests of the corporation[-] and its members, if any."

SECTION 6. Section 414D-222, Hawaii Revised Statutes, is amended by amending subsection (i) to read as follows:

"(i) A public benefit corporation shall give written notice to the attorney general twenty <u>business</u> days before it sells, leases, exchanges, or otherwise disposes of all, or substantially all, of its property if the transaction is not in the regular course of its activities, unless the attorney general has given the corporation a written waiver of this subsection." SECTION 7. Section 414D-232, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) A corporation <u>other than a public benefit corporation</u> may purchase its memberships if, after the purchase is completed:

- (1) The corporation would be able to pay its debts as they become due in the usual course of its activities; and
- (2) The corporation's total assets would be equal to at least the sum of its total liabilities."

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect upon its approval. (Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 66

H.B. NO. 945

A Bill for an Act Relating to Charitable Organizations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 467B-2.5, Hawaii Revised Statutes, is amended to read as follows:

"§467B-2.5 Professional solicitor financial reports; contribution account. (a) [Within ninety days after a solicitation campaign or event has been completed or within ninety days of the anniversary of the commencement of a solicitation campaign lasting more than one year, a] <u>A</u> professional solicitor shall file with the attorney general a financial report for [the] any charitable solicitation campaign, including gross revenue from Hawaii donors and national gross revenue and an itemization of all expenses incurred on a form prescribed by the attorney general[-] no more than ninety days after the end of the solicitation campaign and, for solicitation campaigns lasting more than one year, within ninety days after each anniversary of the commencement of the solicitation campaign and within ninety days after the end of the solicitation campaign and within ninety days after the end of the solicitation campaign and within ninety days after the end of the solicitation campaign.

(b) The attorney general may require the financial report required by subsection (a) to be submitted electronically and may require the use of electronic signatures. This report shall be signed by the professional solicitor or by an authorized officer or agent of the professional solicitor who shall certify that the statements therein are true and correct to the best of the solicitor's, officer's, or agent's knowledge subject to penalties imposed by section 710-1063. If a financial report required under this section is not filed in a timely manner, taking into account any extension of time for filing, unless it is shown that the failure is due to reasonable cause, an initial late filing fee of \$100 shall be imposed, and an additional late filing fee of \$20 per day shall be imposed, for each day during which the violation continues; provided that the total fee amount imposed under this subsection shall not exceed \$1,000. The attorney general may waive all or part of the late filing fee imposed by this subsection if there is a reasonable cause for the failure to timely file. The professional solicitor shall provide a copy of

the financial report to the charitable organization to which the financial report pertains within ten days of its submission of the report to the attorney general.

(c) A professional solicitor shall maintain during each solicitation campaign and for not less than three years after the completion of that campaign the following records, which shall be available for inspection upon demand by the attorney general:

- (1) The date and amount of each contribution received and the name and address of each contributor;
- (2) The name and residence of each employee, agent, or other person involved in the solicitation;
- (3) Records of all revenue received and expenses incurred in the course of the solicitation campaign; and
- (4) The location and account number of each bank or other financial institution account in which the professional solicitor has deposited revenue from the solicitation campaign.

[(b)] (d) Any material change in any information filed with the attorney general pursuant to this section shall be reported in writing by the professional solicitor to the attorney general not more than seven days after the change occurs.

[(e)] (e) Each contribution in the control or custody of the professional solicitor, in its entirety and within five days of its receipt, shall be deposited in an account at a bank or other federally insured financial institution, which shall be in the name of the charitable organization. The charitable organization shall maintain and administer the account and shall have sole control of all withdrawals."

SECTION 2. Section 467B-5.5, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) Prior to the commencement of any charitable sales promotion in this State conducted by a commercial co-venturer using the name of a charitable organization, the commercial co-venturer shall obtain the written consent of the charitable organization whose name will be used during the charitable sales promotion. The commercial co-venturer shall file a copy of the written consent with the department not less than ten days prior to the commencement of the charitable sales promotion within this State. An authorized representative of the charitable organization and the commercial co-venturer shall sign the written consent, and the terms of the written consent shall include the following:

- (1) The goods or services to be offered to the public;
- (2) The geographic area where, and the starting and final date when, the offering is to be made;
- (3) The manner in which the name of the charitable organization is to be used, including any representation to be made to the public as to the amount or per cent per unit of goods or services purchased or used that is to benefit the charitable organization;
- (4) A provision for [a final] an accounting on a per unit basis [to be], which shall be prepared by the commercial co-venturer and given [by the commercial co-venturer] to the charitable organization, and the date when it is to be made, which date shall be no more than ninety days after the end of the charitable sales promotion[;] and, for promotions lasting more than one year, shall be within ninety days after each anniversary of the commencement of the charitable sales promotion and within ninety days after the end of the charitable sales promotion; and

(5) The date when and the manner in which the benefit is to be conferred on the charitable organization[-], which date shall be within ninety days after the end of the charitable sales promotion and, for charitable sales promotions lasting more than one year, shall be within ninety days after each anniversary of the commencement of the promotion and within ninety days after the end of the charitable sales promotion.

(c) [A final accounting for each charitable sales promotion shall be prepared by the commercial co-venturer following the completion of the promotion.] A copy of [the final] <u>an</u> accounting shall be provided to the attorney general not more than twenty days after the copy is requested by the attorney general. [The final] <u>An</u> accounting shall be kept by the commercial co-venturer for a period of three years, unless the commercial co-venturer and the charitable organization mutually agree that the accounting should be kept by the charitable organization instead of the commercial co-venturer."

SECTION 3. Section 467B-6.5, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) A charitable organization [with contributions in excess of \$500,000 in the year covered by the annual financial report and a charitable organization] required to obtain an audit report by a governmental authority or a third party shall include with its annual financial report, an audit report, prepared in accordance with generally accepted accounting principles, by a certified public accountant.

(c) Each charitable organization filing a report required by this section shall pay a filing fee to the department based on the [total] amount of its [gross revenues] total revenue during the time covered by the report at the close of the calendar or fiscal year adopted by the charitable organization as follows:

- (1) \$0, if [gross] total revenue is less than \$25,000;
- (2) \$25, if [gross] total revenue is at least \$25,000 but less than \$50,000;
- (3) \$50, if [gross] total revenue is at least \$50,000 but less than \$100,000;
- (4) 100, if [gross] total revenue is at least 100,000 but less than 250,000;
- (5) \$150, if [gross] total revenue is at least \$250,000 but less than \$500,000;
- (6) \$200, if [gross] total revenue is at least \$500,000 but less than \$1,000,000;
- (7) \$250, if [gross] total revenue is at least \$1,000,000 but less than \$2,000,000;
- (8) \$350, if [gross] total revenue is at least \$2,000,000 but less than \$5,000,000; or
- (9) \$600, if [gross] total revenue is \$5,000,000 or more.

For purposes of this subsection, the term "total revenue" means the same as that used on the Internal Revenue Service Form 990, regardless of which form, if any, is filed with the Internal Revenue Service."

SECTION 4. Section 467B-8, Hawaii Revised Statutes, is amended to read as follows:

"§467B-8 Information filed to become public records. Statements, reports, professional fundraising counsel contracts or professional solicitor contracts, commercial co-venturer consents, and all other documents and information required to be filed under this chapter or by the attorney general shall become government records in the department and be open to the general public for inspection pursuant to chapter 92F; provided that information in any regis-

tration statement concerning the residential addresses of any officer or director or that identifies a charitable organization's financial or banking accounts and audited financial statements submitted by registered [charities] charitable organizations shall be confidential under chapter 92F."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 67

S.B. NO. 1173

A Bill for an Act Relating to Child Support.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 571-52.2, Hawaii Revised Statutes, is amended by amending subsection (g) to read as follows:

"(g) It shall be unlawful for any employer to fail to comply with the requirements of this section. In addition, an employer who fails to comply with an order of assignment of future income, as provided for under this section, shall be liable to the obligee or the obligee's assignee for whom support was required to be paid, for the full amount of all sums ordered to be withheld and transmitted and not otherwise done so[-], and may be subject to a fine not to exceed \$250 as determined by the court."

SECTION 2. Section 576D-5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) In the case of an individual who has never received public assistance for the support of a child under Title IV-A and for whom the State has collected not less than [500] 550 of support, the agency shall impose an annual fee of [525] 535 for each case in which Title IV-D services were furnished, which shall be retained in accordance with Title IV-D requirements; provided that the [525] 535 shall not be retained from the first [500] 550 so collected. Any fee collected shall be maintained by the agency and used as required under Title IV-D."

SECTION 3. Section 576E-16, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (c) to read:

"(c) Compliance by an employer with the income withholding order issued pursuant to subsection (a) or with the income withholding order or the notice to withhold child support issued pursuant to section 576D-14 shall operate as a discharge of the employer's liability to the responsible parent for that portion of the responsible parent's earnings withheld and transmitted to the agency, <u>regardless of</u> whether [or not] the employer has withheld the correct amount. For each payment made pursuant to an income withholding order or a notice to withhold child support, the employer may deduct and retain as an administrative fee an additional amount of \$2 from the income owed to the responsible parent. The total amount withheld from the obligor's income, including the administrative fee, may not be in excess of the maximum amounts permitted under section 303(b) of the Consumer Credit Protection Act (15 U.S.C. §1673(b)). Any income withholding order or notice to withhold child support shall have priority as against any garnishment, attachment, execution, or other income withholding order, or any other order, and shall not be subject to the exemptions or restrictions contained in part III of chapter 651 and in chapters 652 and 653. An employer who fails to comply with an income withholding order under this section or with an income withholding order or notice to withhold child support issued pursuant to section 576D-14 shall be liable to the obligee or the agency for the full amount of all sums ordered to be withheld and transmitted. <u>In addition, an employer violating this subsection may be subject to a fine not to exceed \$250 as determined by the court. An employer receiving an income withholding order or a notice to withhold child support shall transmit amounts withheld to the agency within five working days after the responsible parent is paid. The employer shall begin withholding no later than the first pay period commencing within seven business days following the date a copy of the order or the notice to withhold child support is mailed to the employer.</u>

As used in this subsection, the term "business day" means a day on which the employer's office is open for regular business. The employer shall withhold funds as directed in the order or the notice to withhold child support, except that when an employer receives an income withholding order issued by another state, the employer shall apply the income withholding law of the state of the obligor's principal place of employment in determining:

- (1) The employer's fee for processing an income withholding order;
- (2) The maximum amount permitted to be withheld from the obligor's income under section 303(b) of the Consumer Credit Protection Act (15 U.S.C. §1673(b));
- (3) The time periods within which the employer must implement the income withholding order and forward the child support payment;
- (4) The priorities for withholding and allocating income withheld for multiple child support obligees; and
- (5) Any withholding terms or conditions not specified in the order.

An employer who complies with an income withholding order or a notice to withhold child support that is regular on its face shall not be subject to civil liability to any person or agency for conduct in compliance with the order.

An employer who is required to withhold amounts from the income of more than one employee may remit to the agency a sum total of all such amounts in one check with a listing of the amounts applicable to each employee.

Within two working days after receipt of the amounts withheld by the employer, the agency shall disburse the amounts to the obligee for the benefit of the child, except that the agency may delay the distribution of collections toward arrearages until resolution of any timely requested hearing with respect to such arrearages."

2. By amending subsection (e) to read:

"(e) It shall be unlawful for any employer to refuse to hire a prospective employee, to discharge an employee, or to take any other disciplinary action against an employee, based in whole or in part upon an order or notice to withhold child support authorized by this section. Any employer [violating this section shall be guilty of a misdemeanor and shall be punished under section 710-1077(1)(g).] who fails to comply with this subsection may be subject to a fine not to exceed \$250 as determined by the court."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 68

S.B. NO. 1176

A Bill for an Act Relating to False Claims to the State.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 1909 of the Social Security Act, title 42 United States Code section 1396h, provides a ten-percentage-point increase in a state's share of any amounts recovered under a false claims act if the state's false claims act meets the requirements set forth in section 1909 to qualify for the financial incentive. Section 1909(b)(4) of the Social Security Act requires the civil penalty for false claims to the State to be not less than the amount of the civil penalty authorized under the federal False Claims Act, title 31 United States Code section 3729, as that civil monetary penalty amount may increase pursuant to the federal Civil Penalties Inflation Adjustment Act of 1990, P.L. 101-410, title 31 United States Code section 3717. The Inspector General of the United States Department of Health and Human Services has determined that Hawaii's false claims act no longer meets the requirements of section 1909 of the Social Security Act because the penalty amounts in Hawaii's false claims act are less than the increased penalty amounts authorized by federal rule pursuant to the federal False Claims Act. The Department of Justice adopted this rule pursuant to federal law inflation adjustment provisions based on the United States Consumer Price Index for all urban consumers, as published by the United States Department of Labor Bureau of Labor Statistics and the cost-of-living inflation multiplier determined by the United States Office of Management and Budget.

The purpose of this Act is to continue to meet the qualifying financial incentive requirements provided by section 1909 of the Social Security Act by:

- (1) Increasing penalty amounts for false claims to the State to be the same as the penalty amounts for 2019 under the federal False Claims Act; and
- (2) Providing that the penalty amounts in Hawaii's false claims act for the year 2020 and thereafter shall be the same amounts and for the same effective dates as the penalty amounts adjusted and adopted by the United States Department of Justice for the federal False Claims Act.

SECTION 2. Section 661-21, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- "(a) Notwithstanding section 661-7 to the contrary, any person who:
- (1) Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;
- (2) Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim;
- (3) Has possession, custody, or control of property or money used, or to be used, by the State and, intending to defraud the State or to wilfully conceal the property, delivers, or causes to be delivered, less

property than the amount for which the person receives a certificate or receipt;

- (4) Is authorized to make or deliver a document certifying receipt of property used, or to be used by the State and, intending to defraud the State, makes or delivers the receipt without completely knowing that the information on the receipt is true;
- (5) Knowingly buys, or receives as a pledge of an obligation or debt, public property from any officer or employee of the State who is not lawfully authorized to sell or pledge the property;
- (6) Knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the State, or knowingly conceals, or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the State;
- (7) Is a beneficiary of an inadvertent submission of a false claim to the State, who subsequently discovers the falsity of the claim, and fails to disclose the false claim to the State within a reasonable time after discovery of the false claim; or

(8) Conspires to commit any of the conduct described in this subsection, shall be liable to the State for a civil penalty of not less than [\$5,500] \$11,463 and not more than [\$11,000,] \$22,927, plus three times the amount of damages that the State sustains due to the act of that person[-]; provided that for 2020 and annually thereafter, the minimum and maximum penalty amounts shall be the same as the minimum and maximum civil monetary penalty amounts authorized for the federal False Claims Act, title 31 United States Code section 3729, adjusted for cost-of-living adjustments and for the same effective dates, as adopted by the United States Department of Justice by federal rule in title 28 Code of Federal Regulations part 85, pursuant to the federal Civil Penalties Inflation Adjustment Act of 1990, P.L. 101-410, title 31 United States Code section 3717."

SECTION 3. The increased minimum and maximum civil penalty amounts in section 661-21(a), Hawaii Revised Statutes, as amended pursuant to section 2 of this Act shall apply to violations that occurred after November 2, 2015, and to assessments of civil penalties made after the effective date of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 69

S.B. NO. 1130

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to conform Hawaii income tax laws to the Internal Revenue Code, except as provided by this Act.

SECTION 2. Section 235-2.3, Hawaii Revised Statutes, is amended to read as follows:

(§235-2.3 Conformance to the federal Internal Revenue Code; general application. (a) For all taxable years beginning after December 31, [2017,] 2018, as used in this chapter, except as provided in section 235-2.35, "Internal Revenue Code" means subtitle A, chapter 1, of the federal Internal Revenue Code of 1986, as amended as of [February 9, 2018,] December 31, 2018, as it applies to the determination of gross income, adjusted gross income, ordinary income and loss, and taxable income, except those provisions of the Internal Revenue Code and federal public laws which, pursuant to this chapter, do not apply or are otherwise limited in application and except for the provisions of Public Law 109-001 which apply to section 170 of the Internal Revenue Code. The provisions for the relief of victims of the 2004 Indian Ocean tsunami are applicable for the calendar year that ended December 31, 2004, and the calendar year ending December 31, 2005.

Prior law shall continue to be used to determine:

- (1) The basis of property, if a taxpayer first determined the basis of property in a taxable year to which prior law applies; and
- (2) Gross income, adjusted gross income, ordinary income and loss, and taxable income for a taxable year to which prior law applies.

(b) The following Internal Revenue Code subchapters, parts of subchapters, sections, subsections, and parts of subsections shall not be operative for the purposes of this chapter, unless otherwise provided:

- (1) Subchapter A (sections 1 to 59A) (with respect to determination of tax liability), except section 1(h)(2) (relating to net capital gain reduced by the amount taken into account as investment income), except sections 2(a), 2(b), and 2(c) (with respect to the definition of "surviving spouse" and "head of household"), except section 41 (with respect to the credit for increasing research activities), except section 42 (with respect to low-income housing credit), except sections 47 and 48, as amended, as of December 31, 1984 (with respect to certain depreciable tangible personal property), and except section 48(d)(3), as amended, as of February 17, 2009 (with respect to the treatment of United States Department of Treasury grants made under section 1603 of the American Recovery and Reinvestment Tax Act of 2009). For treatment, see sections 235-110.91, 235-110.7, and 235-110.8;
- (2) Section 78 (with respect to dividends received from certain foreign corporations by domestic corporations choosing foreign tax credit);
- Section 86 (with respect to social security and tier 1 railroad retirement benefits);
- (4) Section 91 (with respect to certain foreign branch losses transferred to specified 10-percent owned foreign corporations);
- (5) Section 103 (with respect to interest on state and local bonds). For treatment, see section 235-7(b);
- (6) Section 114 (with respect to extraterritorial income). For treatment, any transaction as specified in the transitional rule for 2005 and 2006 as specified in the American Jobs Creation Act of 2004 section 101(d) and any transaction that has occurred pursuant to a binding contract as specified in the American Jobs Creation Act of 2004 section 101(f) are inoperative;
- (7) Section 120 (with respect to amounts received under qualified group legal services plans). For treatment, see section 235-7(a)(9) to (11);
- (8) Section 122 (with respect to certain reduced uniformed services retirement pay). For treatment, see section 235-7(a)(3);

- (9) Section 135 (with respect to income from United States savings bonds used to pay higher education tuition and fees). For treatment, see section 235-7(a)(1);
- (10) Section 139C (with respect to COBRA premium assistance);
- (11) Subchapter B (sections 141 to 150) (with respect to tax exemption requirements for state and local bonds);
- (12) Section 151 (with respect to allowance of deductions for personal exemptions). For treatment, see section 235-54;
- (13) Section 179B (with respect to expensing of capital costs incurred in complying with Environmental Protection Agency sulphur regulations);
- (14) Section 181 (with respect to special rules for certain film and television productions);
- (15) Section 196 (with respect to deduction for certain unused investment credits);
- (16) Section 199 (with respect to the U.S. production activities deduction);
- (17) Section 199A (with respect to qualified business income);
- (18) Section 222 (with respect to qualified tuition and related expenses);
- (19) Sections 241 to 247 (with respect to special deductions for corporations). For treatment, see section 235-7(c);
- (20) Section 250 (with respect to foreign-derived intangible income and global intangible low-taxed income);
- (21) Section 267Å (with respect to certain related party amounts paid or accrued in hybrid transactions or with hybrid entities);
- (22) Section 280C (with respect to certain expenses for which credits are allowable). For treatment, see section 235-110.91;
- (23) Section 291 (with respect to special rules relating to corporate preference items);
- (24) Section 367 (with respect to foreign corporations);
- (25) Section 501(c)(12), (15), (16) (with respect to exempt organizations); except that section 501(c)(12) shall be operative for companies that provide potable water to residential communities that lack any access to public utility water services;
- (26) Section 515 (with respect to taxes of foreign countries and possessions of the United States);
- (27) Subchapter G (sections 531 to 565) (with respect to corporations used to avoid income tax on shareholders);
- (28) Subchapter H (sections 581 to 597) (with respect to banking institutions), except section 584 (with respect to common trust funds). For treatment, see chapter 241;
- (29) Section 642(a) and (b) (with respect to special rules for credits and deductions applicable to trusts). For treatment, see sections 235-54(b) and 235-55;
- (30) Section 646 (with respect to tax treatment of electing Alaska Native settlement trusts);
- (31) Section 668 (with respect to interest charge on accumulation distributions from foreign trusts);
- (32) Subchapter L (sections 801 to 848) (with respect to insurance companies). For treatment, see sections 431:7-202 and 431:7-204;
- (33) Section 853 (with respect to foreign tax credit allowed to shareholders). For treatment, see section 235-55;
- (34) Section 853A (with respect to credits from tax credit bonds allowed to shareholders);

- (35) Subchapter N (sections 861 to 999) (with respect to tax based on income from sources within or without the United States), except sections 985 to 989 (with respect to foreign currency transactions). For treatment, see sections 235-4, 235-5, and 235-7(b), and 235-55;
- (36) Section 1042(g) (with respect to sales of stock in agricultural refiners and processors to eligible farm cooperatives);
- (37) Section 1055 (with respect to redeemable ground rents);
- (38) Section 1057 (with respect to election to treat transfer to foreign trust, etc., as taxable exchange);
- (39) Sections 1291 to 1298 (with respect to treatment of passive foreign investment companies);
- (40) Subchapter Q (sections 1311 to 1351) (with respect to readjustment of tax between years and special limitations);
- (41) Subchapter R (sections 1352 to 1359) (with respect to election to determine corporate tax on certain international shipping activities using per ton rate);
- (42) Subchapter U (sections 1391 to 1379F¹) (with respect to designation and treatment of empowerment zones, enterprise communities, and rural development investment areas). For treatment, see chapter 209E;
- (43) Subchapter W (sections 1400 to 1400C) (with respect to District of Columbia enterprise zone);
- (44) Section 1400O (with respect to education tax benefits);
- (45) Section 1400P (with respect to housing tax benefits);
- (46) Section 1400R (with respect to employment relief);
- (47) Section 1400T (with respect to special rules for mortgage revenue bonds);
- (48) Section 1400U-1 (with respect to allocation of recovery zone bonds);
- (49) Section 1400U-2 (with respect to recovery zone economic development bonds); and
- (50) Section 1400U-3 (with respect to recovery zone facility bonds)[; and
- (51) Subchapter Z (sections 1400Z-1 to 1400Z-2) (with respect to opportunity zones)]."

SECTION 3. Section 235-2.4, Hawaii Revised Statutes, is amended by amending subsection (ee) to read as follows:

"(ee) Sections 512 to 514 (with respect to taxation of business income of certain exempt organizations) of the Internal Revenue Code shall be operative for the purposes of this chapter as provided in this subsection.

"Unrelated business taxable income" means the same as in the Internal Revenue Code, except that [in]:

- (1) In the computation [thereof sections] of unrelated business taxable income:
 - (A) Sections 235-3 to 235-5, and 235-7 (except subsection (c)), shall apply[-]; and [in]
 - (B) Section 512(a)(7) shall not apply;
- (2) In the determination of the net operating loss deduction there shall not be taken into account any amount of income or deduction that is excluded in computing the unrelated business taxable income[-]; and
- (3) Unrelated business taxable income shall not include any income from a legal service plan.

For a person described in section 401 or 501 of the Internal Revenue Code, as modified by section 235-2.3, the tax imposed by section 235-51 or 235-71 shall be imposed upon the person's unrelated business taxable income."

SECTION 4. Section 235-2.45, Hawaii Revised Statutes, is amended to read as follows:

(§235-2.45 Operation of certain Internal Revenue Code provisions; sections 641 to 7518. (a) Section 641 (with respect to imposition of tax) of the Internal Revenue Code shall be operative for the purposes of this chapter subject to the following:

- The deduction for exemptions shall be allowed as provided in section 235-54(b);
- (2) The deduction for contributions and gifts in determining taxable income shall be limited to the amount allowed in the case of an individual, unless the contributions and gifts are to be used exclusively in the State; and
- (3) The tax imposed by section 1(e) of the Internal Revenue Code as applied by section 641 of the Internal Revenue Code is hereby imposed by this chapter at the rate and amount as determined under section 235-51 on estates and trusts.

(b) Section 667 (with respect to treatment of amounts deemed distributed by trusts in preceding years) of the Internal Revenue Code shall be operative for the purposes of this chapter and the tax imposed therein is hereby imposed by this chapter at the rate determined under this chapter; except that the reference to tax-exempt interest to which section 103 of the Internal Revenue Code applies in section 667(a) of the Internal Revenue Code shall instead be a reference to tax-exempt interest to which section 235-7(b) applies.

(c) Section 685 (with respect to treatment of qualified funeral trusts) of the Internal Revenue Code shall be operative for purposes of this chapter, except that the tax imposed under this chapter shall be computed at the tax rates provided under section 235-51, and no deduction for the exemption amount provided in section 235-54(b) shall be allowed. The cost-of-living adjustment determined under section 1(f)(3) of the Internal Revenue Code shall be operative for the purpose of applying section 685(c)(3) under this chapter.

(d) Section 704 of the Internal Revenue Code (with respect to a partner's distributive share) shall be operative for purposes of this chapter; except that section 704(b)(2) shall not apply to:

- (1) Allocations of the high technology business investment tax credit allowed by section 235-110.9 for investments made before May 1, 2009;
- (2) Allocations of net operating loss pursuant to section 235-111.5; or
- (3) Allocations of low-income housing tax credits among partners under section 235-110.8.

(e) Section 1202 (with respect to partial exclusion for gain from certain small business stock) of the Internal Revenue Code shall be operative for purposes of this chapter, except that section 1202(a)(3) and (4) shall not be operative for purposes of this chapter.

(f) Section 1212 (with respect to capital loss carrybacks and carryforwards) of the Internal Revenue Code shall be operative for the purposes of this chapter; except that for the purposes of this chapter, the capital loss carryback provisions of section 1212 shall not be operative and the capital loss carryforward allowed by section 1212(a) shall be limited to five years; except for a qualified high technology business as defined in section 235-7.3, which shall be limited to fifteen years. (g) Section 1221 (with respect to the definition of capital assets) is operative; provided that the provisions of section 301 of Public Law 110-343, which provide that gain or loss from the sale or exchange of any applicable preferred stock by any applicable financial institution (such terms being defined by Public Law 110-343) shall be treated as ordinary income or loss, shall not be operative. A sale or exchange of any applicable preferred stock by any applicable financial institution (as those terms are defined by section 301 of Public Law 110-343) shall be treated as a sale of a capital asset and taxed accordingly.

(h) Subchapter S (sections 1361 to 1379) (with respect to tax treatment of S corporations and their shareholders) of chapter 1 of the Internal Revenue Code shall be operative for the purposes of this chapter as provided in part VII.

(i) Section 1400N (with respect to tax benefits for Gulf Opportunity Zone) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that sections 1400N(a) (with respect to tax-exempt bond financing); 1400N(b) (with respect to advance refundings of certain tax-exempt bonds); 1400N(c) (with respect to the low income housing credit); 1400N(d) (with respect to special allowance for certain property acquired on or after August 28, 2005); 1400N(e) (with respect to increase in expensing under section 179); 1400N(h) (with respect to increase in rehabilitation credit); 1400N(l) (with respect to credit to holders of Gulf tax credit bonds); 1400N(m) (with respect to application of new markets tax credit to investments in community development entities serving Gulf Opportunity Zone); 1400N(n) (with respect to treatment of representations regarding income eligibility for purposes of this chapter.

(j) Section 1400S (with respect to additional tax relief provisions) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that section 1400S(d) (with respect to the special rule for determining earned income) shall not be operative for the purposes of this chapter.

(k) Subchapter Z (sections 1400Z-1 to 1400Z-2) (with respect to opportunity zones) shall be operative for purposes of this chapter; except that for purposes of this chapter, subchapter Z shall only apply to qualified opportunity zones, as defined in section 1400Z-1, that are designated as such by the chief executive officer of this State.

[(k)] (1) Section 6015 (with respect to relief from joint and several liability on joint return) of the Internal Revenue Code is operative for purposes of this chapter.

[(H)] (m) Sections 6103(i)(3)(C) and 6103(i)(7) (with respect to disclosures of information to the United States Justice Department or appropriate federal or state law enforcement agency for purposes of investigating terrorist incidents, threats, or activities, and for analyzing intelligence concerning investigating terrorist incidents, threats, or activities) of the Internal Revenue Code shall be operative for the purposes of this chapter.

[(m)] (n) Sections 6221, 6222, 6223, 6225, and 6226 (with respect to partnership audits) of subchapter C of chapter 63 of the Internal Revenue Code shall be operative for the purposes of this chapter; provided that if a taxpayer makes the election under section 6221(b) for federal income tax purposes, that taxpayer shall also make the same election for Hawaii income tax purposes.

[(n)] (o) Section 6241 (with respect to definitions and special rules regarding partnerships) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that the definitions that appear in items numbered (1), (3), and (5) shall not be operative for purposes of this chapter.

 $[(\phi)]$ (p) Section 6501(e) (with respect to limitation on assessment and collection where there is a substantial omission of items) of the Internal Revenue Code shall be operative for purposes of this chapter.

[(p)] (q) Section 6511(h) (with respect to running of periods of limitation suspended while taxpayer is unable to manage financial affairs due to disability) of the Internal Revenue Code shall be operative for purposes of this chapter, with due regard to section 235-111 relating to the limitation period for assessment, levy, collection, or credit.

[(q)] (<u>r</u>) Section 7518 (with respect to capital construction fund for commercial fishers) of the Internal Revenue Code shall be operative for the purposes of this chapter. Qualified withdrawals for the acquisition, construction, or reconstruction of any qualified asset that is attributable to deposits made before the effective date of this section shall not reduce the basis of the asset when withdrawn. Qualified withdrawals shall be treated on a first-in-first-out basis."

SECTION 5. Section 236E-3, Hawaii Revised Statutes, is amended to read as follows:

"§236E-3 Conformance to the Internal Revenue Code; general application. For all decedents dying, or transfers occurring, after December 31, [2017,] 2018, as used in this chapter, "Internal Revenue Code" means subtitle B of the federal Internal Revenue Code of 1986, as amended as of December 31, [2017,] 2018, as it applies to the determination of gross estate, adjusted gross estate, federal taxable estate, and generation-skipping transfers, except those provisions of the Internal Revenue Code and federal public laws that, pursuant to this chapter, do not apply or are otherwise limited in application."

SECTION 6. Section 236E-6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) An exclusion from a Hawaii taxable estate shall be allowed to the estate of every decedent against the tax imposed by section 236E-8. For the purpose of this section, the applicable exclusion amount is equal to:

- (1) The federal applicable exclusion amount;
- (2) The exemption equivalent of the unified credit reduced by the amount of taxable gifts made by the decedent that reduces the amount of the federal applicable exclusion amount; or
- (3) The exemption equivalent of the unified credit on the decedent's federal estate tax return,

as set forth for the decedent in chapter 11 of the Internal Revenue Code as amended as of December 21, 2017, <u>as if the decedent died on December 31, 2017</u>, and as further adjusted pursuant to subsection (b)."

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect upon its approval; provided that:

- (1) Sections 2, 3, and 4 shall apply to taxable years beginning after December 31, 2018; and
- (2) Sections 5 and 6 shall apply to decedents dying or taxable transfers occurring after December 31, 2018.

(Approved June 7, 2019.)

Note

1. Prior to amendment "1397F" appeared here.

ACT 70

A Bill for an Act Relating to Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part II of article 2 to be appropriately designated and to read as follows:

"§431:2- Trade name. (a) Prior to the use or change of a trade name to sell, solicit, or negotiate insurance in this State, the licensee shall register the trade name with the department of commerce and consumer affairs pursuant to part II of chapter 482.

(b) Upon registration of the trade name with the department of commerce and consumer affairs, the licensee may apply, on a form approved by the commissioner, to add or remove a trade name on a license. The applicant shall provide proof of registration of a trade name to the commissioner.

(c) If the commissioner finds the application for use or change of a trade name is substantially identical to another trade name registered with the department of commerce and consumer affairs, or substantially identical to a legal name or trade name of a revoked license, the commissioner shall deny use of the trade name on a license issued pursuant to this chapter.

(d) A licensee shall inform the commissioner, by any means acceptable to the commissioner, of any change of status of a trade name registered with the department of commerce and consumer affairs within thirty days of the change."

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding two new sections to part I of article 10A to be appropriately designated and to read as follows:

"§431:10A-A Required disclaimer. Any limited benefit policy, certificate, application, or sales brochure that provides coverage for accident and sickness, excluding specified disease, long-term care, disability income, accident-only, medicare supplement, dental, or vision shall disclose in a conspicuous manner and in not less than fourteen-point boldface type the following, or substantially similar, statement:

"THIS IS NOT QUALIFYING HEALTH COVERAGE ("MINIMUM ESSENTIAL COVERAGE") THAT SATISFIES THE HEALTH COV-ERAGE REQUIREMENT OF THE AFFORDABLE CARE ACT."

§431:10A-B Reimbursement to providers. (a) Coverage for services required by this part shall include reimbursement to health care providers who perform services required by this part, or to the insured member, as appropriate.

(b) Whenever an individual or group policy, contract, plan, or agreement provides for reimbursement for any service, a health care provider who performs a service shall be eligible for reimbursement for the performed service to the extent the health care provider is eligible for such reimbursement under the policy, contract, plan, or agreement, and is acting within the scope of the provider's license or certification under state law.

(c) For purposes of this section, "health care provider" means a provider of services, as defined in title 42 United States Code section 1395x(u); a provider of medical and other health services, as defined in title 42 United States Code section 1395x(s); and a practitioner licensed by the State and working within the practitioner's scope of practice."

SECTION 3. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part VI of article 10A to be appropriately designated and to read as follows:

"§431:10A-C Limited benefit health insurance. (a) Except as provided in subsection (b) or elsewhere in this article, when used in this article, the terms "accident insurance", "health insurance", or "sickness insurance" shall not include an accident-only; specified disease; hospital indemnity; long-term care; disability; dental; vision; medicare supplement; short-term, limited-duration health insurance; or other limited benefit health insurance contract that pays benefits directly to the insured or the insured's assigns and in which the amount of the benefit paid is not based upon the actual costs incurred by the insured.

(b) When used in sections 431:10A-104, 431:10A-105, 431:10A-106, 431:10A-107, 431:10A-108, 431:10A-109, 431:10A-110, 431:10A-111, 431:10A-112, 431:10A-113, 431:10A-114, 431:10A-117, 431:10A-118, 431:10A-201, 431:10A-202, 431:10A-203, 431:10A-204, 431:10A-205, 431:10A-208, 431:10A-601, 431:10A-602, 431:10A-603, and 431:10A-604, except as otherwise provided, the terms "accident insurance", "accident and health or sickness insurance", "health insurance", or "sickness insurance" shall include an accident-only; specified disease; hospital indemnity; long-term care; disability; dental; vision; medicare supplement; short-term, limited-duration health insurance; or other limited benefit health insurance contract regardless of the manner in which benefits are paid; provided that if any of the requirements in the foregoing sections as applied to long-term care insurance conflict with article 10H, the provisions of article 10H shall govern and control."

SECTION 4. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to part VI of article 1 to be appropriately designated and to read as follows:

"§432:1- Reimbursement to providers. (a) Coverage for services required by this part shall include reimbursement to health care providers who perform services required by this article, or to the insured member, as appropriate.

(b) Whenever an individual or group policy, contract, plan, or agreement that provides health care coverage under this article provides for reimbursement for any service, a health care provider who performs a service shall be eligible for reimbursement for the performed service to the extent the health care provider is eligible for such reimbursement under the policy, contract, plan, or agreement, and is acting within the scope of the provider's license or certification under state law.

(c) For purposes of this section, "health care provider" has the same meaning as in section 431:10A-B(c)."

SECTION 5. Section 431:3-202, Hawaii Revised Statutes, is amended to read as follows:

"§431:3-202 Insurer's name. (a) Every insurer shall conduct its business in its own legal name.

(b) No insurer shall assume or use a name deceptively similar to that of any other authorized insurer[, nor which] <u>or a name that</u> tends to deceive or mislead as to the type of organization of the insurer.

(c) An insurer shall apply to the department of commerce and consumer affairs and the commissioner for approval of the use or change of a trade name pursuant to section 431:2-.

[(c)] (d) When a foreign or an alien insurer authorized to do business in this State wants to change the name under which its certificate of authority is issued, the insurer shall file a request for name change with the commissioner at least thirty days prior to the effective date of the name change. If within the thirty-day period the commissioner finds the name change request does not meet the requirements of this chapter or of the corporation laws of this State, the commissioner shall send to the insurer written notice of disapproval of the request specifying in what respect the proposed name change fails to meet the requirements of this chapter or the corporation laws of this State and stating that the name change shall not become effective."

SECTION 6. Section 431:5-307, Hawaii Revised Statutes, is amended by amending subsection (o) to read as follows:

- "(o)(1) For policies issued on or after the operative date of the valuation manual, the standard prescribed in the valuation manual is the minimum standard of valuation required under subsection (b)(2), except as provided under paragraph (5) or (7) of this subsection;
 - (2) The operative date of the valuation manual is January 1 of the first calendar year following the first July 1 as of which all of the following have occurred:
 - (A) The valuation manual has been adopted by the National Association of Insurance Commissioners by an affirmative vote of at least forty-two members, or three-fourths of the members voting, whichever is greater;
 - (B) The Standard Valuation Law, as amended by the National Association of Insurance Commissioners in 2009, or legislation including substantially similar terms and provisions, has been enacted by states representing greater than seventy-five per cent of the direct premiums written as reported in the following annual statements submitted for 2008: life, accident and health annual statements; health annual statements; or fraternal annual statements; and
 - (C) The Standard Valuation Law, as amended by the National Association of Insurance Commissioners in 2009, or legislation including substantially similar terms and provisions, has been enacted by at least forty-two of the following fifty-five jurisdictions: the fifty states of the United States, American Samoa, the American Virgin Islands, the District of Columbia, Guam, and Puerto Rico;
 - (3) Unless a change in the valuation manual specifies a later effective date, changes to the valuation manual shall be effective on January 1 following the date when [all of the following have occurred:
 - (A) The the change to the valuation manual has been adopted by the National Association of Insurance Commissioners by an affirmative vote representing:

[(i)] (A) At least three-fourths of the members of the National Association of Insurance Commissioners voting, but not less than a majority of the total membership; and

[(ii)] (B) Members of the National Association of Insurance Commissioners representing jurisdictions totaling greater than seventy-five per cent of the direct premiums written as reported in the following annual statements most recently available prior to the vote in [elause (i):] subparagraph (A): life, accident and health annual statements; health annual statements; or fraternal annual statements; [and

(B) The valuation manual becomes effective pursuant to rules adopted by the commissioner;]

- (4) The valuation manual shall specify all of the following:
 - (A) Minimum valuation standards for and definitions of the policies or contracts subject to subsection (b)(2). These minimum valuation standards shall be:
 - (i) The commissioner's reserve valuation method for life insurance contracts, other than annuity contracts, subject to subsection (b)(2);
 - (ii) The commissioner's annuity reserve valuation method for annuity contracts subject to subsection (b)(2); and
 - (iii) Minimum reserves for all other policies or contracts subject to subsection (b)(2);
 - (B) Which policies or contracts or types of policies or contracts that are subject to the requirements of a principle-based valuation in subsection (p)(1) and the minimum valuation standards consistent with those requirements;
 - (C) For policies and contracts subject to a principle-based valuation under subsection (p):
 - (i) Requirements for the format of reports to the commissioner under subsection (p)(2)(C) that shall include information necessary to determine if the valuation is appropriate and in compliance with this section;
 - (ii) Assumptions shall be prescribed for risks over which the company does not have significant control or influence; and
 - Procedures for corporate governance and oversight of the actuarial function, and a process for appropriate waiver or modification of such procedures;
 - (D) For policies not subject to a principle-based valuation under subsection (p), the minimum valuation standard shall either:
 - (i) Be consistent with the minimum standard of valuation prior to the operative date of the valuation manual; or
 - Develop reserves that quantify the benefits and guarantees, and the funding, associated with the contracts and their risks at a level of conservatism that reflects conditions that include unfavorable events that have a reasonable probability of occurring;
 - (E) Other requirements including but not limited to those relating to reserve methods, models for measuring risk, generation of economic scenarios, assumptions, margins, use of company experience, risk measurement, disclosure, certifications, reports, actuarial opinions and memorandums, transition rules, and internal controls; and
 - (F) The data and form of the data required under subsection (q), with whom the data shall be submitted, and may specify other requirements including data analyses and reporting of analyses;
- (5) [In the absence of] Absent a specific valuation requirement, or if a specific valuation requirement in the valuation manual is not, in the opinion of the commissioner, in compliance with this section, then the company shall, with respect to these requirements, comply with minimum valuation standards prescribed by the commissioner by rule;
- (6) The commissioner may engage a qualified actuary, at the expense of the company, to perform an actuarial examination of the com-

pany and opine on the appropriateness of any reserve assumption or method used by the company, or to review and opine on a company's compliance with any requirement set forth in this section. The commissioner may rely upon the opinion[,] regarding provisions contained within this section[,] of a qualified actuary engaged by the commissioner of another state, district, or territory of the United States. As used in this paragraph, "engage" includes employment and contracting; and

(7) The commissioner may require a company to change any assumption or method that, in the opinion of the commissioner, is necessary to comply with the requirements of the valuation manual or this section, and the company shall adjust the reserves as required by the commissioner. The commissioner may take other disciplinary action as permitted pursuant to this chapter."

SECTION 7. Section 431:6-101, Hawaii Revised Statutes, is amended by amending the definition of "cash equivalents" to read as follows:

""Cash equivalents" means highly-rated and highly-liquid investments or securities with a remaining term of ninety days or less and rated in the highest short-term category by a nationally recognized statistical rating organization recognized by the SVO. Cash equivalents include government money market mutual funds [and class one money market mutual funds] defined by the Purposes and Procedures Manual of the SVO, or its successor publication."

SECTION 8. Chapter 431, article 6, Hawaii Revised Statutes, is amended by amending the title of part VI to read as follows:

"[[]PART VI. INVESTMENT POOLS[]]"

SECTION 9. Section 431:6-601, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) For purposes of this section:

"Business entity" means a corporation, limited liability company, association, partnership, joint stock company, joint venture, mutual fund trust, or other similar form of business organization, whether organized for-profit or not-for-profit.

[²Class one money market mutual funds" means a mutual fund that at all times qualifies for investment using the bond class one reserve factor under the Purposes and Procedures of the SVO or any successor publication.]

"Government money market mutual fund" means a money market mutual fund that at all times:

- (1) Invests only in obligations issued, guaranteed, or insured by the government of the United States or collateralized repurchase agreements composed of these obligations; and
- (2) Qualifies for investment without a reserve under the Purposes and Procedures of the SVO or any successor publication.

"Money market mutual fund" means a mutual fund that meets the conditions of 17 Code of Federal Regulations part 270.2a-7, under the Investment Company Act of 1940 (15 United States Code section 80a-1 et seq.), as amended, or renumbered.

"Obligation" means a bond, note, debenture, trust certificate, including equipment certificate, production payment, negotiable bank certificate of deposit, bankers' acceptance, credit tenant loan, loan secured by financing net leases and other evidence of indebtedness for the payment of money (or participation, certificates, or other evidence of an interest in any of the foregoing), whether constituting a general obligation of the issuer or payable only out of certain revenues or certain funds pledged or otherwise dedicated for payment.

"Qualified bank" means a national bank, state bank, or trust company that at all times is no less than adequately capitalized as determined by the standards adopted by the United States banking regulators and that is either regulated by state banking laws or is a member of the Federal Reserve System.

"Repurchase transaction" means a transaction in which an insurer purchases securities from a business entity that is obligated to repurchase the purchased securities or equivalent securities from the insurer at a specified price, either within a specified period of time or upon demand.

"Reverse repurchase transaction" means a transaction in which an insurer sells securities to a business entity and is obligated to repurchase the sold securities or equivalent securities from the business entity at a specified price, either within a specified period of time or upon demand.

"Securities lending transaction" means a transaction in which securities are loaned by an insurer to a business entity that is obligated to return the loans, securities, or equivalent securities to the insurer, either within a specified period of time or upon demand.

- (b) An insurer may acquire investments in investment pools that:
- (1) Invest only in:
 - (A) Obligations that are rated 1 or 2 by the SVO or have an equivalent of an SVO 1 or 2 rating (or, in the absence of a 1 or 2 rating or equivalent rating, the issuer has outstanding obligations with an SVO 1 or 2 or equivalent rating) by a nationallyrecognized statistical rating organization recognized by the SVO and have:
 - (i) A remaining maturity of three hundred ninety-seven days or less or a put that entitles the holder to receive the principal amount of the obligation which put may be exercised through maturity at specified intervals not exceeding three hundred ninety-seven days; or
 - (ii) A remaining maturity of three years or less and a floating interest rate that resets no less frequently than quarterly on the basis of a current short-term index (federal funds, prime rate, treasury bills, London InterBank Offered Rate or commercial paper) and is subject to no maximum limit, if the obligations do not have an interest rate that varies inversely to market interest rate changes;
 - (B) Government money market mutual funds [or class one money market mutual funds]; or
 - (C) Securities lending, repurchase, and reverse repurchase transactions that meet all the requirements of section 431:6-318; or
- (2) Invest only in investments which an insurer may acquire under this article, if the insurer's proportionate interest in the amount invested in these investments does not exceed the applicable limits of this article."

SECTION 10. Section 431:9-203, Hawaii Revised Statutes, is amended to read as follows:

"§431:9-203 General qualifications for license. (a) For the protection of the public, the commissioner shall not issue or extend any license for an adjuster or independent bill reviewer:

(1) Except as provided by this article; or

(2) To any individual less than eighteen years of age.

(b) An applicant for a license under this article shall notify the commissioner of the applicant's legal name [and trade name, if applicable. An applicant doing business under any name other than [the] applicant's legal name shall notify the commissioner prior to using the assumed name].

(c) An applicant shall apply to the department of commerce and consumer affairs and the commissioner for approval of the use of a trade name pursuant to section 431:2-.

[(c)] (d) A licensee shall:

- (1) Inform the commissioner by any means acceptable to the commissioner of any change of status within thirty days of the change; [and]
- (2) Report any change of status to the business registration division if the licensee is a business entity registered with the department of commerce and consumer affairs pursuant to title 23 or title 23A, or if the licensee has registered a trade name pursuant to part II of chapter 482[-]: and
- (3) Apply to the department of commerce and consumer affairs and the commissioner for approval to change the status of a trade name pursuant to section 431:2-...

Failure to timely inform the commissioner or business registration division of a change of status shall result in a penalty pursuant to section 431:2-203.

[(d)] (e) As used in this section, "change of status" includes but shall not be limited to change of legal name, assumed name, trade name, business address, home address, mailing address, business phone number, business fax number, business electronic mail address, business website address, or home phone number."

SECTION 11. Section 431:9A-102, Hawaii Revised Statutes, is amended by adding two new definitions to be appropriately inserted and to read as follows:

"<u>"Assumed name" means any fictitious, alias, maiden, or trade name used</u> in the past.

"Trade name" means any name used by an insurance producer to solicit insurance business in this State if the true legal name of an individual or a business entity cannot be used."

SECTION 12. Section 431:9A-110, Hawaii Revised Statutes, is amended to read as follows:

"§431:9A-110 Legal, trade, and assumed names. (a) Every insurance producer doing business in this State shall notify the commissioner in writing of the insurance producer's legal name [and trade name, if applicable.

(b) An insurance producer doing business under any name other than the producer's legal name shall notify the commissioner in writing prior to using the assumed name].

(b) An insurance producer shall apply to the department of commerce and consumer affairs and the commissioner for approval of the use or change of a trade name pursuant to section 431:2- .

(c) An insurance producer doing business under any assumed name, other than the producer's legal name, shall notify the commissioner in a form prescribed by the commissioner."

SECTION 13. Section 431:9N-102, Hawaii Revised Statutes, is amended to read as follows:

"§431:9N-102 License denial, nonrenewal, suspension, or revocation[-]; <u>trade name bar</u>. In addition to the authority granted by section 431:9A-112, the commissioner may deny, place on probation, suspend, revoke, or refuse to issue or renew a bail agent's license, may permanently retire or bar subsequent use of a <u>trade name</u>, and may levy a civil fine or penalty in accordance with articles 2 and 9A, or take any combination of these actions, for any of the following causes:

- (1) Failure to satisfy, pay, or otherwise discharge a bail forfeiture judgment after the bail agent's name is on the board for more than fortyfive consecutive days for the same forfeiture;
- (2) Failure to satisfy, pay, or otherwise discharge a final, nonappealable bail forfeiture judgment within sixty days following notice of entry of judgment;
- (3) Failure to report, to preserve without use and retain separately, or to return collateral received as security on any bond to the principal or depositor of the collateral;
- (4) Failure to pay a final, nonappealable judgment award for failure to return or repay collateral received to secure a bond;
- (5) Continuing execution of bail bonds in any court in this State while on the board, where the bail forfeiture judgment that resulted in placement on the board has not been paid, stayed, vacated, exonerated, or otherwise discharged; or
- (6) Payment, directly or indirectly, of any commission, service fee, brokerage, or other valuable consideration to any person selling, soliciting, or negotiating bail within this State unless, at the time the services were performed, the person was duly licensed for the performance of the services."

SECTION 14. Section 431:10-104, Hawaii Revised Statutes, is amended to read as follows:

"§431:10-104 General readability requirements. In addition to any other requirements of law, no contract shall be delivered or issued for delivery in this State unless:

- (1) The text is in plain language[, achieving] and achieves a minimum score of forty on the Flesch reading ease test or an equivalent score on any other comparable test prescribed by the commissioner under section 431:10-105(a);
- (2) The contract is printed, except for specification pages, schedules, and tables, in not less than ten-point type[, one point leaded];
- (3) The style, arrangement, and general appearance of the contract give no undue prominence to any endorsements, riders, or other portions of the text; <u>and</u>
- (4) A table of contents or <u>an</u> index of principal sections is provided with the contract when the text consists of more than three thousand words printed on three or less pages or when the text has more than three pages, regardless of the total number of printed words[; and
- (5) For any short-term health insurance policies that impose preexisting conditions provisions, any policy, application, or sales brochure shall disclose in a conspicuous manner in not less than fourteen point bold face type the following statement:

"THIS POLICY EXCLUDES COVERAGE FOR CON-DITIONS FOR WHICH MEDICAL ADVICE, DIAGNOSIS, CARE, OR TREATMENT WAS RECOMMENDED OR RE-

CEIVED DURING THE [insert exclusion period] IMMEDIATE-LY PRECEDING THE EFFECTIVE DATE OF COVERAGE]."

SECTION 15. Section 431:10A-116, Hawaii Revised Statutes, is amended to read as follows:

"§431:10A-116 Coverage for specific services. Every person insured under a policy of accident and health or sickness insurance delivered or issued for delivery in this State shall be entitled to the reimbursements and coverages specified below:

- (1) Notwithstanding any provision to the contrary, whenever a policy, contract, plan, or agreement provides for reimbursement for any visual or optometric service, which is within the lawful scope of practice of a duly licensed optometrist, the person entitled to benefits or the person performing the services shall be entitled to reimbursement whether the service is performed by a licensed physician or by a licensed optometrist. Visual or optometric services shall include eye or visual examination, or both, or a correction of any visual or muscular anomaly, and the supplying of ophthalmic materials, lenses, contact lenses, spectacles, eyeglasses, and appurtenances thereto;
- (2) Notwithstanding any provision to the contrary, for all policies, contracts, plans, or agreements issued on or after May 30, 1974, whenever provision is made for reimbursement or indemnity for any service related to surgical or emergency procedures, which is within the lawful scope of practice of any practitioner licensed to practice medicine in this State, reimbursement or indemnification under the policy, contract, plan, or agreement shall not be denied when the services are performed by a dentist acting within the lawful scope of the dentist's license;
- (3) Notwithstanding any provision to the contrary, whenever the policy provides reimbursement or payment for any service, which is within the lawful scope of practice of a psychologist licensed in this State, the person entitled to benefits or performing the service shall be entitled to reimbursement or payment, whether the service is performed by a licensed physician or licensed psychologist;
- (4) Notwithstanding any provision to the contrary, each policy, contract, plan, or agreement issued on or after February 1, 1991, except for policies that only provide coverage for specified diseases or other limited benefit coverage, but including policies issued by companies subject to chapter 431, article 10A, part II and chapter 432, article 1 shall provide coverage for screening by low-dose mammography for occult breast cancer as follows:
 - (A) For women forty years of age and older, an annual mammogram; and
 - (B) For a woman of any age with a history of breast cancer or whose mother or sister has had a history of breast cancer, a mammogram upon the recommendation of the woman's physician.

The services provided in this paragraph are subject to any coinsurance provisions that may be in force in these policies, contracts, plans, or agreements.

For the purpose of this paragraph, the term "low-dose mammography" means the x-ray examination of the breast using equipment dedicated specifically for mammography, including but not limited to the x-ray tube, filter, compression device, screens, films, and cassettes, with an average radiation exposure delivery of less than one rad mid-breast, with two views for each breast. An insurer may provide the services required by this paragraph through contracts with providers; provided that the contract is determined to be a cost-effective means of delivering the services without sacrifice of quality and meets the approval of the director of health; and

- (5)(A) (i) Notwithstanding any provision to the contrary, whenever a policy, contract, plan, or agreement provides coverage for the children of the insured, that coverage shall also extend to the date of birth of any newborn child to be adopted by the insured; provided that the insured gives written notice to the insurer of the insured's intent to adopt the child prior to the child's date of birth or within thirty days after the child's birth or within the time period required for enrollment of a natural born child under the policy, contract, plan, or agreement of the insured, whichever period is longer; provided further that if the adoption proceedings are not successful, the insured shall reimburse the insurer for any expenses paid for the child; and
 - (ii) Where notification has not been received by the insurer prior to the child's birth or within the specified period following the child's birth, insurance coverage shall be effective from the first day following the insurer's receipt of legal notification of the insured's ability to consent for treatment of the infant for whom coverage is sought; and
 - (B) When the insured is a member of a health maintenance organization [(HMO)], coverage of an adopted newborn is effective:
 - (i) From the date of birth of the adopted newborn when the newborn is treated from birth pursuant to a provider contract with the health maintenance organization, and written notice of enrollment in accord with the health maintenance organization's usual enrollment process is provided within thirty days of the date the insured notifies the health maintenance organization of the insured's intent to adopt the infant for whom coverage is sought; or
 - (ii) From the first day following receipt by the health maintenance organization of written notice of the insured's ability to consent for treatment of the infant for whom coverage is sought and enrollment of the adopted newborn in accord with the health maintenance organization's usual enrollment process if the newborn has been treated from birth by a provider not contracting or affiliated with the health maintenance organization[; and
- (6) Notwithstanding any provision to the contrary, any policy, contract, plan, or agreement issued or renewed in this State shall provide reimbursement for services provided by advanced practice registered nurses licensed pursuant to chapter 457. Services rendered by advanced practice registered nurses are subject to the same policy limitations generally applicable to health care providers within the policy, contract, plan, or agreement]."

SECTION 16. Section 431:10A-116.6, Hawaii Revised Statutes, is amended to read as follows:

"§431:10A-116.6 Contraceptive services. (a) Notwithstanding any provision of law to the contrary, each employer group accident and health or sickness policy, contract, plan, or agreement issued or renewed in this State on or after January 1, 2000, shall cease to exclude contraceptive services or supplies for the subscriber or any dependent of the subscriber who is covered by the policy, subject to the exclusion under section 431:10A-116.7 and the exclusion under section [431:10A-102.5.] 431:10A-C.

(b) Except as provided in subsection (c), all policies, contracts, plans, or agreements under subsection $(a)[_{7}]$ that provide contraceptive services or supplies[_{7}] or prescription drug coverage[_{7}] shall not exclude any prescription contraceptive supplies or impose any unusual copayment, charge, or waiting requirement for such supplies.

(c) Coverage for oral contraceptives shall include at least one brand from the monophasic, multiphasic, and the progestin-only categories. A member shall receive coverage for any other oral contraceptive only if:

- (1) Use of brands covered has resulted in an adverse drug reaction; or
- (2) The member has not used the brands covered and, based on the member's past medical history, the prescribing health care provider believes that use of the brands covered would result in an adverse reaction.

(d) Coverage required by this section shall include reimbursement to a prescribing health care provider or dispensing entity for prescription contraceptive supplies intended to last for up to a twelve-month period for an insured.

[(e) Coverage required by this section shall include reimbursement to a prescribing and dispensing pharmacist who prescribes and dispenses contraceptive supplies pursuant to section 461-11.6.

 $(\hat{\mathbf{f}})$ (e) For purposes of this section:

"Contraceptive services" means physician-delivered, physician-supervised, physician assistant-delivered, advanced practice registered nurse-delivered, nurse-delivered, or pharmacist-delivered medical services intended to promote the effective use of contraceptive supplies or devices to prevent unwanted pregnancy.

"Contraceptive supplies" means all United States Food and Drug Administration-approved contraceptive drugs or devices used to prevent unwanted pregnancy.

 $\left[\frac{f(g)}{g}\right]$ Nothing in this section shall be construed to extend the practice or privileges of any health care provider beyond that provided in the laws governing the provider's practice and privileges."

SECTION 17. Section 431:10A-118.3, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) As used in this section unless the context requires otherwise:

"Actual gender identity" means a person's internal sense of being male, female, a gender different from the gender assigned at birth, a transgender person, or neither male nor female.

"Gender transition" means the process of a person changing the person's outward appearance or sex characteristics to accord with the person's actual gender identity.

"Perceived gender identity" means an observer's impression of another person's actual gender identity or the observer's own impression that the person is male, female, a gender different from the gender [designed] assigned at birth, a transgender person, or neither male nor female.

"Transgender person" means a person who has gender identity disorder or gender dysphoria, has received health care services related to gender transition, adopts the appearance or behavior of the opposite sex, or otherwise identifies as a gender different from the gender assigned to that person at birth."

SECTION 18. Section 431:14-104, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (a) and (b) to read:

"(a) Every insurer shall file with the commissioner every manual of classifications, rules, and rates, every rating plan, every other rating rule, and every modification of any of the foregoing that it proposes to use; provided that filings with regard to specific inland marine risks, which by general custom of the business are not written according to manual rate or rating plans, and bail bonds, subject to section 804-62, shall not be required pursuant to this subsection.

Every filing shall:

- (1) State its proposed effective date;
- (2) Indicate the character and extent of the coverage contemplated;
- (3) Include a report on investment income; and
- (4) Be accompanied by a \$50 fee[, payable to the commissioner,] to be deposited in the commissioner's education and training fund.

(b) [For each] Each filing[, an insurer] shall [submit] be submitted to the commissioner[:

(1) An electronic copy of the filing; or

(2) Two printed copies of the filing.

The commissioner may also request a printed version of an electronic filing to be submitted pursuant to paragraph (1).] via the National Association of Insurance Commissioners' System for Electronic Rates and Forms Filing or an equivalent service approved by the commissioner."

- 2. By amending subsection (k) to read:
- "(k) The following rates shall become effective when filed:
- (1) Specific inland marine [rates] rate filings on risks specially rated by a rating organization or <u>an</u> advisory organization;
- (2) Any special filing with respect to a surety or guaranty bond required by law [or by], court or executive order, or [by] order or rule of a public body, not covered by a previous filing; and
- (3) Any special filing with respect to any class of insurance, subdivision, or combination thereof that is subject to individual risk premium modification and has been agreed to by an insured under a formal or <u>an</u> informal bid process.

The <u>filed</u> rates shall be deemed [to meet the requirements of this article until the time the commissioner reviews the filing and] <u>approved</u> so long as the filing remains in effect."

SECTION 19. Section 431:14-104.5, Hawaii Revised Statutes, is amended to read as follows:

"§431:14-104.5 Loss cost filings. When required by the commissioner, the rating organization or advisory organization shall file for approval all prospective loss costs, [and all] supplementary rating information, and every change [or], amendment, or modification [of any of the foregoing] thereto proposed for use in this State. The filings shall be subject to [section] sections 431:14-104 [and section], 431:14-105, and 431:14-106 and other provisions of article 14 relating to filings made by insurers."

SECTION 20. Section 431:14-105, Hawaii Revised Statutes, is amended to read as follows:

"§431:14-105 Policy revisions that alter coverage. (a) Any policy revisions that alter coverage in any manner shall be filed with the commissioner and shall include an analysis of the impact $[\overline{of}]$ each revision <u>has</u> on rates[-

(b) A filing shall consist of either:

(1) An electronic copy of the filing; or

(2) Two printed copies of the filing.

The commissioner may also request a printed version of an electronic filing to be submitted pursuant to paragraph (1).] or loss costs.

[(e)] (b) After review by the commissioner, the commissioner shall determine whether a rate filing for the policy revision must be submitted in accordance with section 431:14-104."

SECTION 21. Section 431:14-108, Hawaii Revised Statutes, is amended to read as follows:

"§431:14-108 Deviations. (a) Except for those lines of insurance for which the commissioner determines [that] individual rate filings shall be made, every member of or subscriber to a rating organization shall adhere to the filings the organization made on its behalf [by the organization, except that]; provided that any insurer may [make written application] submit a rate filing to the commissioner to file a deviation from the class rates, schedules, rating plans, or rules respecting any class of insurance, [Θ F] class of risk within a class of insurance, or combination thereof. The [application] rate filing shall specify the basis for the deviation and shall be accompanied by the data upon which the applicant relies. [A] The filer shall simultaneously send a copy of the [application] deviation and data [shall be sent simultaneously] to the rating organization.

[(b) The commissioner shall set a time and place for a hearing at which the insurer and the rating organization may be heard, and shall give them not less than ten days' written notice thereof. In the event the commissioner is advised by the rating organization that it does not desire a hearing, the commissioner may, upon the consent of the applicant, waive the hearing.

(c)] (b) In considering the [application to file a] deviation, the commissioner shall [give consideration to] consider the available statistics and the principles for ratemaking [as provided] in section 431:14-103. The commissioner shall [issue an order permitting] approve the filing of the deviation [to be filed] if the commissioner finds that it [to be] is justified. The deviation shall become effective upon [issuance of] the commissioner's [order.] approval of the proposed effective date of the filing. The commissioner shall [issue an order denying] disapprove the [application] rate filing if the commissioner finds [that] the deviation is not justified or [that] the resulting premiums would be excessive, inadequate, or unfairly discriminatory. Each deviation [permitted to be] filed shall be effective for a period of one year from the date of [the order] approval, unless terminated sooner with [the] approval [of] by the commissioner."

SECTION 22. Section 431:14G-105, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Every managed care plan shall file with the commissioner every rate, charge, classification, schedule, practice, or rule and every modification of any of the foregoing that it proposes to use. Every filing shall:

- (1) State its proposed effective date;
- (2) Indicate the character and extent of the coverage contemplated;
- (3) Include a report on investment income; and
- (4) Be accompanied by a \$50 fee [payable to the commissioner which shall] to be deposited in the commissioner's education and training fund.

(b) [For each] Each filing[, an insurer] shall [submit] be submitted to the commissioner[:

(1) An electronic copy of the filing; or

(2) Two printed copies of the filing;

provided that the commissioner may request an insurer that submits an electronic copy of the filing pursuant to paragraph (1) to also submit a printed copy of the electronic filing.] via the National Association of Insurance Commissioners' System for Electronic Rates and Forms Filing or an equivalent service approved by the commissioner."

SECTION 23. Section 431:19-103, Hawaii Revised Statutes, is amended to read as follows:

"§431:19-103 Names of companies. (a) No captive insurance company shall adopt a name that is the same, deceptively similar, or likely to be confused with or mistaken for any other existing business name registered in the State[, except that the commissioner may allow a branch captive insurance company to be licensed in this State under a different trade name if the normal name of the branch captive insurance company is not available for use in this State].

(b) A captive insurance company shall apply to the department of commerce and consumer affairs and the commissioner for approval of the use or change of a trade name pursuant to section 431:2- ."

SECTION 24. Section 431:19-115, Hawaii Revised Statutes, is amended to read as follows:

"§431:19-115 Laws applicable. (a) No insurance laws of this State other than those contained in this article, [or contained in specific references contained in this section or article;] article 15, or specifically referenced in this article shall apply to captive insurance companies[-]; provided that:

[(b)] (1) Sections 431:3-302 to 431:3-304.5, 431:3-307, 431:3-401 to 431:3-409, 431:3-411, 431:3-412, and 431:3-414; articles 1, 2, 4A, 5, 6, 9A, 9B, 9C, 11, and 11A[, and 15]; and chapter 431K shall apply to risk retention captive insurance companies[-]; and

[(c)] (2) Articles 1, 2, and 6[, and 15] shall apply to class 5 companies.

[(4)] (b) If any of the laws specified in this section are inconsistent with this article, this article shall apply unless the commissioner by rule or order determines otherwise on a case-by-case basis.

[(e)] (c) The application of the foregoing provisions shall not diminish the commissioner's authority for exemption as may be contained therein or as may be deemed appropriate under the circumstances."

SECTION 25. Section 431:26-103, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) A health carrier shall meet the following access plan requirements:

- (1) Beginning on July 1, 2017, a health carrier shall file with the commissioner for approval, prior to or at the time it files a newly offered network plan, in a manner and form defined by rule <u>or order</u> of the commissioner, an access plan that meets the requirements of this article;
- (2) The health carrier may request the commissioner to deem sections of the access plan as proprietary, competitive, or trade secret information that shall not be made public. Information is proprietary, competitive, or a trade secret if disclosure of the information would cause the health carrier's competitors to obtain valuable business information. The health carrier shall make the access plans, ab-

sent proprietary, competitive, or trade secret information, available online, at the health carrier's business premises, and to any person upon request; and

(3) The health carrier shall prepare an access plan prior to offering a new network plan and shall notify the commissioner of any material change to any existing network plan within fifteen business days after the change occurs. The carrier shall include in the notice to the commissioner a reasonable time frame within which the carrier will submit to the commissioner for approval or file with the commissioner, as appropriate, an update to an existing access plan."

SECTION 26. Section 431:26-104, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

- "(f) Selection standards shall be developed pursuant to the following:
- (1) Health carrier selection standards for selecting and tiering, as applicable, participating providers shall be developed for providers and each health care professional specialty;
- (2) The standards shall be used in determining the selection of participating providers by the health carrier and the intermediaries with which the health carrier contracts. The standards shall meet requirements relating to health care professional credentialing verification developed by the commissioner <u>by order or</u> through rules adopted pursuant to chapter 91;
- (3) Selection criteria shall not be established in a manner:
 - (A) That would allow a health carrier to discriminate against high risk populations by excluding providers because the providers are located in geographic areas that contain populations or providers presenting a risk of higher than average claims, losses, or health care services utilization;
 - (B) That would exclude providers because the providers treat or specialize in treating populations presenting a risk of higher than average claims, losses, or health care services utilization; or
 - (C) That would discriminate with respect to participation under the health benefit plan against any provider who is acting within the scope of the provider's license or certification under applicable state law or regulations; provided that this subparagraph shall not be construed to require a health carrier to contract with any provider who is willing to abide by the terms and conditions for participation established by the carrier;
- (4) Notwithstanding paragraph (3), a carrier shall not be prohibited from declining to select a provider who fails to meet the other legitimate selection criteria of the carrier developed in compliance with this article; and
- (5) This article does not require a health carrier, its intermediaries, or the provider networks with which the carrier and its intermediaries contract, to employ specific providers acting within the scope of the providers' license or certification under applicable state law that may meet the selection criteria of the carrier, or to contract with or retain more providers acting within the scope of the providers' license or certification under applicable state law than are necessary to maintain a sufficient provider network."

SECTION 27. Section 431:30-112, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) A compacting state may opt out of a uniform standard, either by legislation or by rule adopted by the insurance commissioner. If a compacting state elects to opt out of a uniform standard by rule, it shall:

- (1) Give written notice to the commission no later than ten business days after the later of the adoption of the uniform standard or the state becoming a compacting state; and
- (2) Find that the uniform standard does not provide reasonable protections to the citizens of the state, given the conditions in the state. The commissioner shall make specific findings of fact and conclusions of law, based on a preponderance of the evidence, detailing the conditions in the state that warrant a departure from the uniform standard and determining that the uniform standard would not reasonably protect the citizens of the state. The commissioner shall consider and balance the following factors and find that the conditions in the state and needs of the citizens of the state outweigh:
 - (A) The intent of the legislature to participate in, and reap the benefits of, an interstate agreement to establish national uniform consumer protections for the products subject to this article; and
 - (B) The presumption that a uniform standard adopted by the commission provides reasonable protections to consumers of the relevant product.

Notwithstanding the foregoing, a compacting state may, at the time of its enactment of this compact, prospectively opt out of all uniform standards involving long-term care insurance products by expressly providing for such opt out in the enacted compact, and such an opt out shall not be treated as a material variance in the offer or acceptance of any state to participate in this compact. An opt out pursuant to this section shall be effective at the time of enactment of this compact by the compacting state and shall apply to all existing uniform standards involving long-term care insurance products and those subsequently adopted[; and

(3) In accordance with the provisions of paragraph (2), this State does prospectively opt out of all uniform standards involving long-term care insurance products promulgated by the commission, as this State has previously enacted article 10H providing additional standards for federal conformity and universal availability for reciprocal beneficiary and multi-generation populace which facilitates flexibility and innovation in the development of long-term care insurance coverage]."

SECTION 28. Section 432:1-604.5, Hawaii Revised Statutes, is amended to read as follows:

"§432:1-604.5 Contraceptive services. (a) Notwithstanding any provision of law to the contrary, each employer group health policy, contract, plan, or agreement issued or renewed in this State on or after January 1, 2000, shall cease to exclude contraceptive services or supplies, and contraceptive prescription drug coverage for the subscriber or any dependent of the subscriber who is covered by the policy, subject to the exclusion under section 431:10A-116.7.

(b) Except as provided in subsection (c), all policies, contracts, plans, or agreements under subsection (a), that provide contraceptive services or supplies[,] or prescription drug coverage[,] shall not exclude any prescription contraceptive

supplies or impose any unusual copayment, charge, or waiting requirement for such drug or device.

(c) Coverage for contraceptives shall include at least one brand from the monophasic, multiphasic, and the progestin-only categories. A member shall receive coverage for any other oral contraceptive only if:

- (1) Use of brands covered has resulted in an adverse drug reaction; or
- (2) The member has not used the brands covered and, based on the member's past medical history, the prescribing health care provider believes that use of the brands covered would result in an adverse reaction.

(d) Coverage required by this section shall include reimbursement to a prescribing health care provider or dispensing entity for prescription contraceptive supplies intended to last for up to a twelve-month period for a member.

[(e) Coverage required by this section shall include reimbursement to a prescribing and dispensing pharmacist who prescribes and dispenses contraceptive supplies pursuant to section 461-11.6.

 $(\hat{\mathbf{f}})$ (e) For purposes of this section:

"Contraceptive services" means physician-delivered, physician-supervised, physician assistant-delivered, advanced practice registered nurse-delivered, nurse-delivered, or pharmacist-delivered medical services intended to promote the effective use of contraceptive supplies or devices to prevent unwanted pregnancy.

"Contraceptive supplies" means all Food and Drug Administrationapproved contraceptive drugs or devices used to prevent unwanted pregnancy.

[(g)] (f) Nothing in this section shall be construed to extend the practice or privileges of any health care provider beyond that provided in the laws governing the provider's practice and privileges."

SECTION 29. Section 432:1-607.3, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) As used in this section unless the context requires otherwise:

"Actual gender identity" means a person's internal sense of being male, female, a gender different from the gender assigned at birth, a transgender person, or neither male nor female.

"Gender transition" means the process of a person changing the person's outward appearance or sex characteristics to accord with the person's actual gender identity.

"Perceived gender identity" means an observer's impression of another person's actual gender identity or the observer's own impression that the person is male, female, a gender different from the gender [designed] assigned at birth, a transgender person, or neither male nor female.

"Transgender person" means a person who has gender identity disorder or gender dysphoria, has received health care services related to gender transition, adopts the appearance or behavior of the opposite sex, or otherwise identifies as a gender different from the gender assigned to that person at birth."

SECTION 30. Section 432D-26.3, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) As used in this section unless the context requires otherwise:

"Actual gender identity" means a person's internal sense of being male, female, a gender different from the gender assigned at birth, a transgender person, or neither male nor female. "Gender transition" means the process of a person changing the person's outward appearance or sex characteristics to accord with the person's actual gender identity.

"Perceived gender identity" means an observer's impression of another person's actual gender identity or the observer's own impression that the person is male, female, a gender different from the gender [designed] assigned at birth, a transgender person, or neither male nor female.

"Transgender person" means a person who has gender identity disorder or gender dysphoria, has received health care services related to gender transition, adopts the appearance or behavior of the opposite sex, or otherwise identifies as a gender different from the gender assigned to that person at birth."

SECTION 31. Section 431:10A-102.5, Hawaii Revised Statutes, is repealed.

SECTION 32. Section 432:1-611, Hawaii Revised Statutes, is repealed.

SECTION 33. Sections 431:10A-132, 431:10A-134, 431:10A-140, 431:26-102, 431S-1, 432:1-613, and 432:1-620, Hawaii Revised Statutes, are amended by substituting the section number 431:10A-C, substituting the appropriate section number for the letter used in designating the new section, pursuant to section 34 of this Act, wherever the section number 431:10A-102.5 appears.

SECTION 34. In codifying the new sections added by sections 2 and 3 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 35. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 36. This Act shall take effect on July 1, 2019; provided that:

- (1) Sections 1, 5, 10, 11, 12, 13, and 23 shall take effect on October 1, 2019; and
- (2) On July 1, 2024, sections 25 and 26 shall be repealed and sections 431:26-103(e) and 431:26-104(f), Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day before the effective date of this Act.

(Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

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S.B. NO. 1210

A Bill for an Act Relating to Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new article to be appropriately designated and to read as follows:

"ARTICLE

CORPORATE GOVERNANCE ANNUAL DISCLOSURE

§431: -A Purpose and scope. (a) The purpose of this article is to:

- (1) Provide the insurance commissioner a summary of an insurer's or insurance group's corporate governance structure, policies, and practices to permit the commissioner to gain and maintain an understanding of the insurer's corporate governance framework;
- (2) Outline the requirements for completing a corporate governance annual disclosure with the commissioner; and
- (3) Provide for the confidential treatment of the corporate governance annual disclosure and related information that will contain confidential and sensitive information related to an insurer's or insurance group's internal operations and proprietary and trade secret information that, if made public, could potentially cause the insurer or insurance group competitive harm or disadvantage.

(b) Nothing in this article shall be construed to prescribe or impose corporate governance standards and internal procedures beyond those required under applicable state corporate law. Notwithstanding the foregoing, nothing in this article shall be construed to limit the commissioner's authority, or the rights or obligations of third parties, under sections 431:2-303 and 431:11-107.

(c) The requirements of this article shall apply to all insurers domiciled in this State.

§431: -B Definitions. For the purposes of this article:

"Corporate governance annual disclosure" means a confidential report filed by the insurer or insurance group made in accordance with the requirements of this article.

"Insurance group" means those insurers and affiliates included within an insurance holding company system as defined in article 11.

"Insurer" has the same meaning as in section 431:1-202, except that it shall not include agencies, authorities or instrumentalities of the United States, its possessions and territories, the Commonwealth of Puerto Rico, the District of Columbia, or a state or political subdivision of a state.

"Own risk and solvency assessment summary report" means the report filed in accordance with section 431:3D-105.

§431: -C Disclosure requirement. (a) An insurer or the insurance group of which the insurer is a member shall, no later than June 1 of each calendar year, submit to the commissioner a corporate governance annual disclosure that contains the information required by section 431: -E. Notwithstanding any request from the commissioner made pursuant to subsection (c), if the insurer is a member of an insurance group, the insurer shall submit the report required by this section to the commissioner of the lead state for the insurance group, in accordance with the laws of the lead state, as determined by the procedures outlined in the most recent Financial Analysis Handbook adopted by the National Association of Insurance Commissioners.

(b) The corporate governance annual disclosure shall include a signature of the insurer's or insurance group's chief executive officer or corporate secretary attesting to the best of that individual's belief and knowledge that the insurer has implemented the corporate governance practices and that a copy of the disclosure has been provided to the insurer's board of directors or the appropriate committee thereof. (c) An insurer not required to submit a corporate governance annual disclosure under this section shall do so upon the commissioner's request.

(d) For purposes of completing the corporate governance annual disclosure, the insurer or insurance group may provide information regarding corporate governance at the ultimate controlling parent level, an intermediate holding company level, or the individual legal entity level, depending upon how the insurer or insurance group has structured its system of corporate governance. The insurer or insurance group is encouraged to make disclosures at the level at which:

- (1) The insurer's or insurance group's risk appetite is determined;
- (2) The earnings, capital, liquidity, operations, and reputation of the insurer are overseen collectively and at which the supervision of those factors is coordinated and exercised; or
- (3) Legal liability for failure of general corporate governance duties would be placed.

If the insurer or insurance group determines the level of reporting based on these criteria, it shall indicate which of the criteria described in paragraphs (1) to (3) was used to determine the level of reporting and explain any subsequent changes in the level of reporting.

(e) The review of the corporate governance annual disclosure and any additional requests for information shall be made through the lead state as determined by the procedures within the most recent Financial Analysis Handbook adopted by the National Association of Insurance Commissioners.

(f) Insurers providing information substantially similar to the information required by this article in other documents provided to the commissioner, including proxy statements filed in conjunction with Form B requirements, or other state or federal filings provided to the insurance division shall not be required to duplicate that information in the corporate governance annual disclosure, but shall only be required to cross-reference the document in which the information is included.

§431: -D Rules. The commissioner may adopt rules and issue orders to carry out the provisions of this article.

§431: -E Contents of corporate governance annual disclosure. (a) The insurer or insurance group shall have discretion over the responses to the corporate governance annual disclosure inquiries; provided that the corporate governance annual disclosure shall contain the material information necessary to permit the commissioner to gain an understanding of the insurer's or insurance group's corporate governance structure, policies, and practices. The commissioner may request additional information deemed material and necessary to provide the commissioner with a clear understanding of the corporate governance policies, the reporting or information system, or the controls implementing those policies.

(b) Notwithstanding subsection (a), the corporate governance annual disclosure shall be prepared consistent with rules adopted by the commissioner. Documentation and supporting information shall be maintained and made available upon examination or request of the commissioner.

§431: -F Confidentiality. (a) Documents, materials, or other information including the corporate governance annual disclosure, in the possession or control of the insurance division that are obtained by, created by, or disclosed to the commissioner or any other person under this article, and that contain information originating in a corporate governance annual disclosure under this

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article, are recognized by this State as being proprietary and to contain trade secrets. All such documents, materials, or other information shall be confidential by law and privileged, shall not be subject to disclosure pursuant to chapter 92F, shall not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil action. However, the commissioner may use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the commissioner's official duties. The commissioner shall not otherwise make the documents, materials, or other information public without the prior written consent of the insurer. Nothing in this section shall be construed to require written consent of the insurer before the commissioner may share or receive confidential documents, materials, or other information related to the corporate governance annual disclosure pursuant to subsection (c) to assist in the performance of the commissioner's regular duties.

(b) Neither the commissioner nor any person who received documents, materials, or other information related to the corporate governance annual disclosure through examination or otherwise, while acting under the authority of the commissioner, or with whom such documents, materials, or other information are shared pursuant to this article shall be permitted or required to testify in any private civil action concerning any confidential documents, materials, or information subject to subsection (a).

(c) To assist in the performance of the commissioner's regulatory duties, the commissioner may:

- (1) Upon request, share documents, materials, or other information related to the corporate governance annual disclosure, including the confidential and privileged documents, materials, or information subject to subsection (a), including proprietary and trade secret documents and materials with other state, federal, and international financial regulatory agencies, including members of any supervisory college as described in section 431:11-107.5, the National Association of Insurance Commissioners, and third-party consultants pursuant to section 431: -G; provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the documents, material, or other information and has verified in writing the legal authority to maintain confidentiality; and
- (2) Receive documents, materials, or other information related to the corporate governance annual disclosure, including otherwise confidential and privileged documents, materials, or information, including proprietary and trade-secret information or documents, from regulatory officials of other state, federal, and international financial regulatory agencies, including members of any supervisory college as described in section 431:11-107.5, and from the National Association of Insurance Commissioners, and shall maintain as confidential or privileged any documents, materials, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information.

(d) The sharing of information and documents by the commissioner pursuant to this article shall not constitute a delegation of regulatory authority or rulemaking, and the commissioner shall be solely responsible for the administration, execution, and enforcement of this article.

(e) No waiver of any applicable privilege or claim of confidentiality in the documents, proprietary and trade-secret materials, or other information related to the corporate governance annual disclosure shall occur as a result of disclosure of any information related to the corporate governance annual disclosure or documents to the commissioner under this section or as a result of sharing as authorized in this article.

§431: -G National Association of Insurance Commissioners and thirdparty consultants. (a) The commissioner may retain, at the insurer's expense, third-party consultants, including attorneys, actuaries, accountants, and other experts not otherwise a part of the commissioner's staff as may be reasonably necessary to assist the commissioner in reviewing the corporate governance annual disclosure and related information or the insurer's compliance with this article.

(b) Any persons retained under subsection (a) shall be under the direction and control of the commissioner and shall act in a purely advisory capacity.

(c) The National Association of Insurance Commissioners and thirdparty consultants shall be subject to the same confidentiality standards and requirements as the commissioner.

(d) As part of the retention process, a third-party consultant shall verify to the commissioner, with notice to the insurer, that it is free from any conflict of interest and that it has internal procedures in place to monitor compliance with a conflict and to comply with the confidentiality standards and requirements of this article.

(e) A written agreement with the National Association of Insurance Commissioners or a third-party consultant governing sharing and use of information provided pursuant to this article shall contain the following provisions and expressly require the written consent of the insurer prior to making public information provided under this article:

- (1) Specific procedures and protocols for maintaining the confidentiality and security of the corporate governance annual disclosure and related information shared with the National Association of Insurance Commissioners or a third-party consultant pursuant to this article;
- (2) Procedures and protocols for sharing by the National Association of Insurance Commissioners only with other state regulators from states in which the insurance group has domiciled insurers. The agreement shall provide that the recipient agrees in writing to maintain the confidentiality and privileged status of the corporate governance annual disclosure and related documents, materials, or other information and has verified in writing the legal authority to maintain confidentiality;
- (3) A provision specifying that ownership of the corporate governance annual disclosure and related information shared with the National Association of Insurance Commissioners or a third-party consultant remains with the insurance division and that the National Association of Insurance Commissioners' or third-party consultant's use of the information is subject to the direction of the commissioner;
- (4) A provision that prohibits the National Association of Insurance Commissioners or a third-party consultant from storing the information shared pursuant to this article in a permanent database after the underlying analysis is completed;
- (5) A provision requiring the National Association of Insurance Commissioners or a third-party consultant to provide prompt notice to the commissioner and the insurer or insurance group regarding any subpoena, request for disclosure, or request for production of the insurer's corporate governance annual disclosure or related information; and

(6) A requirement that the National Association of Insurance Commissioners or a third-party consultant consent to intervention by an insurer in any judicial or administrative action in which the National Association of Insurance Commissioners or a third-party consultant may be required to disclose confidential information about the insurer shared with the National Association of Insurance Commissioners or a third-party consultant pursuant to this article.

§431: -H Sanctions. Any insurer failing, without just cause, to timely file the corporate governance annual disclosure as required in this article shall be required, after notice and an opportunity for hearing, to pay a penalty of not less than \$100 and not more than \$500 for each day's delay, to be recovered by the commissioner and paid into the compliance resolution fund. The maximum penalty under this section shall be \$50,000. The commissioner may reduce the penalty if the insurer demonstrates to the commissioner that the imposition of the penalty would constitute a financial hardship to the insurer.

§431: -I Severability. If any provision of this article other than section 431: -F, or the application thereof to any person or circumstance, is held invalid, the determination of invalidity shall not affect those provisions or applications of this article that can be given effect without the invalid provision or application; to that end, the provisions of this article, except for section 431: -F, are severable."

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to article 11 to be appropriately designated and to read as follows:

"§431:11- Group-wide supervision of internationally active insurance groups. (a) The commissioner is authorized to act as the group-wide supervisor for any internationally active insurance group in accordance with this section; provided that the commissioner may otherwise acknowledge another regulatory official as the group-wide supervisor where the internationally active insurance group:

- (1) Does not have substantial insurance operations in the United States;
- (2) Has substantial insurance operations in the United States, but not in this State; or
- (3) Has substantial insurance operations in the United States and this State, but the commissioner has determined pursuant to the factors in subsections (b) and (f) that the other regulatory official is the appropriate group-wide supervisor.

An insurance holding company system that does not otherwise qualify as an internationally active insurance group may request that the commissioner make a determination or an acknowledgment as to a group-wide supervisor pursuant to this section.

(b) In cooperation with other state, federal, and international regulatory agencies, the commissioner shall identify a single group-wide supervisor for an internationally active insurance group. The commissioner may determine that the commissioner is the appropriate group-wide supervisor for an internationally active insurance group that conducts substantial insurance operations concentrated in this State. However, the commissioner may acknowledge that a regulatory official from another jurisdiction is the appropriate group-wide supervisor for the internationally active insurance group. The commissioner shall consider the following factors when making a determination or an acknowledgment under this subsection:

- (1) The place of domicile of the insurers within the internationally active insurance group that holds the largest share of the group's written premiums, assets, or liabilities;
- (2) The place of domicile of the top-tiered insurer or insurers in the insurance holding company system of the internationally active insurance group;
- (3) The location of the executive offices or largest operational offices of the internationally active insurance group;
- (4) Whether another regulatory official is acting or is seeking to act as the group-wide supervisor under a regulatory system that the commissioner determines to be:
 - (A) Substantially similar to the system of regulation provided under the laws of this State; or
 - (B) Otherwise sufficient in terms of providing for group-wide supervision, enterprise risk analysis, and cooperation with other regulatory officials; and
- (5) Whether another regulatory official acting or seeking to act as the group-wide supervisor provides the commissioner with reasonably reciprocal recognition and cooperation.

However, a commissioner identified under this section as the group-wide supervisor may determine that it is appropriate to acknowledge another supervisor to serve as the group-wide supervisor. The acknowledgment of the group-wide supervisor shall be made after consideration of the factors in paragraphs (1) through (5), and shall be made in cooperation with and subject to the acknowledgment of other regulatory officials involved with supervising members of the internationally active insurance group, and in consultation with the internationally active insurance group.

(c) Notwithstanding any other provision of law to the contrary, when another regulatory official is acting as the group-wide supervisor of an internationally active insurance group, the commissioner shall acknowledge that regulatory official as the group-wide supervisor; provided that in the event of a material change in the internationally active insurance group that results in:

- (1) The internationally active insurance group's insurers domiciled in this State holding the largest share of the group's premiums, assets, or liabilities; or
- (2) This State being the place of domicile of the top-tiered insurer or insurers in the insurance holding company system of the internationally active insurance group,

the commissioner shall make a determination or acknowledgment as to the appropriate group-wide supervisor for the internationally active insurance group pursuant to subsection (b).

(d) Pursuant to section 431:11-107, the commissioner is authorized to collect from any insurer registered pursuant to section 431:11-105 all information necessary to determine whether the commissioner may act as the group-wide supervisor of an internationally active insurance group or if the commissioner may acknowledge another regulatory official to act as the group-wide supervisor. Prior to issuing a determination that an internationally active insurance group is subject to group-wide supervision by the commissioner, the commissioner shall notify the insurer registered pursuant to section 431:11-105 and the ultimate controlling person within the internationally active insurance group. The internationally active insurance group shall have not less than thirty days to provide the commissioner with additional information pertinent to the pending determinity d

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nation. The commissioner shall publish on the insurance division's internet website the identity of internationally active insurance groups that the commissioner has determined are subject to group-wide supervision by the commissioner.

(e) If the commissioner is the group-wide supervisor for an internationally active insurance group, the commissioner may engage in any of the following group-wide supervision activities:

- (1) Assess the enterprise risks within the internationally active insurance group to ensure that:
 - (A) The material financial condition and liquidity risks to the members of the internationally active insurance group that are engaged in the business of insurance are identified by management; and
 - (B) Reasonable and effective mitigation measures are in place;
- (2) Request, from any member of an internationally active insurance group subject to the commissioner's supervision, information necessary and appropriate to assess enterprise risk, including but not limited to information about the members of the internationally active insurance group regarding:
 - (A) Governance, risk assessment, and management;
 - (B) Capital adequacy; and
 - (C) Material intercompany transactions;
- (3) Coordinate and, through the authority of the regulatory officials of the jurisdictions where members of the internationally active insurance group are domiciled, compel development and implementation of reasonable measures designed to ensure that the internationally active insurance group is able to timely recognize and mitigate enterprise risks to members of the internationally active insurance group that are engaged in the business of insurance;
- (4) Communicate with other state, federal, and international regulatory agencies for members within the internationally active insurance group and share relevant information subject to the confidentiality provisions of section 431:11-108, through supervisory colleges as set forth in section 431:11-107.5 or otherwise;
- (5) Enter into agreements with or obtain documentation from any insurer registered under section 431:11-105, any member of the internationally active insurance group, and any other state, federal, and international regulatory agencies for members of the internationally active insurance group, providing the basis for or otherwise clarifying the commissioner's role as group-wide supervisor, including provisions for resolving disputes with other regulatory officials. These agreements or documentation shall not serve as evidence in any proceeding that any insurer or person within an insurance holding company system not domiciled or incorporated in this State is doing business in this State or is otherwise subject to jurisdiction in this State; and
- (6) Other group-wide supervision activities, consistent with the authorities and purposes enumerated above, as considered necessary by the commissioner.

(f) If the commissioner acknowledges that another regulatory official from a jurisdiction that is not accredited by the National Association of Insurance Commissioners is the group-wide supervisor, the commissioner may reasonably cooperate, through supervisory colleges or otherwise, with group-wide supervision undertaken by the group-wide supervisor; provided that:

- (1) The commissioner's cooperation is in compliance with the laws of this State; and
- (2) The regulatory official acknowledged as the group-wide supervisor also recognizes and cooperates with the commissioner's activities as a group-wide supervisor for other internationally active insurance groups where applicable. Where such recognition and cooperation are not reasonably reciprocal, the commissioner may refuse recognition and cooperation.

(g) The commissioner may enter into agreements with or obtain documentation from any insurer registered under section 431:11-105, any affiliate of the insurer, and other state, federal, and international regulatory agencies for members of the internationally active insurance group, that provide the basis for or otherwise clarify a regulatory official's role as group-wide supervisor.

(h) The commissioner may adopt rules necessary for the administration of this section.

(i) A registered insurer subject to this section shall be liable for and shall pay the reasonable expenses of the commissioner's participation in the administration of this section, including the engagement of attorneys, actuaries, and any other professionals, and all reasonable travel expenses."

SECTION 3. Section 431:11-102, Hawaii Revised Statutes, is amended by adding two new definitions to be appropriately inserted and to read as follows:

"Group-wide supervisor" means the regulatory official authorized to engage in conducting and coordinating group-wide supervision activities who is determined or acknowledged by the commissioner under section 431:11- to have sufficient significant contacts with the internationally active insurance group.

"Internationally active insurance group" means an insurance holding company system that:

- (1) Includes an insurer registered under section 431:11-105; and
- (2) <u>Meets the following criteria:</u>
 - (A) Premiums written in at least three countries;
 - (B) The percentage of gross premiums written outside the United States is at least ten per cent of the insurance holding company system's total gross written premiums; and
 - (C) Based on a three-year rolling average, the total assets of the insurance holding company system are at least \$50,000,000,000 or the total gross written premiums of the insurance holding company system are at least \$10,000,000,000."

SECTION 4. Section 431:11-108, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Documents, materials, or other information in the possession or control of the insurance division that are obtained by or disclosed to the commissioner or any other person in the course of an examination or investigation made pursuant to section 431:11-107 and all information reported <u>or provided to the insurance division</u> pursuant to sections 431:11-104(b)(12) and (13), 431:11-105, [and] 431:11-106, and 431:11-____, shall be confidential by law and privileged, shall not be disclosable under chapter 92F, shall not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil action. The commissioner may use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as part of the commissioner's official duties. The commissioner shall not otherwise make the documents, materials, or other information public without prior written consent of the insurer to which it pertains unless the commissioner, after giving the in-

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surer and its affiliates who would be affected thereby notice and opportunity to be heard, determines that the interest of the policyholders, shareholders, or the public will be served by the publication thereof, in which event the commissioner may publish all or any part in such manner as may be deemed appropriate."

SECTION 5. The commissioner shall adopt rules effectuating the purposes of this Act by January 1, 2020.

SECTION 6. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating and referring to the new sections in this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on January 1, 2020. (Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 72

S.B. NO. 1212

A Bill for an Act Relating to Regulatory Authority of the Insurance Commissioner.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new article to be appropriately designated and to read as follows:

"ARTICLE THIRD PARTY ADMINISTRATORS

§431: -101 Definitions. For purposes of this article:

"Administrator" or "third party administrator" means a person who collects charges or premiums from, or who adjusts or settles claims on, residents of this State in connection with self-insurance, stop-loss, or life insurance coverage, accident and health or sickness insurance coverage, or article 1 of chapter 432, except the following:

- (1) An employer on behalf of its employees or the employees of a subsidiary or an affiliated corporation of the employer;
- (2) A union on behalf of its members;
- (3) An insurer authorized to transact insurance in this State with respect to a policy lawfully issued and delivered in and pursuant to the laws of this State or another state;
- (4) A producer licensed to sell life insurance coverage or accident and health or sickness insurance coverage in this State, whose activities are limited exclusively to the sale of insurance;
- (5) A managing general agent licensed in this State whose activities are limited exclusively to the scope of activities conveyed under that license;

- (6) An individual adjuster licensed in this State whose activities are limited exclusively to the scope of activities conveyed under that license;
- (7) An individual who adjusts or settles claims in the normal course of practice or employment as an attorney at law and who does not collect charges or premiums in connection with life insurance coverage or accident and health or sickness insurance coverage;
- (8) A creditor on behalf of its debtors with respect to insurance covering a debt between the creditor and its debtors;
- (9) A trust established in conformity with title 29 United States Code section 186 and trustees, agents, and employees acting under that trust;
- (10) A trust exempt from taxation under title 26 United States Code section 501(a) and trustees and employees acting under that trust, or a custodian and the custodian's agents and employees acting under a custodian account that meets the requirements of title 26 United States Code section 401(f);
- (11) A financial institution subject to supervision or examination by federal or state banking authorities, or a mortgage lender that collects and remits premiums to licensed producers or authorized insurers in connection with loan payments;
- (12) A credit card issuing company advancing for and collecting premiums or charges from its credit card holders who have authorized collection; provided that the company does not adjust or settle claims; and
- (13) A person who acts solely as an administrator of one or more employee benefit plans established by an employer or an employee organization.

"Insurance producer" or "producer" has the same meaning as in section 431:9A-102.

"Insurer" has the same meaning as in section 431:1-202.

"Person" has the same meaning as in section 431:1-212.

"Stop-loss insurance" means an insurance protecting an employer or other person responsible for an otherwise self-insured health or life benefit plan against obligations under the plan, but does not include reinsurance written for an insurance company.

§431: -102 License required; application. (a) No person shall act as or hold out to be an administrator in this State without a license as an administrator issued by the commissioner.

(b) An administrator shall apply to the commissioner on a form prescribed by the commissioner and shall include the following:

- (1) A nonrefundable fee as set forth in section 431.7-101;
- (2) All basic organizational documents of the administrator, including any articles of incorporation, articles of association, partnership agreement, trade name certificate, trust agreement, shareholder agreement, and other applicable documents and all amendments to the documents;
- (3) The bylaws, rules, regulations, or similar documents regulating the internal affairs of the administrator;
- (4) The names, addresses, official positions, and professional qualifications of the individuals responsible for the conduct of affairs of the administrator, including but not limited to all members of the board of directors, board of trustees, executive committee, or other

governing board or committee, the principal officers in the case of a corporation, or the partners in the case of a partnership;

- (5) Annual financial statements for the two most recent years that prove the applicant has a positive net worth and information the commissioner may require to review the current financial condition of the applicant; and
- (6) Any other pertinent information the commissioner may require.

(c) An administrator licensee or applicant for licensure shall notify the commissioner within thirty days of any material change in its ownership, control, contact person for the administrator, or any other fact or circumstance affecting the licensee's or applicant's qualification for licensure.

(d) If an administrator employs or has contracted individuals to sell, solicit, or negotiate insurance business, the employees or contracted individuals shall first be licensed as producers. An administrator who intends to directly solicit insurance contracts or otherwise act as a producer shall first be licensed as an insurance producer.

(e) The commissioner may refuse to issue a license if the commissioner determines, after notice and hearing pursuant to section 431:2-308 and chapter 91, that the administrator is not competent, trustworthy, financially responsible, or of good personal and business reputation, or has had an application for an insurance license denied or revoked for cause within the past five years.

(f) The license shall be renewable or extendable biennially. The renewal or extension date for a license issued to a natural person shall be the sixteenth day of the licensee's birth month. The renewal or extension date for a license issued to an artificial person shall be the sixteenth day of April for a nonresident licensee, and the sixteenth day of July for a resident licensee. The license shall remain in effect so long as the fees set forth in section 431:7-101 are paid.

(g) The commissioner may contract with nongovernmental entities, including the National Association of Insurance Commissioners or any affiliations or subsidiaries that the National Association of Insurance Commissioners oversees, to perform any ministerial functions relating to the licensure of administrators.

§431: -103 Surety bond required. Prior to the issuance of the administrator license, the administrator shall file with the commissioner, and maintain in force while so licensed, a surety bond of at least \$100,000, in the form and penal sum acceptable to the commissioner, and shall provide that the bond may not be canceled or otherwise terminated until two years have elapsed from the last day the applicant was an administrator, unless the commissioner has given prior written consent. The surety bond shall be undertaken and may be enforced in the name of "Commissioner of Insurance, State of Hawaii".

§431: -104 Written agreement required. (a) An administrator shall have a written agreement between the administrator and insurer that contains all requirements of this article, except those that do not apply to administrator functions.

(b) The written agreement shall include a provision with respect to underwriting or other standards pertaining to the business underwritten by the insurer.

(c) The written agreement shall be retained as part of the official records of the administrator and the insurer for the duration of their agreement and five years thereafter.

(d) When an insurance policy is issued to a trustee, the administrator shall furnish the insurer a copy of the trust agreement and any amendments to

it. The trust agreement shall be retained as part of the official records of the administrator and the insurer for the duration of the insurance policy and five years thereafter.

§431: -105 Effect of payments to administrator. (a) Payment to the administrator of any insurance premiums or charges by or on behalf of the insured shall be deemed received by the insurer.

(b) Payment of return premiums or claims by the insurer to the administrator shall not be deemed payment to the insured until the insured receives the payment.

(c) This section does not limit any right of the insurer against the administrator resulting from failure of the administrator to make payments to the insurer or insured.

§431: -106 Recordkeeping required; commissioner's access to records. (a) An administrator shall maintain and make available to the insurer complete books and records of all transactions between the administrator, insurers, and insureds. The books and records shall be maintained in accordance with prudent standards of insurance recordkeeping and for the duration of the written agreement and five years thereafter.

(b) The commissioner shall have access to the books and records for examination, audit, and inspection. Any documents, materials, or other information in the possession or control of the commissioner that are furnished by an administrator, payor, or insurance producer or an employee or agent thereof acting on behalf of the administrator, payor, or insurance producer, or obtained by the commissioner in an investigation shall be confidential by law and privileged and shall not be subject to chapters 92 and 92F, subpoena, and discovery or admissible in evidence in any private civil action.

The commissioner is authorized to use such documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the commissioner's official duties.

(c) An administrator shall retain the right to continuing access to the books and records to fulfill its contractual obligations to the insurer and insureds, subject to any restrictions in the written agreement.

§431: -107 Advertising by administrator. An administrator shall use only the advertising pertaining to the business an insurer has underwritten and approved in advance of its use.

§431: -108 Fiduciary duties of administrator; payment of claims by administrator. (a) The administrator shall hold in a fiduciary capacity all charges, claim payments, or premiums that the administrator collects for or on behalf of an insurer and all return premiums that the administrator receives from the insurer. These funds shall be immediately remitted to the person entitled to them or shall be deposited promptly in a fiduciary account established and maintained by the administrator in a federally insured financial institution.

(b) If charges, claim payments, or premiums deposited in a fiduciary account have been collected for or on behalf of more than one insurer, the administrator shall keep records clearly recording the deposits in and withdrawals from the account for or on behalf of each insurer. The administrator shall keep copies of the records and, upon request of an insurer, shall furnish the insurer with copies of records pertaining to the deposits and withdrawals.

(c) An administrator shall not pay claims by withdrawals from the fiduciary account in which premiums or charges are deposited.

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(d) The written agreement shall provide that withdrawals from a fiduciary account shall be made only for:

- (1) Remittance to an insurer entitled to remittance;
- (2) Deposit in an account maintained in the name of the insurer;
- (3) Transfer to and deposit in a claims-paying account, with claims to be paid as provided in subsection (e);
- (4) Payment to a group policyholder for remittance to the insurer entitled to remittance;
- (5) Payment to the administrator of its commission, fees, or charges; and
- (6) Remittance of return premiums to the person entitled to return premiums.

(e) All claims the administrator pays from funds collected for or on behalf of an insurer shall be paid only as authorized by the insurer.

§431: -109 Compensation of administrator. Compensation to an administrator for adjusting or settling claims shall not be increased contingent on claim experience. This section shall not prevent the compensation of an administrator from being based on premiums or charges collected or number of claims paid or processed.

§431: -110 Written notice to insureds required. (a) When the services of an administrator are used, the administrator shall provide written notice approved by the insurer to insureds, advising the insureds of the identity of and relationship between the administrator, insurer, and insured.

(b) When an administrator collects funds, the administrator shall identify the reason for collecting each item and show each item separately from the premium. Additional charges shall not be made for services to the extent the insurer has already paid for those services.

(c) The administrator shall disclose to the insurer all charges, fees, and commissions the administrator receives from services the administrator provides the insurer, including any fees or commissions paid by insurers providing reinsurance.

§431: -111 Delivery of written information to insured. Any policies, certificates, booklets, termination notices, or other written communications delivered by the insurer to the administrator for delivery to the insured, shall be delivered by the administrator promptly after receipt of instructions from the insurer to deliver them.

§431: -112 Annual report required. (a) An administrator shall file an annual report for the preceding calendar year with the commissioner on or before March 1 of each year, in a form and manner prescribed by the commissioner.

(b) The annual report shall include the names and addresses of all insurers with which the administrator had an agreement during the preceding calendar year.

§431: -113 License denial, nonrenewal, suspension, or revocation; fines. (a) After notice and hearing, the commissioner shall impose a fine pursuant to section 431:2-203 and issue a cease and desist order against any person who acts or holds out as an administrator without a license.

(b) After notice and hearing, the commissioner shall deny, refuse to renew, suspend, or revoke the license of an administrator if the commissioner finds that the administrator:

- (1) Is in an unsound financial condition;
- (2) Is using methods or practices in the conduct of business that renders the administrator's further transaction of business in this State hazardous or injurious to insureds or the public; or
- (3) Has failed to pay a judgment rendered against the administrator in this State within sixty days after the judgment has become final.

(c) The commissioner may deny, refuse to renew, suspend, or revoke the license of an administrator if the commissioner finds the administrator:

- (1) Has violated any lawful rule or order of the commissioner or this code;
- (2) Has refused examination or production of the administrator's accounts, records, and files for examination, or if any individual responsible for or who exercises control or influence over the affairs of the administrator has refused to give information about the administrator's affairs, or has refused to perform any other legal obligation as to an examination, when required by the commissioner;
- (3) Has, without just cause:
 - (A) Refused to pay proper claims or perform services arising under the administrator's contracts;
 - (B) Caused insureds to accept less than the amount due to the insureds; or
 - (C) Caused insureds to employ attorneys or bring suit against the administrator to secure full payment or settlement of claims;
- (4) Has failed at any time to meet any qualification for which issuance of the license could have been refused, had the failure then existed and been known to the commissioner;
- (5) Has been convicted of, or has entered a plea of guilty or nolo contendere to, a felony without regard to whether adjudication was withheld;
- (6) Is under suspension or has a license revoked in another state; or
- (7) Has failed to timely file the annual report pursuant to section 431: -112.

(d) The commissioner may immediately suspend the license of an administrator, without advance notice or hearing, if the commissioner finds the following:

- (1) The administrator is insolvent or impaired;
- (2) A proceeding for receivership, conservatorship, rehabilitation, or other delinquency proceeding regarding the administrator has been commenced in any state; or
- (3) The financial condition or business practices of the administrator otherwise are an imminent threat to the public health, safety, or welfare of the residents of this State.

(e) If the commissioner finds one or more grounds exist for the denial, nonrenewal, suspension, or revocation of the license, the commissioner may additionally impose a fine upon the administrator pursuant to section 431:2-203.

§431: -114 Rules. The commissioner may adopt rules to implement and enforce this article."

SECTION 2. Section 431:7-101, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

- "(a) The commissioner shall collect, in advance, the following fees:
 - (1) Certificate of authority:
 - (A) Application for certificate of authority \$900

	(D) Icourses of contribute of outbonity \$600
	(B) Issuance of certificate of authority
(2)	
(2)	Organization of domestic insurers and affiliated corporations: (A) Application for solicitation permit\$1,500
	(A) Application for solicitation permit
(2)	(B) Issuance of solicitation permit\$150
(3)	Producer's license: (A) Issuance of regular license
(A)	(B) Issuance of temporary license\$50
(4) (5)	Nonresident producer's license: Issuance
(6)	Independent adjuster's license: Issuance
	Claims adjuster's limited license: Issuance
(7) (8)	Administrator's license: Issuance
$\left[\frac{(6)}{(8)}\right]$	(9) Independent bill reviewer's license: Issuance
[(0)]	(10) Limited producer's license: Issuance
[(7)]	(11) Managing general agent's license: Issuance
[(10)]	(12) Reinsurance intermediary's license: Issuance
[(11)]	(12) Keinsurance intermediary's neense. Issuance
[(12)]	(14) Service contract provider's registration: Issuance
[(13)]	(15) Approved course provider certificate: Issuance
[(1-7)]	(16) Approved continuing education course certificate:
[[15]]	Issuance\$30
[(16)]	(<u>17</u>) Vehicle protection product warrantor's registration:
[[10]]	Issuance
[(17)]	(18) Criminal history record check; fingerprinting: For each crimi-
	nal history record check and fingerprinting check, a fee to be estab-
	lished by the commissioner.
[(18)]	(19) Limited line motor vehicle rental company producer's license:
[[10]]	Issuance\$1,000
[(19)]	(20) Legal service plan certificate of authority:
	Issuance before July 1, 2014
	Issuance on or after July 1, 2014\$500
[(20)]	(21) Life settlement provider's license:
[(==)]	Issuance before July 1, 2014\$150
	Issuance on or after July 1, 2014\$75
[(21)]	(22) Life settlement broker's license:
[(=-)]	Issuance before July 1, 2014\$150
	Issuance on or after July 1, 2014\$75
[(22)]	(23) Examination for license: For each examination, a fee to be es-
[()]	tablished by the commissioner.
(b)	The fees for services of the department of commerce and consumer
	sequent to the issuance of a certificate of authority, license, or other
certificate are as follows:	
(1)	\$600 per year for all services (including extension of the certificate
	of authority) for an authorized insurer;
(2)	\$50 per year for all services (including extension of the license) for a
	regularly licensed producer;
(3)	\$75 per year for all services (including extension of the license) for a
	ragularly licensed nonresident producer.

- (3) \$75 per year for all services (including extension of the license) for a regularly licensed nonresident producer;
 (4) \$45 per year for all services (including extension of the license) for a regularly licensed independent adjuster;
 (5) \$45 per year for all services (including extension of the license) for a regularly licensed public adjuster;

- (6) \$45 per year for all services (including extension of the license) for a claims adjuster's limited license;
- (7) \$150 per year for all services (including extension of the license) for an administrator's license;
- [(7)] (8) \$60 per year for all services (including extension of the license) for a regularly licensed independent bill reviewer;
- [(8)] (9) \$45 per year for all services (including extension of the license) for a producer's limited license;
- $\frac{(10)}{\text{for a regularly licensed managing general agent;}} \frac{(10)}{10}$
- [(10)] (11) \$75 per year for all services (including extension of the license) for a regularly licensed reinsurance intermediary;
- $\frac{(11)}{(12)}$ \$45 per year for all services (including extension of the license) for a licensed surplus lines broker;
- $\frac{(12)}{\text{for a service contract provider;}} \frac{(13)}{\text{for a service contract provider;}}$
- [(13)] (14) \$65 per year for all services (including extension of the certificate) for an approved course provider;
- [(14)] (15) \$20 per year for all services (including extension of the certificate) for an approved continuing education course;
- [(15)] (16) \$75 per year for all services (including renewal of registration) for a vehicle protection product warrantor;
- [(16)] (17) A fee to be established by the commissioner for each criminal history record check and fingerprinting;
- [(17)] (18) \$600 per year for all services (including extension of the license) for a regularly licensed limited line motor vehicle rental company producer;
- [(18)] (19) \$1,000 per year for all services provided before July 1, 2014, (including extension of the certificate) for an authorized legal service plan;
- [(19)] (20) \$500 per year for all services provided on or after July 1, 2014, (including extension of the certificate) for an authorized legal service plan;
- [(20)] (21) \$1,200 per year for all services (including extension of the license) for a regularly licensed life settlement provider; and
- [(21)] (22) \$150 per year for all services (including extension of the license) for a regularly licensed life settlement broker.

The services referred to in paragraphs (1) to [(21)] (22) shall not include services in connection with examinations, investigations, hearings, appeals, and deposits with a depository other than the department of commerce and consumer affairs."

SECTION 3. Section 432:1-102, Hawaii Revised Statutes, is amended to read as follows:

"§432:1-102 Applicability of other laws. (a) Part III of article 10A, and article 10H of chapter 431 shall apply to nonprofit medical indemnity or hospital service associations. Such associations shall be exempt from the provisions of part I of article 10A; provided that such exemption is in compliance with applicable federal statutes and regulations.

(b) Article 2, article 2D, parts II and IV of article 3, article 6, part III of article 7, article 9A, article 13, article 14G, and article 15 of chapter 431, sections 431:3-301, 431:3-302, 431:3-303, 431:3-304, 431:3-305, 431:10-102, 431:10-225, 431:10-226.5, and 431:10A-116(1) and (2), and the powers granted by those provisions to the commissioner, shall apply to managed care plans, health mainte-

nance organizations, or medical indemnity or hospital service associations that are owned or controlled by mutual benefit societies so long as the application in any particular case is in compliance with and is not preempted by applicable federal statutes and regulations.

(c) Article of chapter 431 shall apply to mutual benefit societies.

[(e)] (d) The commissioner may adopt rules pursuant to chapter 91 for the implementation and administration of this chapter."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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SECTION 5. This Act shall take effect on January 1, 2020. (Approved June 7, 2019.)

S.B. NO. 1213

A Bill for an Act Relating to Procurement Filing Fee.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that procurement bid challenges often result in project delays, funding lapses, and project cost increases. These concerns have been partly addressed by the requirement that the department of commerce and consumer affairs' office of administrative hearings process and hear these cases within twenty-one days and issue decisions within forty-five days of the filing of the bid challenges. However, these proceedings can involve complex issues, multiple litigants, and days or weeks of hearing. To meet these strict deadlines and issue written decisions that can withstand appellate review, the department must assign these cases the highest priority in terms of time and resources. Hearings for other non-procurement cases must be delayed, and the hearings officers must commit substantial time to completing the bid challenge proceedings by the statutory deadlines.

The legislature further finds that even though the department has been tasked with this critical responsibility, it has received no appropriation of funds to defray the costs of these proceedings. As a result, these costs have been indirectly paid for by the license registration fees assessed by the department.

The purpose of this Act is to provide a funding mechanism to partially cover the costs to conduct bid challenge hearings by authorizing the department to assess a non-refundable filing fee upon the party initiating the bid challenge for contracts with an estimated value of \$500,000 or more.

SECTION 2. Section 103D-709, Hawaii Revised Statutes, is amended to read as follows:

"§103D-709 Administrative proceedings for review. (a) The several hearings officers appointed by the director of the department of commerce and consumer affairs pursuant to section 26-9(f) shall have jurisdiction to review and determine de novo, any request from any bidder, offeror, contractor, or person aggrieved under section 103D-106, or governmental body aggrieved by a determination of the chief procurement officer, head of a purchasing agency, or a designee of either officer under section 103D-310, 103D-701, or 103D-702.

(b) Hearings to review and determine any request made pursuant to subsection (a) shall commence within twenty-one calendar days of receipt of the request. The hearings officers shall have power to issue subpoenas, administer

oaths, hear testimony, find facts, make conclusions of law, and issue a written decision, not later than forty-five days from the receipt of the request under subsection (a), that shall be final and conclusive unless a person or governmental body adversely affected by the decision commences an appeal in the circuit court of the circuit where the case or controversy arises under section 103D-710.

(c) Only parties to the protest made and decided pursuant to sections 103D-701, 103D-709(a), 103D-310(b), and 103D-702(g) may initiate a proceeding under this section. The party initiating the proceeding shall have the burden of proof, including the burden of producing evidence as well as the burden of persuasion. The degree or quantum of proof shall be a preponderance of the evidence. All parties to the proceeding shall be afforded an opportunity to present oral or documentary evidence, conduct cross-examination as may be required, and present argument on all issues involved. Fact finding under section 91-10 shall apply.

(d) Any bidder, offeror, contractor, or person that is a party to a protest of a solicitation or award of a contract under section 103D-302 or 103D-303 that is decided pursuant to section 103D-701 may initiate a proceeding under this section; provided that:

- (1) For contracts with an estimated value of less than \$1,000,000, the protest concerns a matter that is greater than \$10,000; or
- (2) For contracts with an estimated value of \$1,000,000 or more, the protest concerns a matter that is equal to no less than ten per cent of the estimated value of the contract.

(e) The party initiating a proceeding falling within subsection (d) shall pay to the department of commerce and consumer affairs a cash or protest bond in the amount of:

- (1) \$1,000 for a contract with an estimated value of less than \$500,000;
- (2) \$2,000 for a contract with an estimated value of \$500,000 or more, but less than \$1,000,000; or
- (3) One-half per cent of the estimated value of the contract if the estimated value of the contract is \$1,000,000 or more; provided that in no event shall the required amount of the cash or protest bond be more than \$10,000.

If the initiating party prevails in the administrative proceeding, the cash or protest bond shall be returned to that party. If the initiating party does not prevail in the administrative proceeding, the cash or protest bond shall be deposited into the general fund.

(f) In addition to the bond required in subsection (e), the initiating party shall pay to the department of commerce and consumer affairs a non-refundable filing fee of:

(1) <u>\$200 for a contract with an estimated value of \$500,000 or more, but less than \$1,000,000; or</u>

(2) \$1,000 for a contract with an estimated value of \$1,000,000 or more. Failure to pay the filing fee shall result in the rejection or dismissal of the request for review. The fee shall be deposited into the compliance resolution fund established pursuant to section 26-9(o) and used to help defray the costs of conducting the administrative proceeding for review.

[(f)] (g) The hearings officers shall ensure that a record of each proceeding which includes the following is compiled:

- (1) All pleadings, motions, <u>and</u> intermediate rulings;
- (2) Evidence received or considered, including oral testimony, exhibits, and a statement of matters officially noticed;
- (3) Offers of proof and rulings thereon;
- (4) Proposed findings of fact;

(5) A recording of the proceeding which may be transcribed if judicial review of the written decision is sought under section 103D-710.

[(g)] (h) No action shall be taken on a solicitation or an award of a contract while a proceeding is pending, if the procurement was previously stayed under section 103D-701(f).

[(h)] (i) The hearings officer shall decide whether the determinations of the chief procurement officer or the chief procurement officer's designee were in accordance with the Constitution, statutes, rules, and the terms and conditions of the solicitation or contract and shall order such relief as may be appropriate in accordance with this chapter.

[(i)] (j) The policy board shall adopt other rules as may be necessary to ensure that the proceedings conducted pursuant to this section afford all parties an opportunity to be heard.

(ii) (k) As used in this section, "estimated value of the contract" or "estimated value", with respect to a contract, means the lowest responsible and responsive bid under section 103D-302, or the bid amount of the responsible offeror whose proposal is determined in writing to be the most advantageous under section 103D-303, as applicable."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 74 H.B. NO. 988

A Bill for an Act Relating to Transitional Authority in the Mortgage Industry.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 454F, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . TRANSITIONAL AUTHORITY

§454F- Purpose. The purpose of this part is to implement section 106 of the Economic Growth, Regulatory Relief, and Consumer Protection Act, P.L. 115-174.

§454F- Employment transition of loan originators. In anticipation of satisfying all licensure requirements set out in part I, an individual shall be deemed to have temporary authority to act as a mortgage loan originator in this State as provided by and subject to the requirements of this part.

§454F- Definitions. In this part, unless the context or subject matter otherwise requires:

"Depository institution" has the same meaning as in title 12 United States Code section 5102.

"Federal banking agency" has the same meaning as in title 12 United States Code section 5102.

"Federal SAFE Act" means the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, title 12 United States Code section 5101 et seq. "Loan originator" has the same meaning as in title 12 United States Code section 5102.

"Registered loan originator" means any individual who:

- (1) Meets the definition of loan originator and is an employee of:
 - (A) A depository institution;
 - (B) A subsidiary that is:
 - (i) Owned and controlled by a depository institution; and
 - (ii) Regulated by a federal banking agency; or
 - (C) An institution regulated by the Farm Credit Administration; and
- (2) Is registered with, and maintains a unique identifier through, NMLS.

"State" means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

"State-licensed loan originator" means any individual who:

- (1) Is a loan originator;
- (2) Is not an employee of:
 - (A) A depository institution;
 - (B) A subsidiary that is:
 - (i) Owned and controlled by a depository institution; and
 - (ii) Regulated by a federal banking agency; or
 - (C) An institution regulated by the Farm Credit Administration; and
- (3) Is licensed by a state or by the Director of the Bureau of Consumer Financial Protection and registered as a loan originator with, and maintains a unique identifier through, NMLS.

"State-licensed mortgage company" means an entity that is licensed or registered under this chapter to engage in residential mortgage loan origination and processing activities.

"This State" means the State of Hawaii.

§454F- Employment transition of loan originators. (a) Temporary authority to originate loans for loan originators moving from a depository institution to a non-depository institution shall be available as follows:

- Upon becoming employed by a state-licensed mortgage company, an individual who is a registered loan originator shall be deemed to have temporary authority to act as a mortgage loan originator in this State for the period described in paragraph (2) if the individual:
 (A) Has not had:
 - (i) An application for a loan originator license denied; or
 - (ii) A loan originator license revoked or suspended in any governmental jurisdiction;
 - (B) Has not been subject to, or served with, a cease and desist order:
 - (i) In any governmental jurisdiction; or
 - (ii) Under section 5113(c) of the federal SAFE Act;
 - (C) Has not been convicted of a misdemeanor or felony that would preclude licensure under the laws of this State;
 - (D) Has submitted an application to be a state-licensed loan originator in this State; and

- (E) Was registered in NMLS as a loan originator during the oneyear period preceding the date on which the information required under section 454F-4(d) is submitted; and
- (2) For purposes of paragraph (1), the temporary authority period shall begin on the date on which an individual described in paragraph (1) submits the information required under section 454F-4(d) and pays the fees required under section 454F-22, and shall end on the earliest of the date:
 - (A) On which the individual withdraws the application to be a state-licensed loan originator in this State;
 - (B) On which this State denies, or issues a notice of intent to deny, the application;
 - (C) On which this State grants a mortgage loan originator license; or
 - (D) That is one hundred twenty days after the date on which the individual submits the application, if the application is listed on NMLS as incomplete.

(b) Temporary authority to originate loans shall be available for statelicensed loan originators moving interstate as follows:

- (1) A state-licensed loan originator shall be deemed to have temporary authority to act as a mortgage loan originator in this State for the period described in paragraph (2) if the state-licensed loan originator:
 - (A) Meets the requirements of subsection (a)(1)(A) through (a)(1)(D);
 - (B) Is employed by a state-licensed mortgage company in this State; and
 - (C) Was licensed in a state other than this State during the thirtyday period preceding the date on which the information required under section 454F-4(d) was submitted in connection with the application submitted to this State; and
- (2) For purposes of paragraph (1), the temporary authority period shall begin on the date on which the state-licensed loan originator submits the information required under section 454F-4(d) in connection with the application submitted to the commissioner and pays the fees required under section 454F-22, and end on the earliest of the date:
 - (A) On which the state-licensed loan originator withdraws the application to be a state-licensed loan originator in this State;
 - (B) On which this State denies, or issues a notice of intent to deny, the application;
 - (C) On which this State grants a mortgage loan originator license; or
 - (D) That is one hundred twenty days after the date on which the state-licensed loan originator submits the application, if the application is listed on NMLS as incomplete.
- (c) With respect to temporary authority authorized by this section:
- (1) Any person employing an individual who is deemed to have temporary authority to act as a loan originator in this State under this part shall be subject to the requirements of this chapter and to applicable law of this State to the same extent as if that individual was a statelicensed loan originator licensed by this State; and
- (2) Any individual who is deemed to have temporary authority to act as a loan originator in this State under this part and who engages

in residential mortgage loan origination activities shall be subject to the requirements of this chapter and to applicable law of this State to the same extent as if that individual was a state-licensed loan originator licensed by this State.

(d) An application submitted pursuant to this part shall not be subject to section 454F-4.9(a) through (c), pertaining to abandoned applications."

SECTION 2. This Act shall take effect on November 24, 2019. (Approved June 7, 2019.)

ACT 75

H.B. NO. 989

A Bill for an Act Relating to Mortgage Servicers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 454M, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§454M- Enforcement authorities. (a) If the commissioner has reason to believe that a person has violated or is violating section 454M-2, the commissioner may issue orders or directives under this chapter as follows:

- (1) Order or direct persons subject to this chapter to cease and desist from conducting business, including immediate temporary orders to cease and desist;
- (2) Order or direct persons subject to this chapter to cease any harmful activities or violations of this chapter, including immediate temporary orders to cease and desist;
- (3) Enter immediate temporary orders to cease doing business under a license issued pursuant to the authority granted under this chapter if the commissioner determines that the license was erroneously granted or the licensee or any person subject to this chapter is currently in violation of this chapter; or
- (4) Order or direct any other affirmative action as the commissioner deems necessary.

(b) An order to cease and desist becomes effective upon service of the order upon the person.

(c) An order to cease and desist remains effective and enforceable pending the completion of an administrative proceeding pursuant to chapter 91.

(d) The commissioner shall commence an administrative proceeding within twenty days after issuing an order to cease and desist."

SECTION 2. Section 454M-4, Hawaii Revised Statutes, is amended to read as follows:

"§454M-4 License; fees; renewals; notices; voluntary surrender of license; bonds. (a) The commissioner may approve a license or license renewal application upon receipt of a complete application; provided that an applicant for licensure shall file an application on a form prescribed by NMLS or by the commissioner and shall pay an application fee of \$675. Each license shall expire on December 31 of each calendar year unless the license is renewed. A licensee may apply for license renewal by filing a renewal statement on a form prescribed by NMLS or by the commissioner and paying a renewal fee of \$600, at least four weeks prior to December 31. The minimum standards for license renewal shall include the following:

- (1) The licensee continues to meet the minimum standards for licensure established pursuant to this section;
- (2) The licensee has paid all required fees for renewal of the license; and
- (3) The licensee is registered with the business registration division of the department of commerce and consumer affairs.

All fees paid pursuant to this section, including fees paid in connection with an application, shall be nonrefundable. No fee paid pursuant to this section shall be prorated if the license is surrendered, revoked, or suspended prior to the expiration of the period for which it was approved.

(b) To fulfill the purposes of this chapter, the commissioner may establish relationships or contracts with NMLS or other entities designated by NMLS to collect and maintain records and process transaction fees or other fees related to licensees or other persons subject to this chapter.

(c) To the extent reasonably necessary to participate in NMLS, the commissioner may modify any or all of the requirements of subsections (e) and (i).

(d) The commissioner may use NMLS as an agent for requesting information from and distributing information to the United States Department of Justice, any governmental agency, or any other source, as directed by the commissioner.

(e) The applicant shall submit any other information that the commissioner may require, including the applicant's:

- (1) Form and place of organization;
- (2) Tax identification number; and
- (3) Proposed method of doing business.

The applicant shall disclose whether the applicant or any of its executive officers, directors, general partners, or managing members have ever been issued or been the subject of an injunction or administrative order pertaining to any aspect of the lending business, have ever been convicted of a misdemeanor involving the lending industry or any aspect of the lending business, or have ever been convicted of any felony.

(f) A mortgage servicer license shall not be transferable or assignable. No licensee shall use any name other than the licensee's legal name or a fictitious name approved by the commissioner; provided that no licensee shall use the licensee's legal name if the commissioner disapproves of the use of the licensee's legal name.

(g) A mortgage servicer licensee may change the licensee's name or the address of any of the licensee's offices specified on the most recent filing with NMLS if:

- (1) The licensee files the change with NMLS and provides directly to the commissioner a bond rider or endorsement, or addendum, as applicable, to any bond on file with the commissioner that reflects the new name or address;
- (2) The commissioner approves the change in writing; and
- (3) The mortgage servicer pays to the commissioner a fee of \$100 and any fees charged by NMLS.

(h) The mortgage servicer licensee shall file with NMLS or, if the information cannot be filed with NMLS, directly notify the commissioner in writing no later than five business days after the licensee has reason to know of the occurrence of any of the following events:

- (1) Filing for bankruptcy or the consummation of a corporate restructuring of the licensee;
- (2) Filing of a criminal indictment against the licensee or receiving notification of the filing of any criminal felony indictment or felony

conviction of any of the licensee's executive officers, directors, employees, managers, agents, managing members, general partners, or shareholders owning ten per cent or more of the outstanding stock of the licensee;

- (3) Receiving notification of the initiation of license denial, cease and desist, suspension or revocation procedures, or other formal or informal regulatory action by any governmental agency against the licensee and the reasons for the action;
- (4) Receiving notification of the initiation of any action against the licensee by the state attorney general or the attorney general of any other state and the reasons for the action;
- (5) Suspension or termination of the licensee's status as an approved servicer by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or Government National Mortgage Association;
- (6) Receiving notification that certain servicing rights of the licensee will be rescinded or canceled, and the reasons provided therefor;
- (7) Receiving notification of filing for bankruptcy of any of the licensee's executive officers, directors, managing members, general partners, or shareholders owning ten per cent or more of the outstanding stock of the licensee; or
- (8) Receiving notification of the initiation of a class action lawsuit on behalf of consumers against the licensee that is related to the operation of the licensed business.

(i) A mortgage servicer licensed under this chapter may voluntarily cease business and surrender its license by giving written notice to the commissioner of its intent to surrender its mortgage servicer license. Notice pursuant to this subsection shall be given at least thirty days before the surrender of the license and shall include:

- (1) The date of surrender;
- (2) The name, address, telephone number, facsimile number, and electronic address of a contact individual with knowledge and authority sufficient to communicate with the commissioner regarding all matters relating to the licensee during the period that it was licensed pursuant to this chapter;
- (3) The reason or reasons for surrender;
- (4) The original license issued pursuant to this chapter to the mortgage servicer; and
- (5) If applicable, a copy of all notices to affected borrowers required by the Real Estate Settlement Procedures Act of the assignment, sale, or transfer of the servicing of all relevant loans that the licensee is currently servicing under the license being surrendered.

Voluntary surrender of a license shall be effective upon the date of surrender specified on the written notice to the commissioner as required by this subsection; provided that if a mortgage servicer is required to assign, sell, or transfer the servicing of any loans, the voluntary surrender of the mortgage servicer's license shall be effective upon the effective date of the assignment, sale, or transfer of the servicing of all loans.

(j) Before a mortgage servicer's license becomes effective, the applicant or licensee shall file with the commissioner a surety bond written by a surety authorized to write surety bonds in this State, covering the applicant or licensee in a penal sum of \$100,000. No mortgage servicer licensee shall act as a mortgage servicer in this State without maintaining the surety bond required by this section. The surety bond shall be:

- (1) In a form approved by the attorney general of this State; and
- (2) Conditioned upon the mortgage servicer licensee faithfully performing any and all written agreements or commitments with or for the benefit of borrowers and mortgagees, truly and faithfully accounting for all funds received from a borrower or mortgagee in the person's capacity as a mortgage servicer, and conducting the mortgage business consistent with the provisions of this chapter to perform any written agreements or commitments.

The commissioner, or any person claiming to have sustained dam- (\mathbf{k}) age by reason of the failure of the mortgage servicer to comply with the mortgage servicer's bond, or by the wrongful conversion of funds paid by a borrower to the mortgage servicer, may bring an action on the bond to recover the damage therefrom. The commissioner may deposit with a court of competent jurisdiction all or any part of the sum of the bond. The proceeds of the bond, even if mixed with other assets of the principal, shall be deemed by operation of law to be held in trust for the benefit of claimants against the principal in the event of bankruptcy of the principal and shall be immune from attachment by creditors and judgment creditors. The surety bond shall run concurrently with the period of the license for the principal office of the mortgage servicer and the aggregate liability under the bond shall not exceed the penal sum of the bond. The principal shall notify the commissioner of the commencement of an action on the bond. When an action is commenced on a principal's bond, the commissioner may require the filing of a new bond and immediately on recovery on any action on the bond, the principal shall file a new bond.

(1) A surety may cancel the surety bond required by this section at any time by a written notice to the principal stating the date cancellation shall take effect. The notice shall be sent by certified mail to the principal at least thirty days prior to the date of cancellation. A surety bond shall not be canceled unless the surety notifies the commissioner, in writing, not less than thirty days prior to the effective date of cancellation. After receipt of the notification from the surety, the commissioner shall give written notice to the principal of the date the cancellation shall take effect. The commissioner shall automatically suspend the license of a mortgage servicer on that date. No automatic suspension or inactivation shall occur if, prior to the date that the bond cancellation shall take effect:

- (1) The principal submits a letter of reinstatement of the bond or a new bond; or
- (2) The mortgage servicer licensee has ceased business in this State and has surrendered all licenses in accordance with this chapter.

Automatic suspension of a mortgage servicer license by the commissioner, and subsequent orders and proceedings, if any, shall be conducted pursuant to section 454M-7.

(m) If the commissioner finds that the financial condition of a mortgage servicer so requires, as evidenced by the reduction of tangible net worth, financial losses, or potential losses as a result of a violation of law or rule, the commissioner may require one or more additional bonds that meet the requirements of this section. The licensee shall file any additional bonds no later than ten days after receipt of the commissioner's written notice of the requirement for one or more additional bonds. A mortgage servicer or mortgage lender licensee shall file, as the commissioner may require, any bond rider or endorsement or addendum, as applicable, to any bond on file with the commissioner to reflect any changes necessary to maintain the surety bond required by this section. (n) Notwithstanding any provision of law to the contrary, any document required to be filed or submitted under this chapter shall be filed or submitted through NMLS; provided that NMLS is able to accept the document.

[(n)] (o) For purposes of this section, "principal" means, in the context of a surety bond requirement, the primary party who will perform the contractual obligation."

SECTION 3. Section 454M-7, Hawaii Revised Statutes, is amended to read as follows:

"[[]§454M-7[]] License sanctions; [suspension, revocation, denial, condition, and refusal to renew, reinstate, or restore.] cease and desist and other orders. (a) In addition to any other actions authorized by law, the commissioner may suspend[$_{7}$]; revoke[$_{7}$]; deny[$_{7}$]; condition in any manner[$_{7}$]; or refuse to renew, reinstate, or restore, any license issued under this chapter, or fine any person holding a license issued under this chapter, for any violation of this chapter. All such orders shall be made pursuant to chapter 91[$_{7}$], except as provided by section 454M- or another provision of this chapter.

(b) If the commissioner finds that a violation of this chapter or a rule adopted or an order issued under this chapter by a licensee is likely to cause immediate and irreparable harm to the licensee, the licensee's customers, or the public as a result of the violation, or is likely to cause insolvency or significant dissipation of assets of the licensee, then the commissioner may issue an order requiring the licensee to cease and desist from the violation. The order becomes effective upon service of the order upon the licensee.

(c) The commissioner may enter into a consent order at any time with a person to resolve a matter arising under this chapter. A consent order shall be signed by the person to whom the order is issued or by the person's authorized representative and shall indicate agreement with the terms of the order. A consent order may provide that it does not constitute an admission by a person that this chapter or a rule adopted or an order issued under this chapter has been violated."

SECTION 4. Section 454M-8, Hawaii Revised Statutes, is amended to read as follows:

"§454M-8 Powers of commissioner. In addition to any other acts or conditions provided by law, the commissioner may:

- (1) Adopt, amend, or repeal rules, issue declaratory rulings or informal nonbinding interpretations, and investigate and act upon written consumer complaints;
- (2) Grant, deny, forfeit, renew, reinstate, or restore the license of any mortgage servicer;
- (3) Revoke, suspend, or otherwise limit the license of any mortgage servicer for any violation of the provisions in this chapter, or any rule or order of, or agreement with the commissioner;
- (4) Issue orders to cease and desist and enter into consent orders;
- [(4)] (5) Report any violation of this chapter or violation of federal or state law to the Consumer Financial Protection Bureau or other federal agency having jurisdiction over the licensee;
- [(5)] (6) Investigate and conduct hearings regarding any violation of this chapter, or any rule or order of or agreement with the commissioner; and
- [(6)] (7) Do any and all things necessary or incidental to the exercise of the commissioner's power and duties, including the authority to conduct contested case proceedings under chapter 91."

SECTION 5. Section 454M-10, Hawaii Revised Statutes, is amended to read as follows:

****§454M-10 Penalty.** Any person who violates any provision of this chapter, <u>rule adopted or order issued pursuant to this chapter, or agreement with the commissioner</u> may be subject to an administrative fine of not more than \$7,000 for each violation; provided that if the aggregate fine amount exceeds \$7,000, \$1,000 of the aggregate fine amount shall be deposited into the mortgage foreclosure dispute resolution special fund established pursuant to section 667-86."

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect upon its approval. (Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 76

H.B. NO. 990

A Bill for an Act Relating to Department of Defense Facilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. By establishing its facilities and presence within communities throughout the State, it is the intent of the State that the department of defense serve and be an integral part of the community. To this end, it is the policy of the legislature to lend out department of defense facilities in accordance with Hawaii Revised Statutes and department of defense requirements, on a non-interference basis, for temporary public use and rental by organizations such as civic and veterans groups, and nonprofit entities within the community. The rental moneys collected are intended to cover the costs of utilities, including water, sewer, and electricity, any supplies, including soap, paper towels, and toilet paper, all related state personnel or staffing costs necessary to open, close, clean, maintain, or repair the facility, and the wear-and-tear on the facility associated with the use of the facility. However, in accordance with section 121-19, Hawaii Revised Statutes, all moneys received from the rentals shall be deposited into the general fund of the State, with required amounts returned to the office of Hawaiian affairs in accordance with Act 178, Session Laws of Hawaii 2006. This situation requires the department of defense to utilize operating funds to cover the costs of utilities, supplies, and personnel for the temporary public use of its facilities by the community.

The purpose of this Act is to clarify that the department of defense may continue its community involvement by lending out its facilities without incurring a loss to its operating budget, clarify that the department of defense may retain revenues collected to cover the cost of utilities, supplies, personnel, and wear-and-tear associated with the lending out of its facilities, and clarify that any net proceeds collected associated with the lending out of its facilities will be returned to the general fund, with required amounts returned to the office of Hawaiian affairs.

SECTION 2. Section 121-19. Hawaii Revised Statutes, is amended to read as follows:

"8121-19 Regulations governing armories. etc. Any law to the contrary notwithstanding, the adjutant general may make regulations to establish procedures governing the care and custody of [armories, rifle ranges, reservations and installations] department of defense facilities that are either set aside to the department of defense or on license from the federal government. The adjutant general may permit the use of or may temporarily rent to [eivie, community, veterans and other nonprofit public organizations and groups, such portions of armories, rifle ranges, reservations and installations] national guard units or other county, state, or federal government agency sponsoring or co-sponsoring meetings, classes, or other activities; hosting athletic events or competitions; billeting personnel in conjunction with sanctioned events such as agency-sponsored conferences or classes, agency-sponsored athletic or recreation programs, government-sponsored public hearings or meetings, unit-sponsored youth organizations and activities, or public school sponsored classes, dances, plays, and concerts; nonprofit or eleemosynary organizations conducting a community or group activity; and film production enterprise activities promoted and coordinated through the Hawaii film industry branch, department of business, economic development, and tourism, such portions as will not interfere with the military use thereof. The adjutant general shall establish the rentals to be charged for their use and all [moneys] net proceeds received from the rentals shall be deposited into the general fund of the State. Chapter 91 shall not apply."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 77

H.B. NO. 991

A Bill for an Act Relating to State Military Forces.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to apply the protections of civil relief for state military forces to persons serving on full time national guard duty under title 32 United States Code section 101 et seq., and to align the Hawaii Revised Statutes with the Servicemembers Civil Relief Act, title 50 United States Code chapter 50 sections 3901 through 4043.

SECTION 2. Section 657D-1. Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read: ""Full time National Guard duty" means full time service in the National Guard as defined in section 101(19) of title 32 United States Code."

By amending the definitions of "military service" and "period of 2. military service" to read: ""Military service" means service on state active duty in any of the state

military forces[-] or full time National Guard duty.

"Period of military service" means the period beginning on the date on which the person enters state active duty or full time National Guard duty and

ending on the date of the person's release from state active duty or <u>full time Na-</u> <u>tional Guard duty or the person's</u> death while on state active duty[-] <u>or full time</u> <u>National Guard duty.</u>"

SECTION 3. Section 657D-5, Hawaii Revised Statutes, is amended to read as follows:

"[[]§657D-5[]] Extension of benefits to persons ordered to report for [state] military service. Any person who is ordered to report for [state] military service shall be entitled to the relief and benefits during:

- (1) The period of [actual] military service; and
- (2) The period beginning on the date of receipt of the order and ending on the date upon which the member reports for military service, or the date on which the order is revoked, whichever is earlier."

SECTION 4. Section 657D-15, Hawaii Revised Statutes, is amended to read as follows:

"[[]§657D-15[]] Duration and term of stays; co-defendants not in service. A stay of any action, proceeding, attachment, or execution, ordered by any court under this chapter, shall be for the period of military service and [sixty] ninety days thereafter or any part of that period, and may be subject to such terms as may be just, including payment in installments of specified amounts and at such times as the court may fix. Where the person in military service is a co-defendant with others, the plaintiff may proceed against the others by leave of the court."

SECTION 5. Section 657D-23, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) No sale, foreclosure, or seizure of property for nonpayment of any sum due under any such obligation, or for any other breach of the terms thereof, whether under a power of sale, under a judgment entered upon warrant of attorney to confess judgment contained therein, shall be valid if made during the period of military service or within [sixty days] one year thereafter, except pursuant to an agreement as provided in section 657D-6, unless upon an order previously granted by the court and a return thereto made and approved by the court.

Any person who knowingly makes, attempts, or causes to be made any such sale, foreclosure, or seizure of property, shall be guilty of a misdemeanor."

SECTION 6. Section 657D-25, Hawaii Revised Statutes, is amended to read as follows:

"[[]§657D-25[]] Termination of <u>residential or motor vehicle</u> leases by lessees. (a) This section applies to [any lease of premises occupied for a dwelling, or for professional, business, agricultural, or similar purposes in any case in which]:

- [(Í) The lease was executed by or on the behalf of a person who, after the execution of the lease, entered military service; and
- (2) The leased premises have been occupied for one or more of those purposes by the person or by the person and the person's dependents.]
- (1) Any lease of premises occupied for a dwelling, or for professional, business, agricultural, or similar purposes in any case in which:
 - (A) The lease was executed by or on the behalf of a person who, after the execution of the lease, entered military service; and
 - (B) The leased premises have been occupied for one or more of those purposes by the person or by the person and the person's dependents; and

(2) A lease of a motor vehicle used, or intended to be used, by a person or the person's dependents for personal or business transportation who, after the execution of the lease, entered military service.

(b) Any lease described in subsection (a) may be terminated by notice in writing delivered to the lessor or the lessor's grantee or to one of their agents by the lessee at any time following the date of the beginning of the lessor's or the lessor's grantee's period of military service. Delivery of the notice may be made by mailing it.

(c) Termination of any [such] lease providing for monthly payment of rent shall not be effective until thirty days after the date on which the next rental payment is due and payable following the date of delivery or mailing of the notice. In the case of all other leases, termination shall be effected on the last day of the month following the month in which the notice is delivered or mailed and in such case any unpaid rental for a period preceding termination shall be computed pro rata and any rental paid in advance for a period succeeding termination shall be refunded by the lessor or the lessor's assignee. Upon application by the lessor to the appropriate court prior to the termination period provided for in the notice, any relief granted in this subsection shall be subject to such modifications or restrictions the court may find in the interests of justice and equity.

(d) Termination of a motor vehicle lease is effective only upon return of the motor vehicle by the lessee to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee), not later than fifteen days after the date of the delivery of written notice under subsection (b). Lease amounts for a lease described in subsection (a)(2) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, title and registration fees, or other obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear or use and mileage, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

[(c)] (c) Any person who knowingly seizes, holds, or retains the personal effects, clothing, furniture, or other property of any person who has lawfully terminated a lease covered by this section, or in any manner interferes with the removal of such property from the premises covered by such lease, for the purpose of subjecting or attempting to subject any such property to a claim for rent accruing subsequent to the date of termination of such lease, or attempts to do so, shall be guilty of a misdemeanor."

SECTION 7. Section 657D-34, Hawaii Revised Statutes, is amended to read as follows:

"[[]§657D-34[]] Determination of policies entitled to protection; notice to parties; lapse of policies for nonpayment of premiums, etc. The insurance commissioner shall determine whether the policy is entitled to protection under this part and shall notify the insured and the insurer of that determination. Any policy found by the insurance commissioner to be entitled to protection under this part, subsequent to date of application and during the period of [state] military service of the insured and for sixty days after the expiration of that service, shall not lapse or otherwise terminate or be forfeited for the nonpayment of a premium becoming due and payable, or the nonpayment of any indebtedness or interest."

SECTION 8. Section 657D-41, Hawaii Revised Statutes, is amended by amending subsections (a) through (c) to read as follows:

"(a) This section applies to any general or special unpaid taxes or assessments, that fall due prior to or during the period of [state] military service, on personal property, money, or credits, or real property owned and occupied for dwelling, professional, business, or agricultural purposes by persons in [state] military service or the person's dependents at the commencement of the period of military service and still so occupied by the person's dependents or employees. This section does not apply to taxes on income.

(b) No sale of any property in subsection (a) shall be made to enforce the collection of any state or county tax or assessment, and no proceeding or action for that purpose shall commence, except upon leave of court granted upon application made by the state department of taxation or appropriate county agency. The court, unless in its opinion the ability of the person in military service to pay the taxes or assessments is not materially affected by reason of [state] military service, may stay the proceedings or the sale for a period of not more than sixty days after the termination of the period of military service of the person.

(c) When by law the property may be sold or forfeited to enforce the collection of the tax or assessment, the person in [state] military service shall have the right to redeem or commence an action to redeem the property, at any time not later than sixty days after the termination of [state] military service, but in no case later than sixty days after the date if this chapter is repealed; provided this shall not shorten any period provided by any other state or county law providing for that redemption."

SECTION 9. Section 657D-42, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No right to any lands owned or controlled by the State, initiated or acquired under any laws of the State, including the mining and mineral leasing laws, by a person prior to entering [state] military service shall during the period of that service be forfeited or prejudiced by reason of the person's absence from the land or the person's failure to perform any work or make any improvements thereon or the person's failure to do any other act required by or under those laws."

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 78

H.B. NO. 993

A Bill for an Act Relating to Emergency Management.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 127A-3, Hawaii Revised Statutes, is amended by amending subsections (c) through (e) to read as follows:

"(c) The [director] <u>administrator</u> may, from funds allotted therefor, employ technical, clerical, administrative, and other personnel and make such expenditures as may be necessary.

(d) The [director] administrator shall coordinate the activities of the agency with all county emergency management agencies, other state agencies,

other states, or federal agencies involved in emergency management activities, and all organizations for emergency management within the State, whether public or private, and shall maintain liaison and cooperate with all county emergency management agencies, other state agencies, other states, or federal agencies involved in emergency management activities as provided in this chapter.

(e) The agency shall perform emergency management functions within the territorial limits of the State[; support county emergency management agencies as requested; coordinate all resource support to the counties; ensure that emergency management plans across the State are coordinated with each other and other state, federal, and local organizations; oversee and coordinate the statewide outdoor siren warning system; monitor and issue alerts and warnings; and coordinate emergency and disaster response and recovery activities]. In performing its duties, the agency shall:

- (1) Prepare a state comprehensive emergency management plan, which shall be integrated into and coordinated with the emergency management plans of the federal government. The plan shall be integrated by a continuous, integrated comprehensive emergency management program. The plan shall contain provisions to ensure that the State is prepared for emergencies and minor, major, and catastrophic disasters. In preparing and maintaining the plan, the agency shall work closely with agencies and organizations with emergency management responsibilities;
- (2) Assign lead and support responsibilities to state agencies and personnel for emergency functions and other support activities;
- (3) Adopt standards and requirements for county emergency management plans. The standards and requirements shall ensure that county plans are coordinated and consistent with the state comprehensive emergency management plan;
- (4) Make recommendations to the legislature, building code organizations, and counties for zoning, building, and other land use controls; and other preparedness, prevention, and mitigation measures designed to eliminate emergencies or reduce their impact;
- (5) Anticipate trends and promote innovations that will enhance the emergency management system;
- (6) Institute statewide public awareness programs. This shall include intensive public educational campaigns on emergency preparedness issues, including but not limited to the personal responsibility of individual citizens to be self-sufficient for up to fourteen days following a natural or human-caused disaster;
- (7) Coordinate federal, state, and local emergency management activities and take all other steps, including the partial or full mobilization of emergency management forces and organizations in advance of an actual emergency, to ensure the availability of adequately trained and equipped forces of emergency management personnel before, during, and after emergencies and disasters;
- (8) Implement training programs to improve the ability of state and local emergency management personnel to prepare and implement emergency management plans and programs. This shall include a continuous training program for agencies and individuals that will be called on to perform key roles in state and local post-disaster response and recovery efforts and for local government personnel on federal and state post-disaster response and recovery strategies and procedures;

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- (9) Adopt standards and requirements for state agency emergency operating procedures and periodically review emergency operating procedures of state agencies and recommend revisions as needed to ensure consistency with the state comprehensive emergency management plan and program; and
- (10) Coordinate, in advance whenever possible, such executive orders, proclamations, and rules for issuance by the governor as are necessary or appropriate for coping with emergencies and disasters."

SECTION 2. Section 127A-5, Hawaii Revised Statutes, is amended by amending subsection (i) to read as follows:

"(i) Each county, under the mayor's direction, shall coordinate, develop, and implement [an] a comprehensive emergency [operations] management plan for the county[-] and submit annual reports to the administrator on the status and updates of the plan."

SECTION 3. Section 127A-6, Hawaii Revised Statutes, is amended to read as follows:

"[[]§127A-6[]] Emergency <u>management</u> reserve corps. (a) The [director] <u>administrator</u> may establish an emergency <u>management</u> reserve corps comprising trained specialists to support state and county emergency $[\Theta r]_{\star}$ disaster. or <u>day-to-day</u> requirements. The emergency <u>management</u> reserve corps may include:

- (1) Any employee of the State or county;
- (2) Any employee hired specifically for staffing during emergency, <u>di-saster</u>, <u>or day-to-day</u> periods and exercises who shall be hired and compensated without regard to chapters 76, 78, and 88; and
- (3) Any volunteer,

who shall be detailed in accordance with this chapter. Emergency <u>management</u> reserve corps positions shall be authorized and managed by the agency and do not need the approval of the governor.

(b) The emergency <u>management</u> reserve corps shall support state emergency or disaster requirements and, if requested by a county emergency management agency, supplement the county emergency management agency staff. The emergency <u>management</u> reserve corps may be mobilized during, or in advance of, emergencies or disasters, or for emergency management [exercises and training events.] day-to-day activities. Emergency <u>management</u> reserve corps members shall attend a minimum of [four days] forty hours of paid [training] activities per year."

SECTION 4. Section 127A-16, Hawaii Revised Statutes, is amended to read as follows:

"§127A-16 Major disaster fund. (a) The [director] administrator shall submit requests to the legislature to appropriate from the general revenues of the State sufficient moneys as may be necessary for expenditure by or under the direction of the governor for immediate relief in response to an emergency or disaster in any part of the State; provided that:

- (1) The governor has issued a proclamation of a state of emergency;
- The governor may not expend in excess of [\$5,000,000] \$10,000,000 for immediate relief as a result of any single emergency or disaster; and
- (3) In addition to the funds in paragraph (2), an additional \$5,000,000 may be made available solely for the purpose of matching federal disaster relief funds when these funds become available to the State following a presidential disaster declaration.

In expending the moneys, the governor may allot any portion thereof to any agency, office, or employee of the State or a county for the most efficient relief for the population. Notwithstanding this subsection, the only exception to paragraphs (1), (2), and (3) is that the [director] administrator may use up to [\$100,000] \$250,000 per year to support the emergency management reserve corps [training].

(b) No later than [one month] sixty days after any allotment by the governor or the expenditure of any fund moneys, the [director] administrator shall report to the legislature on the purpose of the allotment or expenditure.

(c) Except as provided in subsection (d), federal reimbursement moneys for disaster relief shall be deemed to be trust moneys and may be deposited into a trust account with and under the control of the [department of defense.] <u>Hawaii emergency management agency.</u> These moneys and any interest earned thereon shall be used for the purpose identified in subsection (a) and shall not lapse to the general fund.

(d) In cases in which the department of education expends the funds appropriated to the department for purposes deemed to be reimbursable by federal reimbursement moneys for disaster relief, the federal reimbursement moneys shall not lapse to the general fund and shall be credited directly to the department of education without regard to whether the original appropriation has lapsed. Such funds shall carry over in accordance with section 37-41.5(c).

(e) Any unspent funding under \$2,500,000 shall be rolled over to the next fiscal year to support future emergencies and disasters."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 79

S.B. NO. 1221

A Bill for an Act Relating to the Hawaii Teacher Standards Board.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302A-803, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) The board may delegate to its executive director, or other designee, any of its powers and duties as it deems reasonable and proper; provided that the delegation of powers and duties by the board shall be made in accordance with procedures set forth in this subsection. The board shall not delegate its discretionary functions resulting in a final decision in:

- (1) Adopting, amending, or repealing rules;
- (2) Ordering disciplinary action against a licensee, including license revocation or suspension, or the imposition of conditions or fines; provided that summary suspensions may be delegated; or
- (3) [Granting or denying] Denying permits or licenses, including license renewals and reinstatements, or otherwise conditioning permits or licenses, unless the [granting,] denying, or otherwise conditioning of a permit or license does not require the exercise of the board's expertise and discretion.

To delegate authority, the concurrence of a majority of the members to which the board is entitled shall be necessary for any action taken by the board to be valid. The board shall conduct its meetings to delegate powers and duties to its executive director, or other designee, in accordance with chapters 91 and 92."

SECTION 2. Section 302A-804, Hawaii Revised Statutes, is amended to read as follows:

"§302A-804 Powers and duties of the department, commission, and charter schools. (a) The department, commission, and charter schools shall retain all of their rights and powers except for the authority provided to the board under this subpart.

(b) The department's powers and duties under this subpart shall be limited to:

- (1) Hiring, except in emergency situations as described in this chapter, licensed teachers to teach in their fields of licensing;
- (2) Reporting data annually to the board about the supply of, and demand for, teachers in department schools, including the identification of shortage areas, out-of-field teaching assignments, <u>number of</u> <u>classrooms without a licensed teacher for a quarter or more</u>, numbers of teachers teaching out-of-field, numbers and types of courses and classes taught by out-of-field teachers, and numbers and types of students taught by out-of-field teachers;
- (3) On an emergency and case-by-case basis, hiring unlicensed individuals; provided that:
 - (A) A list of the names, work sites, teaching assignments, and progress toward licensing of these individuals shall be reported to the board and any changes shall be updated on a monthly basis by the department;
 - (B) There are no properly licensed teachers for the specific assignments for which the individuals are being hired; and
 - (C) No individual may be employed by the department on an emergency basis for more than three years. During this time, the individual shall demonstrate active pursuit of licensing in each year of employment;
- (4) Submitting an annual report to the board documenting:
 - (A) The number of emergency hires in department schools by subject matter areas and by school;
 - (B) The reasons and duration of employment for the emergency hiring enumerated in subparagraph (A); and
 - [(C) Individual progress toward licensing; and]
 - $(\widehat{D})^{[1]}(\underline{C})$ The department's efforts to address the shortages described in subparagraph (A); and
- (5) Providing any other information requested by the board that is pertinent to its powers and duties.

(c) The commission's powers and duties under this subpart shall be limited to:

Reporting data annually to the board about the supply of, and demand for, teachers in charter schools, including the identification of shortage areas, out-of-field teaching assignments, <u>number of class-rooms without a licensed teacher for a quarter or more</u>,² numbers of teachers teaching out-of-field, numbers and types of courses and classes taught by out-of-field teachers, and numbers and types of students taught by out-of-field teachers; <u>and</u>

- Submitting an annual report to the board documenting: $\left[\begin{array}{c} (2) \end{array}\right]$
 - (A) The number of emergency hires in charter schools by subject matter areas and by school;
 - (B) The reasons and duration of employment for the emergency hiring enumerated in subparagraph (A); and
 - (C) Individual progress toward licensing; and
- (3)(2) Providing any other information requested by the board that is pertinent to the commission's powers and duties.
- A charter school's powers and duties under this subpart shall be (d) limited to:
 - Except in emergency situations as described in this chapter, hiring (1)licensed teachers to teach in their fields of licensing;
 - (2)On an emergency and case-by-case basis, hiring unlicensed individuals; provided that:
 - (A) A list of the names, work sites, teaching assignments, and progress toward licensing of these individuals shall be reported to the board and any changes shall be updated on a monthly basis by the charter schools;
 - (B) There are no properly licensed teachers for the specific assignments for which the individuals are being hired; and
 - (C) No individual may be employed by the charter school on an emergency basis for more than three years. During this time, the individual shall demonstrate active pursuit of licensing in each year of employment; [and]
 - (3)Submitting an annual report to the board documenting:
 - (A) The number of emergency hires in the charter school by subject matter areas;
 - (B) The reasons and duration of employment for the emergency hiring enumerated in subparagraph (A);
 - (C) The number of classrooms without a licensed teacher for a <u>quarter or more:</u> (D) The number and type of courses and classes taught by out-of-
 - field teachers; and
 - The number and type of students taught by out-of-field teach-(E) ers; and
 - [(3)](4) Providing any other information requested by the board that is pertinent to the charter school's powers and duties."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 7, 2019.)

Notes

1. So in original.

2. Comma should be underscored.

ACT 80

S.B. NO. 1223

A Bill for an Act Relating to Affordable Housing on Hawaiian Home Lands.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 141, Session Laws of Hawaii 2009, as amended by section 3 of Act 102, Session Laws of Hawaii 2015, is amended by amending section 3 to read as follows:

"SECTION 3. This Act shall take effect on July 1, 2009; provided that on July 1, [2019,] 2024, this Act shall be repealed and section 46-15.1, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day before the approval of this Act."

SECTION 2. Act 98, Session Laws of Hawaii 2012, as amended by section 4 of Act 102, Session Laws of Hawaii 2015, as amended by section 50 of Act 55, Session Laws of Hawaii 2016, is amended by amending section 3 to read as follows:

"SECTION 3. This Act shall take effect upon its approval, and shall be repealed on July 1, [2019;] 2024; provided that section 46-15.1, Hawaii Revised Statutes, shall be reenacted pursuant to section 3 of Act 141, Session Laws of Hawaii 2009, and section 23 of Act 96, Session Laws of Hawaii 2014."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on June 30, 2019. (Approved June 7, 2019.)

ACT 81

H.B. NO. 999

A Bill for an Act Relating to Exemptions From Civil Service.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The department of human services has one of the largest operating budgets of any state department and a staff of more than 2,400 employees deployed statewide. To effectively lead and manage the department's programs and improve service delivery, the department requires a well-experienced and knowledgeable leadership team.

The department serves one in four Hawaii residents through programs and services that include: protection of vulnerable children and adults; vocational rehabilitation and financial assistance to disabled individuals; the Supplemental Nutrition Assistance Program; financial assistance; job training and placement; housing and support services for individuals and families experiencing homelessness; medicaid services for the State's low income population; and prevention, treatment, and housing and services for the State's youthful offenders and other young adults at risk for homelessness, chronic unemployment, and vulnerable to becoming victims of labor or sex trafficking.

Each program is governed by complex state and federal laws, rules, and regulations. To improve the efficiency and accessibility to these services statewide, the federal and state governments have made significant investments to transform the department's information technology systems from a thirty-plus year old siloed legacy system to an integrated enterprise system. Once completed, the department of human services enterprise system will be capable of determining eligibility for multiple programs, improve timely service delivery, and provide greater program and fiscal oversight.

To capitalize on investments made to the medicaid eligibility system, known as KOLEA, and enable complex analytics of public health insurance medical claims through the all-payer claims data warehouse, in 2018, the legislature established the department's health analytics program in the med-QUEST division. That program will begin to provide analysis of state-funded medical insurance claims that will assist policy makers and program administrators to make necessary adjustments to the coverage of health care in Hawaii.

Improving the department's information technology systems likewise necessitates robust investment in department administrators who have the expertise in design and maintenance of information technology systems, the establishment of security programs to ensure the department has sufficient security protocols and processes, and investment in a workforce that is trained to recognize and respond to potential system breaches and or attempted hacks.

The effective management and transformation of the department into an integrated service delivery system requires department management to lead internal changes and to engage in collaborative efforts with other state and federal agencies, legislative bodies, and other external and community partners. Expertise, experience, foresight, and continuity in leadership are necessary to drive departmental changes to address conditions that give rise to poverty and other public welfare problems.

The department is challenged in attracting and retaining professionals with necessary qualifications to assume the leadership and oversee personnel matters, fiscal and budget issues, information technology development, and operational matters related to quality control, program oversight, and reporting.

Specific issues regarding homelessness in Hawaii also need dedicated and predictable leadership resources. Homelessness in Hawaii is a major social and economic issue that impacts individuals and families, residents and visitors, and businesses and communities. There are multiple causes of homelessness and an effective, coordinated response to homelessness requires a focused, strategic effort by the governor's coordinator on homelessness who has the expertise, ability, authority, and credentials to work with all stakeholders.

The legislature passed Act 79, Session Laws of Hawaii 2016 (Act 79), that exempted from the civil service requirements of chapter 76, Hawaii Revised Statutes, for a period of three calendar years commencing on the effective date of Act 79, the following positions in the Med-QUEST division of the department of human services: the division administrator, finance officer, health care services branch administrator, medical director, and clinical standards administrator. The department seeks to permanently exempt these positions from civil service.

To provide oversight on continued development of the department's enterprise system and address increased security needs of the information technology infrastructure and program integrity, the department seeks to permanently exempt from civil service the following positions in the director's office: enterprise officer, information security and compliance officer, security and privacy compliance engineer, and security and privacy compliance analyst, to support the overall security of the department's enterprise system.

Act 79 also temporarily exempted a research/health analytics manager in the med-QUEST division, and the community/project development director and policy director in the director's office. The department seeks to continue the temporary exemptions of these positions for three additional years. Additionally, the department seeks a similar temporary exemption of the special assistant to the director.

The purpose of this Act is to permanently exempt from provisions of civil service the following positions: the governor's coordinator on homelessness, five positions at the Med-QUEST division, and four positions in the office of the director of human services. Further, this Act temporarily exempts from civil service the research/health analytics manager in the med-QUEST division and the community/project development director, policy director, and special assistant to the director in the director's office.

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding to part XVIII a new section to be appropriately designated and to read as follows:

"§346- Governor's coordinator on homelessness. The governor shall appoint the governor's coordinator on homelessness for the proper administration and enforcement of this chapter without regard to chapter 76."

SECTION 3. Section 76-16, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The civil service to which this chapter applies shall comprise all positions in the State now existing or hereafter established and embrace all personal services performed for the State, except the following:

- (1) Commissioned and enlisted personnel of the Hawaii National Guard as such, and positions in the Hawaii National Guard that are required by state or federal laws or regulations or orders of the National Guard to be filled from those commissioned or enlisted personnel;
- (2) Positions filled by persons employed by contract where the director of human resources development has certified that the service is special or unique or is essential to the public interest and that, because of circumstances surrounding its fulfillment, personnel to perform the service cannot be obtained through normal civil service recruitment procedures. Any such contract may be for any period not exceeding one year;
- (3) Positions that must be filled without delay to comply with a court order or decree if the director determines that recruitment through normal recruitment civil service procedures would result in delay or noncompliance, such as the Felix-Cayetano consent decree;
- (4) Positions filled by the legislature or by either house or any committee thereof;
- (5) Employees in the office of the governor and office of the lieutenant governor, and household employees at Washington Place;
- (6) Positions filled by popular vote;
- (7) Department heads, officers, and members of any board, commission, or other state agency whose appointments are made by the governor or are required by law to be confirmed by the senate;
- (8) Judges, referees, receivers, masters, jurors, notaries public, land court examiners, court commissioners, and attorneys appointed by a state court for a special temporary service;
- One bailiff for the chief justice of the supreme court who shall have (9) the powers and duties of a court officer and bailiff under section 606-14; one secretary or clerk for each justice of the supreme court, each judge of the intermediate appellate court, and each judge of the circuit court; one secretary for the judicial council; one deputy administrative director of the courts; three law clerks for the chief justice of the supreme court, two law clerks for each associate justice of the supreme court and each judge of the intermediate appellate court, one law clerk for each judge of the circuit court, two additional law clerks for the civil administrative judge of the circuit court of the first circuit, two additional law clerks for the criminal administrative judge of the circuit court of the first circuit, one additional law clerk for the senior judge of the family court of the first circuit, two additional law clerks for the civil motions judge of the circuit court of the first circuit, two additional law clerks for the criminal

motions judge of the circuit court of the first circuit, and two law clerks for the administrative judge of the district court of the first circuit; and one private secretary for the administrative director of the courts, the deputy administrative director of the courts, each department head, each deputy or first assistant, and each additional deputy, or assistant deputy, or assistant defined in paragraph (16);

- (10) First deputy and deputy attorneys general, the administrative services manager of the department of the attorney general, one secretary for the administrative services manager, an administrator and any support staff for the criminal and juvenile justice resources co-ordination functions, and law clerks;
- (11) (A) Teachers, principals, vice-principals, complex area superintendents, deputy and assistant superintendents, other certificated personnel, not more than twenty noncertificated administrative, professional, and technical personnel not engaged in instructional work;
 - (B) Effective July 1, 2003, teaching assistants, educational assistants, bilingual/bicultural school-home assistants, school psychologists, psychological examiners, speech pathologists, athletic health care trainers, alternative school work study assistants, alternative school educational/supportive services specialists, alternative school project coordinators, and communications aides in the department of education;
 - (C) The special assistant to the state librarian and one secretary for the special assistant to the state librarian; and
 - (D) Members of the faculty of the University of Hawaii, including research workers, extension agents, personnel engaged in instructional work, and administrative, professional, and technical personnel of the university;
- (12) Employees engaged in special, research, or demonstration projects approved by the governor;
- (A) Positions filled by inmates, patients of state institutions, persons with severe physical or mental disabilities participating in the work experience training programs;
 - (B) Positions filled with students in accordance with guidelines for established state employment programs; and
 - (C) Positions that provide work experience training or temporary public service employment that are filled by persons entering the workforce or persons transitioning into other careers under programs such as the federal Workforce Investment Act of 1998, as amended, or the Senior Community Service Employment Program of the Employment and Training Administration of the United States Department of Labor, or under other similar state programs;
- (14) A custodian or guide at Iolani Palace, the Royal Mausoleum, and Hulihee Palace;
- (15) Positions filled by persons employed on a fee, contract, or piecework basis, who may lawfully perform their duties concurrently with their private business or profession or other private employment and whose duties require only a portion of their time, if it is impracticable to ascertain or anticipate the portion of time to be devoted to the service of the State;
- (16) Positions of first deputies or first assistants of each department head appointed under or in the manner provided in section 6, article

V, of the Hawaii State Constitution; three additional deputies or assistants either in charge of the highways, harbors, and airports divisions or other functions within the department of transportation as may be assigned by the director of transportation, with the approval of the governor; four additional deputies in the department of health, each in charge of one of the following: behavioral health, environmental health, hospitals, and health resources administration, including other functions within the department as may be assigned by the director of health, with the approval of the governor; an administrative assistant to the state librarian; and an administrative assistant to the superintendent of education;

- (17) Positions specifically exempted from this part by any other law; provided that:
 - (A) Any exemption created after July 1, 2014, shall expire three years after its enactment unless affirmatively extended by an act of the legislature; and
 - (B) All of the positions defined by paragraph (9) shall be included in the position classification plan;
- (18) Positions in the state foster grandparent program and positions for temporary employment of senior citizens in occupations in which there is a severe personnel shortage or in special projects;
- (19) Household employees at the official residence of the president of the University of Hawaii;
- (20) Employees in the department of education engaged in the supervision of students during meal periods in the distribution, collection, and counting of meal tickets, and in the cleaning of classrooms after school hours on a less than half-time basis;
- (21) Employees hired under the tenant hire program of the Hawaii public housing authority; provided that not more than twenty-six per cent of the authority's workforce in any housing project maintained or operated by the authority shall be hired under the tenant hire program;
- (22) Positions of the federally funded expanded food and nutrition program of the University of Hawaii that require the hiring of nutrition program assistants who live in the areas they serve;
- (23) Positions filled by persons with severe disabilities who are certified by the state vocational rehabilitation office that they are able to perform safely the duties of the positions;
- (24) The sheriff;
- (25) A gender and other fairness coordinator hired by the judiciary;
- (26) Positions in the Hawaii National Guard youth and adult education programs;
- (27) In the state energy office in the department of business, economic development, and tourism, all energy program managers, energy program specialists, energy program assistants, and energy analysts; [and]
- (28) Administrative appeals hearing officers in the department of human services[-]:
- (29) In the Med-QUEST division of the department of human services, the division administrator, finance officer, health care services branch administrator, medical director, and clinical standards administrator; and
- (30) In the director's office of the department of human services, the enterprise officer, information security and privacy compliance officer,

security and privacy compliance engineer, and security and privacy compliance analyst.

The director shall determine the applicability of this section to specific positions.

Nothing in this section shall be deemed to affect the civil service status of any incumbent as it existed on July 1, 1955."

SECTION 4. Notwithstanding any other law to the contrary, including section 76-16(b)(17), Hawaii Revised Statutes, and unless affirmatively extended by an act of the legislature, for a period of three calendar years commencing on the effective date of this Act, the following positions shall be exempt from the civil service requirements of chapter 76, Hawaii Revised Statutes:

- (1) In the Med-QUEST division of the department of human services, the research/health analytics manager; and
- (2) In the director's office of the department of human services, the community/project development director, policy director, and the special assistant to the director.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on June 29, 2019. (Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 82

H.B. NO. 1417

A Bill for an Act Relating to Human Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The department of human services has the largest operating budget of any state department, approximately \$3,304,000,000, including seventy-nine per cent of all the executive branch's federal funds. The department provides benefits and services to one in four Hawaii residents, or nearly 360,000 individuals. The State's medicaid program provides medical insurance coverage for nearly one-half of Hawaii's children.

The department's programs and services include: protection of vulnerable children and adults; vocational rehabilitation and financial assistance to the disabled; the supplemental nutrition assistance program; financial assistance; job training and placement; housing and services for the homeless; medicaid services for the State's medically needy population; and prevention, treatment, and housing for the State's youthful offenders.

To provide these benefits and services to Hawaii's vulnerable individuals and families, the department manages significant federal and state funds and processes vast amounts of information on a daily basis. Initiated by the Patient Protection and Affordable Care Act of 2010, the department continues to invest in the development of an enterprise eligibility system that will support the integration of services that will lead to improved individual and program outcomes through more efficient service delivery and data analytics. As part of the department's continuous improvement efforts, in 2016, the department embarked on its ohana nui effort by adopting a multigenerational approach to transform the way services are provided to individuals and families to improve outcomes and well-being. By providing programs and services that maintain a high level of service integration, quality, and intensity across multiple generations, the department intends to reduce intergenerational poverty in the State, and the human and financial costs associated with poverty.

The human and financial costs associated with poverty are well documented. The 2009 paper "Childhood and Intergenerational Poverty: The Long Term Consequences of Growing up Poor," by Robert L. Wagmiller, Jr., and Robert M. Adelman, found that "individuals who grow up in poor families are much more likely to be poor in early adulthood. Moreover, the chances of being poor in early adulthood increase sharply as the time spent living in poverty during childhood increases". The department's programs must focus on reducing the time children, families, and individuals spend in poverty and supporting every person's ability to meet their human and economic potential.

Furthermore, other studies link adverse social and economic conditions in childhood to health problems in adulthood. The original 1998 Adverse Childhood Experiences study conducted by the Centers for Disease Control and Prevention and Kaiser Permanente surveyed nearly seventeen thousand adults in southern California. The primary conclusion of the Adverse Childhood Experiences study was the finding of a strong relationship between "exposure to abuse or household dysfunction during childhood and multiple risk factors for several leading causes of death in adults", such as heart disease, cancer, chronic lung disease, fractures, and liver disease. While adverse childhood experiences occur across all races and economic classes, there is a higher prevalence of adverse childhood experiences for those who also live in poverty.

A similar conclusion was again found in a 2014 Swedish study that "showed social and economic disadvantages in childhood were associated with an earlier onset and faster progression of functional health problems from midlife into old age". The Swedish study also concluded that "creating equal opportunities for educational attainment may help reduce the long-term effect of disadvantaged childhood conditions and postpone functional health problems".

The legislature finds that transitioning the department's service delivery to a multigenerational approach will refocus the department's efforts to provide available resources and support, reducing the time a child and family spends in poverty, stabilizing the child's basic needs and environment to enhance their ability to learn, improving all recipients' economic security, and ultimately reducing intergenerational poverty in Hawaii.

The purpose of this Act is to require the department of human services to use an integrated and multigenerational service delivery approach to reduce the incidence of intergenerational poverty and dependence on public benefits, consistent with the nationally recognized best practices.

SECTION 2. Section 26-14, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The department shall administer programs through an integrated and multigenerational approach designed to improve the social well-being, economic security, and productivity of the people of the State[-] and to reduce the incidence of intergenerational poverty and dependence upon public benefits. Without limit to the generality of the foregoing, the department shall concern itself with problems of human behavior, adjustment, and daily living through the administration of programs of family, child and adult welfare, economic assistance, health care assistance, rehabilitation toward self-care and support, public housing, and other related programs provided by law."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 83

S.B. NO. 1226

A Bill for an Act Relating to Child Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Access to safe, affordable, and nurturing child care is a critical need for Hawaii's children and working parents. The purpose of this Act is to amend provisions of chapter 346, Hawaii Revised Statutes, to:

- Improve the safety of children in Hawaii's regulated and legally exempt child care settings by repealing certain limitations placed on criminal history record checks of adult relatives who provide care for a child whose family receives a child care subsidy from the department of human services;
- (2) Clarify that when the child care licensing program receives a report of death or injury of a child in a child care setting, the program is not prohibited from sharing information and cooperating with child welfare services and law enforcement;
- (3) Clarify when investigation information will be released to the public; and
- (4) Clarify that the department of human services may take both administrative and judicial action to enforce child care licensing requirements and increase penalties by making the penalties apply on a daily basis.

SECTION 2. Section 346-152.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) [To be eligible] In order to provide child care for a child whose family receives a child care subsidy from the department, persons exempt pursuant to section 346-152 shall be required to agree to:

- (1) A criminal history record check, a sex offender registry check, a child abuse record check, and an adult abuse perpetrator check in the same manner as a prospective applicant or licensed provider in accordance with section 346-154; [provided that the criminal history record check shall be limited to a criminal history record check conducted through files maintained by the Hawaii criminal justice data center for the following relatives of the child who requires care: grandparents, great-grandparents, aunts, uncles, and siblings aged eighteen or older living in a separate residence;]
- (2) Completion of a pre-service or orientation training and ongoing training in health and safety topics; and
- (3) Any monitoring inspection visits by the department or its designee to determine compliance with minimum health and safety standards at the location where child care is being provided for a child whose

family receives a child care subsidy from the department, including investigations by the department when the department has received a report of health and safety concerns."

SECTION 3. Section 346-153, Hawaii Revised Statutes, is amended to read as follows:

"§346-153 Records of deficiencies and complaints; release to public. (a) For every child care facility, the department shall maintain records for the current and previous two years of: results of its inspections; notifications to providers of deficiencies; corrective action taken; complaints of violations of rules adopted under this part; results of its investigations; resolution of complaints; and suspensions, revocations, reinstatements, restorations, and reissuances of licenses, temporary permits, and registrations issued under this part.

(b) Notwithstanding any other law to the contrary, the records described in this section shall be available for inspection in the manner set forth in chapter 92F and may be posted by the department on a public website; provided that with respect to records of family child care homes and group child care homes, sensitive personal information, including home addresses, or information provided to the department with the understanding that it would not be publicly divulged shall be deleted or obliterated prior to making the records available to the public. Nothing in this section shall authorize the department to release to the public the names of or any other identifying information on complainants. Nothing in this section shall prohibit the department's child care licensing program from sharing information and cooperating with the department's child protective services and law enforcement on investigations.

(c) The department may withhold information [on a] regarding an investigation of a complaint [for which an investigation is being conducted] of a violation for not more than ten working days [following the date of filing of the complaint;] after the date the investigation report is completed; provided that if an investigation relates to an alleged criminal offense, no information shall be released until the <u>criminal</u> investigation has been completed and the director has determined that no legal proceeding will be jeopardized by its release."

SECTION 4. Section 346-156, Hawaii Revised Statutes, is amended to read as follows:

"§346-156 Penalty[-]; remedies. (a) Any person, entity, agency, or organization violating any provision of this [chapter] part or any rule made pursuant thereto shall be fined [as follows:

(1) Up] up to \$1,000 for [the first] each day of violation; [and

(2) Up] provided that the fine may be up to \$3,000 for [the second violation and each succeeding violation.] each day for a violation of section 346-161 or 346-171.

(b) The department may enforce this part in either administrative proceedings or judicial proceedings, or both."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved June 7, 2019.)

ACT 84

A Bill for an Act Relating to the Spouse and Child Abuse Special Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Congress passed the Family First Prevention Services Act of 2018 (Family First) as part of the Bipartisan Budget Act of 2018, Public Law 115-123. Family First changes the way states may spend and claim funds pursuant to Title IV-E of the Social Security Act. Previously, Title IV-E funds could only be used for foster care maintenance, adoption assistance, kinship guardianship assistance, and related training and administrative expenses.

Under Family First, states with an approved Title IV-E plan now have the option to use Title IV-E funds for prevention services that would allow children who have been abused or neglected or are at risk of being abused or neglected to remain with their parents or relatives. States can get reimbursed for certain twelve-month periods of prevention services.

The department of human services seeks to retain Family First federal reimbursements and all Title IV-E federal reimbursements to secure a stable source of funding for child abuse and neglect prevention, intervention, and other services.

Currently, the department of human services is not allowed to retain reimbursements received for a prior fiscal year, and instead is required to deposit these reimbursements into the general fund. The department of human services returned approximately \$4,068,161 to the general fund in state fiscal year 2016-2017 and approximately \$6,736,894 to the general fund in state fiscal year 2017-2018 in Title IV-E federal reimbursements. The ability to retain Title IV-E federal reimbursements will assist to stabilize funding for prevention services; allow the State to maintain and develop its own evidence based, child abuse and prevention and intervention programs suited for Hawaii's diverse and unique communities; and improve and increase the State's capacity to prevent, reduce, and appropriately respond to the impacts of spousal and child abuse in our community.

The purposes of this Act are to:

- (1) Amend section 346-7.5, Hawaii Revised Statutes, to allow the spouse and child abuse special fund to receive Title IV-E federal reimbursements received in the fiscal year following the year in which the Title IV-E funds were expended, to replace the term "account" with "fund," and to delete the "department of human services" from the title;
- (2) Place a cap on the amount of funds that may be retained in the spouse and child abuse special fund and specify that funds in excess shall lapse to the general fund; and
- (3) Make conforming amendments to reflect the new title of the spouse and child abuse special fund.

SECTION 2. Section 235-102.5, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) Notwithstanding any law to the contrary, any individual whose state income tax refund for any taxable year is \$5 or more may designate \$5 of the refund to be paid over as follows:

- (1) One-third to the Hawaii children's trust fund under section 350B-2; and
- (2) Two-thirds to be divided equally among:

- (A) The domestic violence and sexual assault special fund under the department of health in section 321-1.3;
- (B) The spouse and child abuse special [account] fund under the department of human services in section 346-7.5; and
- (C) The spouse and child abuse special account under the judiciary in section 601-3.6.

When designated by a taxpayer submitting a state income tax return to the department, the department of budget and finance shall allocate the moneys among the several funds as provided in this subsection. In the case of a joint return of a husband and wife having a state income tax refund of \$10 or more, each spouse may designate that \$5 be paid over as provided in this subsection. The director of taxation shall revise the individual state income tax form to allow the designation of contributions pursuant to this subsection on the face of the tax return and immediately above the signature lines. If no designation was made on the original tax return when filed, a designation may be made by the individual on an amended return for such taxable year. A designation once made, whether by an original or amended return, may not be revoked."

SECTION 3. Section 338-14.5, Hawaii Revised Statutes, is amended to read as follows:

***§338-14.5** Copies of certificate; fees. The fees for certified copies of birth, marriage, divorce, or death certificates issued by the department of health shall consist of \$10 for the first copy issued and \$4 for each copy issued thereafter. These fees shall be collected for each single request for certified copies. All fees received for the issuance of certified copies of birth, marriage, divorce, or death certificates shall be remitted to the director of health. Upon the receipt of remittances under this section, the director of health shall deposit:

- (1) \$1 for each certified copy to the credit of the spouse and child abuse special [account] fund established under section 346-7.5;
- (2) \$1 for each certified copy to the credit of the spouse and child abuse special account established under section 601-3.6;
- (3) \$1 for each certified copy to the credit of the domestic violence and sexual assault special fund established under section 321-1.3;
- (4) \$1 for each certified copy to the credit of the vital statistics improvement special fund established under section 338-14.6; and
- (5) The remainder of the fee for each certified copy to the credit of the state general fund."

SECTION 4. Section 346-7.5, Hawaii Revised Statutes, is amended to read as follows:

(346-7.5 Spouse and child abuse special [account; department of human services.] <u>fund.</u> (a) There is established within the state treasury a special fund to be known as the "spouse and child abuse special [account",] <u>fund"</u>, and to be administered and expended by the department of human services.

(b) The proceeds of the [account] special fund shall be reserved for use by the department of human services for staff programs, and grants or purchases of service, consistent with chapters 42F and 103F, that support or provide spouse or child abuse intervention or prevention as authorized by law. These proceeds shall be used for new or existing programs and shall not supplant any other funds previously allocated to these programs. [The account shall be kept separate and apart from all other funds in the treasury.]

(c) The [account] special fund shall consist of fees remitted pursuant to sections 338-14.5 and 572-5, income tax remittances allocated under section 235-

102.5, federal reimbursements received through Title IV-E of the Social Security Act received in the following fiscal year from which the Title IV-E funds were expended, interest and investment earnings, grants, donations, and contributions from private or public sources. All realizations of the [account] special fund shall be subject to the conditions specified in subsection (b).

(d) The department of human services[, in coordination with the department of health,] shall submit an annual report to the legislature, prior to the convening of each regular session, providing an accounting of the receipts of and expenditures from the [account.] special fund.

(e) All unencumbered and unexpended moneys in excess of \$3,000,000 in the spouse and child abuse special fund shall lapse to the credit of the general fund. Upon dissolution of the spouse and child abuse special fund, any unencumbered moneys in the fund shall lapse to the general fund."

SECTION 5. Section 572-5, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) The department of health shall appoint, and at its pleasure remove, one or more suitable persons as agents authorized to grant marriage licenses under this chapter in each judicial circuit. The agents may issue licenses from any state facility when deemed necessary by the director. Any agent appointed under this subsection and receiving an application for a marriage license shall collect from the applicant for the license \$60, of which the agent, except those provided for in subsection (b), shall retain \$9 for the agent's benefit and compensation and shall remit \$51 to the director of health. Upon the receipt of remittances under this subsection, the director of health shall deposit:

- (1) \$32 for each license issued to the credit of the general fund of the State;
- (2) \$4.50 for each license issued to the credit of the spouse and child abuse special [account] fund established under section 346-7.5;
- (3) \$4.50 for each license issued to the credit of the spouse and child abuse special account established under section 601-3.6; and
- (4) \$10 for each license issued to the credit of the birth defects special fund established under section 321-426.

(b) The department may appoint, as regular employees under the civil service and classification laws, the number of suitable persons as agents authorized to grant marriage licenses for whom provision has been made in the general appropriation act. In the case of these agents, the full amount collected from applicants shall be remitted to the director of health. Upon the receipt of remittances under this subsection, the director of health shall deposit:

- (1) \$41 for each license issued to the credit of the general fund of the State;
- (2) \$4.50 for each license issued to the credit of the spouse and child abuse special [account] fund established under section 346-7.5;
- (3) \$4.50 for each license issued to the credit of the spouse and child abuse special account established under section 601-3.6; and
- (4) \$10 for each license issued to the credit of the birth defects special fund established under section 321-426."

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 85

A Bill for an Act Relating to Child Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 350-2, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) For a confirmed case of child abuse or neglect that occurred [where a child is provided care,] at a child care facility as defined in section 346-151[₇] that is operating in accordance with an exclusion or exemption pursuant to section 346-152 and upon receipt of [the] consent [of the child care provider], the department is authorized to disclose [that] the report of child abuse or neglect was confirmed to any parent or guardian of a child who was enrolled at the [licensed or registered] child care facility [as defined in section 346-151]."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 86 H.B. NO. 1007

A Bill for an Act Relating to Adding the Roth Option for the Deferred Compensation Plan.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to allow participants to deposit money in the deferred compensation plan on an after-tax basis in addition to a pre-tax basis; thereby affording them the opportunity for tax diversification.

SECTION 2. Section 88E-12, Hawaii Revised Statutes, is amended to read as follows:

"[[]§88E-12[]] Deferred amounts as compensation. Any compensation deferred pursuant to a plan established under this chapter shall be deemed regular compensation for the purpose of computing contributions or benefits under existing retirement, pension, or social security systems applicable to participating employees [but shall not be included in the computation of federal income taxes withheld on behalf of any participating employee.]; provided that, at the participating employee's option, all or part of the deferred compensation may be included in the computation of federal income taxes withheld on behalf of the participating employee, allowing for both a traditional contribution and a Roth contribution under section 457(b) of the Internal Revenue Code, as amended."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 87

A Bill for an Act Relating to Parking for Disabled Persons.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the statewide parking program for persons with disabilities, established under part III of chapter 291, Hawaii Revised Statutes, pursuant to federal Public Law 100-641, and administered by the disability and communication access board, provides individuals with mobility disabilities the ability to travel and park in accessible stalls.

The legislature finds that the exemption from payment of parking fees for the first two-and-a-half hours or the maximum time the meter allows, whichever is longer, was not intended as a benefit for persons with mobility impairments. Rather, this exemption was intended for those who drove themselves and who were unable to reach or operate a parking meter because of a physical disability.

The legislature finds that while part III of chapter 291, Hawaii Revised Statutes, provides for the imposition of fines for the use of disability parking permits that were fraudulently manufactured or altered, used by unauthorized persons, or rendered invalid, it does not expressly authorize law enforcement to confiscate the permits. Therefore, law enforcement officers may not confiscate such permits and individuals who may be cited for unlawfully using a permit may be at liberty to violate the law again, thereby reducing the availability of parking spaces designed and reserved for persons who need them.

The legislature further finds that while part III of chapter 291, Hawaii Revised Statutes, establishes the disabilities that qualify for a disability parking permit, the current wording is vague. This causes physicians and advanced practice registered nurses to incorrectly certify certain applicants.

The purpose of the Act is to:

- (1) Clarify that the exemption from parking fees is only for those who drive and are unable to reach or operate a parking meter due to a physical disability;
- (2) Stipulate that the exemption also applies to areas where parking fee payment is made via an unattended pay station;
- (3) Add additional wording to reflect changes in parking technology and terminology;
- (4) Authorize law enforcement to confiscate a permit that is invalid or has been fraudulently manufactured or altered; and
- (5) Clarify the disabilities that qualify an applicant for certification of eligibility.

SECTION 2. Chapter 291, Hawaii Revised Statutes, is amended by adding three new sections to part III to be appropriately designated and to read as follows:

"§291-A Issuance of a disabled paid parking exemption permit. The issuing agency shall issue one disabled paid parking exemption permit to each applicant who presents a certificate of disability that verifies that the applicant is licensed to drive a motor vehicle and that the applicant cannot reach or operate parking meters or unattended pay stations because of the applicant's physical disability. The disabled paid parking exemption permit shall have the same expiration as the removable windshield placard, temporary removable windshield placard, or special license plates issued to the applicant.

§291-B Sale or purchase. Only a state or county issuing agency may offer for sale a disability parking permit and no person may purchase a disability

parking permit except from a state or county issuing agency. Any person who sells or purchases a disability parking permit in violation of this section shall be guilty of a misdemeanor. The sale or purchase of each disability parking permit in violation of this section shall constitute a separate offense.

§291-C Confiscation. A disability parking permit may be confiscated by a law enforcement officer or a commissioned volunteer enforcement officer of a county law enforcement agency for:

- (1) Fraudulent manufacture or alteration pursuant to section 291-52.7;
- (2) Any unauthorized use pursuant to section 291-53;
- (3) Display of an invalid disability parking permit; or
- (4) Selling or purchasing a disability parking permit pursuant to section 291-B.

For the purposes of this section, "commissioned volunteer enforcement officer" means a civilian volunteer commissioned by a county chief of police to act as an enforcement officer for limited purposes as determined by the county chief of police."

SECTION 3. Section 291-51, Hawaii Revised Statutes, is amended as follows:

1. By adding three new definitions to be appropriately inserted and to read as follows:

"Disability parking permit" means a removable windshield placard, special license plate, temporary removable windshield placard, or disabled paid parking exemption permit.

"Disabled paid parking exemption permit" means a permit to be displayed on a dashboard or contained elsewhere on the vehicle, a code, or a twosided, hanger style placard that indicates that the individual to whom the permit, code, or placard is issued pursuant to this part is licensed to drive a motor vehicle and not able to reach or operate a parking meter or unattended pay station because of a physical disability.

"Invalid disability parking permit" means an expired or voided removable windshield placard, temporary removable windshield placard, special license plates, or disabled paid parking exemption permit."

2. By amending the definition of "person with a disability" to read as follows:

"Person with a disability" means a person with a disability [which] that limits or impairs the ability to walk, and who, as determined by a licensed practicing physician[:] or an advanced practice registered nurse:

- (1) Cannot walk two hundred feet without stopping to rest, [due to a diagnosed arthritic, neurological, orthopedic, renal, vascular, or on-cological condition;] and who has been diagnosed with:
 - (A) An arthritic, neurological, orthopedic, renal, vascular, or oncological condition;
 - (B) Lung disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one liter, or the arterial oxygen tension is less than sixty mm/hg on room air at rest; or
 - (C) A cardiac condition to the extent that the person's functional limitations are classified in severity as Class III or Class IV according to the standards set by the American Heart Association; and

- (2) [Cannot walk without the use of, or assistance from, a brace, cane, crutch, another person, prosthetic device, wheelchair, or other assistive device;] Because of a condition identified in paragraph (1):
 - (A) Cannot walk two hundred feet under the person's own power without stopping to rest; or
 - (B) Cannot walk without the use of, or assistance from, a brace, cane, crutch, another person, prosthetic device, wheelchair, or other assistive device; or
 - (C) Uses portable oxygen.
- [(3) Is restricted by lung disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one liter, or the arterial oxygen tension is less than sixty mm/hg on room air at rest;
- (4) Uses portable oxygen; or
- (5) Has a cardiac condition to the extent that the person's functional limitations are classified in severity as Class III or Class IV according to the standards set by the American Heart Association.]"

SECTION 4. Section 291-51.4, Hawaii Revised Statutes, is amended to read as follows:

"§291-51.4 Fraudulent verification of an applicant as a person with a disability; penalty. A physician or advanced practice registered nurse who fraudulently verifies that an applicant is a person with a disability to enable the person to represent to the issuing agency that the person is qualified to obtain a [removable windshield placard, temporary removable windshield placard, or special license plates] disability parking permit shall be guilty of a petty misdemeanor. Each fraudulent verification shall constitute a separate offense."

SECTION 5. Section 291-51.7, Hawaii Revised Statutes, is amended to read as follows:

"§291-51.7 Reciprocity. The State, counties, and private property owners shall recognize [removable windshield placards, temporary removable windshield placards, and special license plates which] disability parking permits that have been issued by authorities of other states and countries, for the purpose of identifying persons permitted to:

- (1) Utilize parking spaces reserved for persons with disabilities; or
- (2) Exercise other parking privileges afforded by the State, counties, or private property owners for the benefit of persons with disabilities."

SECTION 6. Section 291-52.5, Hawaii Revised Statutes, is amended to read as follows:

"§291-52.5 Issuance of identification card. The issuing agency shall issue one identification card at the same time it issues a [removable windshield placard, temporary removable windshield placard, or special license plates] <u>disability parking permit</u> to a person with a disability."

SECTION 7. Section 291-52.6, Hawaii Revised Statutes, is amended to read as follows:

"§291-52.6 Replacement of a removable windshield placard, <u>disabled</u> <u>paid parking exemption permit</u>, or identification card. A removable windshield placard, temporary removable windshield placard, <u>disabled paid parking exemp-</u> <u>tion permit</u>, or identification card shall be replaced upon:

(1) Submittal to the issuing agency of a completed application for a removable windshield placard, temporary removable windshield placard, <u>disabled paid parking exemption permit</u>, or identification card to the issuing agency; and

(2) Payment of a fee."

SECTION 8. Section 291-52.7, Hawaii Revised Statutes is amended to read as follows:

(§291-52.7 Fraudulent manufacture or alteration, sale, issuance, or use of [placards] disability parking permits and identification cards. Any person who fraudulently manufactures or alters a [removable windshield placard, temporary removable windshield placard,] disability parking permit or identification card for personal use, sale, or issuance to another person to circumvent the issuance requirements of this part, or any person who uses a fraudulently manufactured or altered [placard] disability parking permit or identification card to circumvent the issuance requirements of this part, shall be guilty of a misdemeanor. The fraudulent manufacture or alteration of each [placard] disability parking permit and of each identification card for personal use, sale, or issuance or is otherwise used in violation of this section shall constitute a separate offense."

SECTION 9. Section 291-53, Hawaii Revised Statutes, is amended to read as follows:

"§291-53 Nontransferability; penalty. The [removable windshield placard, temporary removable windshield placard, or special license plates] <u>disability parking permit</u> shall not be used by anyone other than the person with a disability to whom it is issued unless it is being used in connection with the transport of the person with a disability. An unauthorized person using the [removable windshield placard, temporary removable windshield placard, or special license plates] <u>disability parking permit</u> to obtain the special parking privileges authorized under this part or otherwise afforded by the State or counties, shall be guilty of a traffic infraction under chapter 291D and fined [not] no less than \$250 nor more than \$500. [A removable windshield placard, temporary removable windshield placard, or special license plates may be confiscated by a law enforcement officer or commissioned volunteer enforcement officer of the county law enforcement agency for any unauthorized use.]"

SECTION 10. Section 291-54, Hawaii Revised Statutes, is amended to read as follows:

"§291-54 Display of removable [and] windshield placards; temporary removable windshield placards[-]; and disabled paid parking exemption permit. The placard <u>or disabled paid parking exemption permit</u> shall be displayed in such a manner that it may be viewed from the front and rear of the vehicle by hanging it from the front windshield rearview mirror of a vehicle when the placard <u>or</u> <u>disabled paid parking exemption permit</u> is in use. If the design <u>or condition</u> of the rearview mirror, <u>or the design or condition of the placard or disabled paid</u> <u>parking exemption permit</u> precludes hanging the placard <u>or disabled paid parking exemption permit</u> in a secure manner, the placard <u>or disabled paid parking</u> <u>exemption permit</u> shall be displayed on the dashboard."

SECTION 11. Section 291-55, Hawaii Revised Statutes is amended to read as follows:

"§291-55 [Metered parking privileges.] Parking fees. [Any vehicle displaying special license plates, a removable windshield placard, or a temporary removable windshield placard issued under this part shall be permitted to park, without payment of metered parking fees, in any metered parking space for a maximum of two-and-a-half hours or the maximum amount of time the meter

allows, whichever is longer. All parking fees not specifically exempted under this part shall remain in effect.] (a) All parking fees not specifically exempted under this section shall remain in effect.

(b) A driver who is issued a disabled paid parking exemption permit pursuant to section 291-A shall be permitted to park a vehicle in any parking area where payment is required, via a parking meter or unattended pay station, without payment of parking fees for the first two-and-a-half hours or the maximum amount of time the meter allows, whichever is longer."

SECTION 12. Section 291-56, Hawaii Revised Statutes, is amended to read as follows:

"§291-56 Rules. The disability and communication access board shall adopt rules under chapter 91 to carry out the purposes of this part, including rules for:

- (1) The issuance, renewal, confiscation, revocation, and suspension of [removable windshield placards, temporary removable windshield placards, and special license plates;] disability parking permits;
- (2) Decertification, reciprocity, and the replacement of [placards] <u>disability parking permits</u> and identification cards;
- (3) The design of [the placard,] disability parking permits and identification [card,] cards; [and special license plates]
- (4) The establishment of transaction fees for <u>removable windshield</u> placards[;], temporary removable windshield placards, and disabled paid parking exemption permits;
- (5) Signage and marking of parking spaces;
- (6) Reimbursement rates to the counties; and
- (7) Penalties."

SECTION 13. Section 291-57, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Any person who uses a parking space reserved for persons with disabilities who:

- (1) Fails to properly display [a removable windshield placard, a temporary removable windshield placard, or special license plates;] <u>a</u> disability parking permit;
- (2) Displays an invalid [removable windshield placard, an invalid temporary removable windshield placard, or invalid special license plates;] disability parking permit;
- (3) Uses a [removable windshield placard, a temporary removable windshield placard, or special license plate] disability parking permit that was not issued to that person or to any passengers occupying the vehicle in the parking space; or
- (4) With or without a [removable windshield placard, a temporary removable windshield placard, or special license plates:] <u>disability</u> parking permit:
 - (A) Parks in an access aisle; or
 - (B) Obstructs the ingress or egress to a parking space reserved for a person with a disability;

shall be guilty of a traffic infraction under chapter 291D and shall be fined [not] no less than \$250 nor more than \$500 and pay any costs incurred by the court related to assessing the fine; provided that a person with a disability who has been issued a valid [placard or special license plate] disability parking permit that is currently in effect, and who has failed to display the [placard or license plate] disability parking permit while parking in a space reserved for persons with dis-

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abilities, shall pay a fine of [not] no less than \$25 nor more than \$100 and any costs incurred by the court related to assessing the fine.

(b) Any person who uses a parking space reserved for persons with disabilities and refuses or fails to present an identification card issued under this chapter or the rules adopted thereunder to an enforcement officer upon request shall be guilty of a traffic infraction under chapter 291D and shall be fined [not] no less than \$250 nor more than \$500."

SECTION 14. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 15. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 16. This Act shall take effect upon its approval; provided that section 11 of this Act shall take effect on July 1, 2021.

(Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 88

S.B. NO. 1237

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 139, Session Laws of Hawaii 2016, amended section 323D-18.5, Hawaii Revised Statutes, to facilitate greater transparency in the health care sector and improve understanding of health care costs, health care system quality, population health conditions, and health care disparities by authorizing the submission of health claims and administrative data from the employer-union health benefits trust fund and the state medicaid agency, and the acquisition of medicare data sets specific to Hawaii. The state health planning and development agency, through its designee, the pacific health informatics and data center at the University of Hawaii, and with the collaboration of multiple state departments and agencies, has initiated phase one of establishing the Hawaii Health Data Center, an all-payer claims database for the State, focusing on government as payer data.

The data authorized by Act 139, Session Laws of Hawaii 2016, provided some information. Now the database must fill data gaps within populations and add new data sources. As stated in the article, *The Promise of Data-Driven Policymaking* by Daniel Etsy and Reece Rushing, "Policymaking, as it currently stands, can be like driving through a dense fog in the middle of the night. Large data gaps make it difficult to see problems clearly and chart a course forward."

Currently, the state health planning and development agency has identified a large data gap missing from the Hawaii senior population data, the medicare advantage (medicare part C) data. The state health planning and development agency, through its designee, has acquired administrative and health claims data for medicare parts A, B, and D. To ensure a more complete picture of health care costs and services utilization by Hawaii's senior population, and to provide a more comprehensive analysis and better information, it is necessary to require the submission of medicare advantage health claims and administrative data.

According to the department of business, economic development, and tourism's *DBEDT 2045 Series Report*, Hawaii's senior population, age 65 and over, is the only population projected to increase in size between 2016 and 2045, from 17.1 per cent to 23.8 per cent of the total population.

The state health planning and development agency recognizes that the need for a complete and robust medicare data set is essential to effectively plan and prepare for the approaching "Silver Tsunami" and the accompanying increase in medical expenditures by both the state and federal government.

SECTION 2. Section 323D-18.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Providers of health insurance subject to this subsection shall submit administrative data as follows:

- (1) Beginning November 1, 2016, providers of health insurance that provide health [[]benefits[]] plans funded by the Hawaii employerunion health benefits trust fund, the state medicaid agency, or both, shall provide to the state agency, or its designee, administrative data required by the state agency to determine health benefits costs, including health care services claims and payment data regarding beneficiaries of health benefits plans funded by the Hawaii employer-union health benefits trust fund, the state medicaid agency, or both[-]; and
- (2) Beginning July 1, 2019, providers of health insurance that provide medicare advantage (medicare part C) health benefits plans to residents of the State shall provide to the state agency, or its designee, administrative data required by the state agency, using the same standard format as required by the Centers for Medicare and Medicaid Services to determine health benefits costs, including health care services claims and payment data."

SECTION 3. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 89

S.B. NO. 1238

A Bill for an Act Relating to Establishing the Executive Office on Aging Administrative Claiming Special Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Federal financial participation under medicaid is a percentage of state expenditures that can be reimbursed by the federal government to pay for administrative and program costs of state agencies or other entities that provide long-term services and supports to medicaid clients. In Hawaii, the executive office on aging and the aging and disability resource centers are eligible for federal financial participation because they spend money on administrative functions to provide long-term services and supports to medicaid clients. If the executive office on aging and the aging and disability resource centers were to receive their share of federal financial participation for administrative costs, they would be able to expand their programs and services and serve more individuals. Furthermore, if federal financial participation could be directly deposited into a special fund established in the executive office on aging, funds could be easily distributed to the aging and disability resource centers to support the work they were established to perform pursuant to section 349-32, Hawaii Revised Statutes.

The State is currently not receiving all federal funds it is eligible to receive. It is estimated that the annual federal financial participation claims for the executive office on aging and the four aging and disability resource centers would equal \$1,283,000 in state fiscal year 2018-2019, \$1,443,000 in state fiscal year 2019-2020, \$1,686,000 in state fiscal year 2020-2021, \$1,887,000 in state fiscal year 2021-2022, and \$2,036,000 in state fiscal year 2022-2023. According to the Administration for Community Living of the United States Department of Health and Human Services, most states claim between \$500,000 to \$2,000,000 per year.

The purpose of this Act is to establish the executive office on aging administrative claiming special fund to enhance the drawdown of anticipated federal funds and provide additional moneys to support services for kupuna and individuals with disabilities who need long-term services and supports.

SECTION 2. Chapter 349, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§349- Executive office on aging administrative claiming special fund. (a) There is established in the state treasury the executive office on aging administrative claiming special fund into which shall be deposited:

- (1) All revenues from medicaid administrative claiming designated for the department of health that are allowable for operating the aging and disability resource centers;
- (2) Appropriations made by the legislature to the fund; and
- (3) Grants and gifts made to the fund.

(b) The executive office on aging administrative claiming special fund shall be administered and expended by the department of health to implement section 349-32 for services for kupuna and individuals with disabilities who need long-term services and supports."

SECTION 3. There is appropriated out of the executive office on aging administrative claiming special fund the sum of \$1,443,000 or so much thereof as may be necessary for fiscal year 2019-2020 to implement section 349-32, Hawaii Revised Statutes, for services for kupuna and individuals with disabilities who need long-term services and supports.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 90

H.B. NO. 1013

A Bill for an Act Relating to Involuntary Hospitalization.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that chapter 334, Hawaii Revised Statutes, requires that individuals at risk of harm to self or others, as determined by mental health emergency workers in consultation with law enforcement officers, be transported by law enforcement to facilities designated by the director of health for further evaluation and potential involuntary hospitalization, a process commonly referred to as an MH-1. Some facilities have expressed concern about the lack of specialists and infrastructure to perform the emergency medical screening and any subsequent medically necessary treatment, while other facilities experience very high volumes of MH-1 patients that strain emergency department capacity.

The legislature further finds that while the broader framework of mental health treatment needs restructuring, the magnitude and complexity of that task requires a significant long-term commitment of resources. However, incremental improvements may yield relief more presently by addressing ambiguities and inconsistencies in chapter 334, Hawaii Revised Statutes, as expressed by the community, that contribute to concerns about access, resources, and capacity, and which may impact continuity of care and public safety.

Therefore, the purpose of this Act is to establish an involuntary hospitalization task force to examine certain sections of chapter 334, Hawaii Revised Statutes, and make recommendations to the legislature that will diminish unnecessary emergency department admissions and improve access for MH-1 patients to the most appropriate level of care.

SECTION 2. (a) There is established within the department of health the involuntary hospitalization task force to:

- (1) Develop criteria for the director of health to designate facilities to transport, examine, and treat patients transported and examined under section 334-59(a)(1), Hawaii Revised Statutes (MH-1 patients);
- (2) Review existing laws, law enforcement protocols, and procedures to identify inconsistencies, ensure MH-1 patients are appropriately transported, identify areas that may need clarification to ensure standardized transportation of MH-1 patients in jurisdictions statewide, and recommend clarifying language that will support consistent implementation in jurisdictions statewide;
- (3) Develop recommendations for an efficient and appropriate distribution of transported patients for emergency examination across health care facilities in a given county that focuses on patient health and community safety;
- (4) Provide an assessment of current law enforcement and health care facility needs and capacities for evaluation and treatment of MH-1 patients, including the availability of beds and services necessary for treating patients experiencing a mental health crisis, preventing crisis situations, and avoiding unnecessary transport of patients;
- (5) Develop recommendations for building a coordinated system of care with capacity for crisis services, community services, and outpatient and inpatient services to address the needs of persons with mental illness and substance use disorders who are in crisis, including discussions on alternative sites of treatment; and
- (6) Develop recommendations for reimbursement to support these efforts.

(b) The task force, at the invitation of the director of health, shall be composed of the following individuals or their designees:

- (1) The deputy director of behavioral health administration or the deputy director's designee, who shall serve as the chairperson of the task force;
- (2) Seven representatives from a hospital or hospital system; provided that at least two representatives shall represent a neighbor island and one shall represent a public hospital;
- (3) One representative from any federally qualified health center designated to receive MH-1 patients;
- (4) One representative from a residential mental health or substance abuse treatment facility;
- (5) One representative from the Healthcare Association of Hawaii;
- (6) Two representatives from law enforcement, one of which shall represent a neighbor island;
- (7) One representative from a mental health services provider;
- (8) One representative from the department of human services; and
- (9) One representative from the behavioral health programs of the University of Hawaii system.

(c) Representatives from the following entities shall be invited as additional participants of the task force:

- (1) The chief executive officers of facilities designated by the director of health pursuant to chapter 334, Hawaii Revised Statutes;
- (2) A patient advocate or mental health advocate;
- (3) A representative from a social services agency; and
- (4) A representative from a mental health emergency worker provider agency.

(d) Members of the task force shall serve without compensation, but shall be reimbursed for reasonable expenses incurred, including travel expenses.

(e) Two or more members of the task force, but less than the number of members that would constitute a quorum for the task force, may discuss between themselves matters relating to official business of the task force to enable members to faithfully perform their duties to the task force and the organizations they represent, as long as no commitment to vote is made or sought. Such discussions shall be a permitted interaction under section 92-2.5, Hawaii Revised Statutes.

(f) The task force shall submit a report to the legislature of its findings and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the regular session of 2020.

- (g) The task force shall assure that:
- (1) It leverages the coordinated policy framework utilized by the Hawaii opioid initiative to link and coordinate the efforts of any task force of similar focus that the legislature requires of the department of health; and
- (2) The department's behavioral health services administration continues to expand the use of the coordinated policy framework in its statutorily required implementation of statewide mental health systems of care.

(h) The task force shall cease to exist on June 30, 2020; provided that the department may continue the work of the task force without the effect of this Act should the department deem necessary.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 91

A Bill for an Act Relating to Medicaid Waiver.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State's department of health developmental disabilities division operates the medicaid intellectual and developmental disabilities home and community-based services waiver under the medicaid services section 1915(c) of the Social Security Act (HCBS I/DD waiver) on behalf of the department of human services med-QUEST division, which is the state medicaid agency.

The HCBS I/DD waiver is reviewed and approved by the United States Department of Health and Human Services Centers for Medicare and Medicaid Services (CMS) and has many requirements to ensure appropriate and efficient provision of services and supports to people with intellectual and developmental disabilities.

The legislature further finds that CMS requires that states provide participant safeguards to ensure the health, safety, and rights of HCBS I/DD waiver participants and ensure services are delivered by qualified providers. The developmental disabilities division conducts an initial review of all applications from provider agencies to ensure medicaid requirements are met. The med-QUEST division conducts final review approval. HCBS I/DD waiver provider agencies are required to follow waiver standards and policies and procedures for staff training and supervision to ensure the health and safety in the settings where participants receive HCBS I/DD waiver services. The developmental disabilities division conducts oversight and continuous quality assurance to ensure safe and appropriate practices by HCBS I/DD waiver provider-agencies. The med-QUEST division oversees monitoring activities performed by the developmental disabilities division. The developmental disabilities division also conducts certification of adult foster homes where many waiver participants reside.

The legislature also finds that not all waiver participants who live in residential settings require nursing services, and that requirements for nursing certifications by all providers of services in these settings add cost and burden to waiver provider agencies, which may impact access to services for participants with intellectual and developmental disabilities.

Providing an exclusion for agencies serving participants in the medicaid intellectual and developmental disabilities waiver will ensure that waiver participants continue to have access to services from qualified HCBS I/DD waiver provider agencies with a workforce that is continuously monitored to meet waiver requirements in alignment with state and federal standards.

SECTION 2. Section 321-14.8, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) A service provider agency [under contract for services with the city and county of Honolulu elderly affairs division] shall be exempt from the licensing requirement of this section[-] when services are provided:

- (1) Under contract for services with the city and county of Honolulu, elderly affairs division; or
- (2) Exclusively to participants in the medicaid home and community based services waiver, pursuant to section 1915(c) of the Social Security Act, by an agency approved by the department of human services med-QUEST division."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 7, 2019.)

ACT 92

S.B. NO. 1241

A Bill for an Act Relating to Energy Data.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that climate change poses a serious environmental, economic, and public health threat worldwide. Hawaii is particularly vulnerable to increases in sea levels, storm intensity, flooding, and beach erosion that result in disastrous impacts to the State.

The legislature finds that to address Hawaii's contribution to climate change, it passed Act 234, Session Laws of Hawaii 2007, which mandated that the State of Hawaii reduce its statewide greenhouse gas emissions to levels at or below 1990 levels by January 1, 2020.

The legislature further finds that section 342B-72, Hawaii Revised Statutes, as enacted by section 8 of Act 234, Session Laws of Hawaii 2007, mandated that the department of health adopt rules to ensure that any greenhouse gas emission reductions achieved are real, permanent, quantifiable, verifiable, and enforceable by the director of health.

In 2014, pursuant to section 342B-72, Hawaii Revised Statutes, the department of health adopted chapter 11-60.1, subchapter 11, Hawaii Administrative Rules, to regulate greenhouse gas emissions to achieve the 2020 emissions limit.

Section 11-60.1-204(k), Hawaii Administrative Rules, requires that the department of health conduct an annual evaluation, beginning in 2016, of progress to achieve the statewide greenhouse gas emission limit in a manner consistent with that done by the department of business, economic development, and tourism in its preparation of the 1990 greenhouse gas emission estimates under Act 234, Session Laws of Hawaii 2007.

Pursuant to section 342B-72, Hawaii Revised Statutes, and section 11-60.1-204(k), Hawaii Administrative Rules, the department of health is now responsible for preparing the annual greenhouse gas progress reports that provide statewide greenhouse gas emission inventory estimates and updates.

The annual reports are essential in order for the department of health to assess the progress being made toward achieving the 2020 greenhouse gas emissions limit, to estimate uncertainties, and to support the determination of whether the 2020 limit has been met and will be sustained.

Currently, access to the energy data obtained via chapter 486J, Hawaii Revised Statutes, for compiling statewide greenhouse gas inventories, is restricted to a few state departments and authorized individuals. The department of health is currently not one of the listed state departments allowed access to this essential energy data. Without access to the data, the department of health has been having difficulty developing the most accurate and reliable estimates of the state greenhouse gas emission levels possible.

The purpose of this Act is to add the department of health to the list of state departments that have access to the energy data collected pursuant to chapter 486J, Hawaii Revised Statutes, in order to increase the accuracy and reduce

the levels of uncertainty in the department of health's annual greenhouse gas progress reports.

SECTION 2. Section 486J-5.5, Hawaii Revised Statutes, is amended to read as follows:

"§486J-5.5 Energy data collection program. The department shall establish the energy data collection program that includes development and maintenance of an energy database system that meets the requirements of government and industry, while promoting sound policy making, greenhouse gas emission inventory reporting, energy planning, energy assurance planning, and energy security."

SECTION 3. Section 486J-6, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Unless otherwise provided by law, with respect to data that the commission or department obtained or was provided pursuant to this chapter, neither the commission or department nor any employee of the commission or department may do any of the following:

- (1) Use the information furnished or obtained for any purpose other than the purposes for which it is supplied;
- (2) Make any publication whereby the data furnished by any person can be identified; or
- (3) Permit any person other than the commission, the department of taxation, the attorney general, the consumer advocate, the department of business, economic development, and tourism, <u>the department of health</u>, and the authorized representatives and employees of each to examine the individual reports or statements provided."

SECTION 4. Section 486J-7, Hawaii Revised Statutes, is amended to read as follows:

"§486J-7 Confidential information obtained by another state agency. Any confidential information pertinent to the responsibilities of the commission or the department specified in this chapter that is obtained by another state agency, including the department of taxation, the attorney general, and the consumer advocate, shall be available only to the attorney general, the attorney general's authorized representatives, the department of business, economic development, and tourism, the department of health, and the commission and shall be treated in a confidential manner."

SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 93

H.B. NO. 1028

A Bill for an Act Relating to the Endangered Species Trust Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Hawaii has the unfortunate distinction of being the endangered species capital of the nation. Hawaii's iconic native plants and animals are being threatened by invasive species, fire, and disease. Funding is limited for the protection of these renowned plants and animals that are part of Hawaii's natural and cultural legacy.

The purpose of this Act is to expand the type of revenue that can be deposited into the endangered species trust fund. This would allow the department of land and natural resources to seek additional types of revenue for the implementation of chapter 195D, Hawaii Revised Statutes.

SECTION 2. Section 195D-31, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established within the state treasury a trust fund to be known as the endangered species trust fund to be administered by the department to implement the purposes of this chapter.

The fund shall consist of moneys from the following sources:

- (1) Moneys accrued from the sale of retail items officially sponsored by the department for the fund;
- (2) Private contributions for the management and recovery of Hawaii's unique plants and animals;
- (3) Fees and assessments charged for the [commercial] use of public land and waters and designated for the fund;
- (4) Penalties, fines, or auctions resulting from enforcement violations;
- (5) Legislative appropriations; and
- (6) Moneys deposited to implement the obligations of a habitat conservation plan, as security for habitat conservation plan funding, or technical assistance program fees and payment for costs incurred for use of the technical assistance program as set forth in section 195D-23(d)."

SECTION 3. Statutory material to be repealed is bracketed and stricken.

SECTION 4. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 94

H.B. NO. 1033

A Bill for an Act Relating to Mandatory Vessel Insurance Coverage.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that owning and operating a recreational vessel can provide many hours of enjoyment and a source of income, as well as a way to harvest food from the ocean. However, there are many responsibilities and potential hazards that accompany vessel operation, including the elements, other vessels, and the risk of a vessel grounding or sinking. Vessels are a serious investment and can create significant costs in the event of an unexpected accident.

Since 2002, the department of land and natural resources division of boating and ocean recreation has expended in excess of \$2,200,000 from the boating special fund to address vessels aground, derelict vessels, and abandoned vessels in waters of the State. In addition to environmental damage from ground-ed vessels, the State sometimes incurs all costs involved in removing a grounded vessel if the vessel is uninsured. The State has no way to recoup most of these costs because a significant number of grounded vessels are uninsured.

Since 2009, the division of boating and ocean recreation has required vessels moored in state small boat harbors to be insured as a condition of obtaining a mooring permit but has no mechanism for addressing insurance concerns, in particular, for the numerous trailered vessels that are not stored on property of the department or in a state facility.

The legislature finds that vessel insurance coverage helps to ensure that in the event of injury to another person, damage to property, a grounding, or a sinking, the registered boat owner's insurance policy will be able to remedy any related costs.

The purpose of this Act is to require certain vessel owners operating a vessel required to be registered with the State or being operated in state ocean waters with valid documentation from the United States Coast Guard, and certain grounded vessels, to obtain vessel insurance.

SECTION 2. Chapter 200, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

***§200-** Vessel insurance. (a) This section shall apply to:

- (1) All owners of vessels originally manufactured with a length of twenty-six feet or more that are:
 - (A) Required to be registered pursuant to section 200-31(a); or
 - (B) Operated in state ocean waters with a valid documentation number from the United States Coast Guard; and
- (2) Owners of vessels originally manufactured with a length of less than twenty-six feet who were or are the registered owner of a grounded vessel located anywhere in the State or state ocean waters.

(b) All owners of vessels subject to this section pursuant to subsection (a) shall obtain insurance coverage with a limit of not less than \$100,000 per occurrence, in a form and content to ensure that removal and salvage of a grounded vessel are covered; provided that the vessel owner may provide alternative proof of insurance, approved by the department, to comply with this section.

(c) The board of land and natural resources may grant an exemption from the marine insurance coverage requirement of this section for a transient vessel not moored in a state small boat harbor, offshore mooring area, or other facility under the jurisdiction of the department; provided that the board finds that there is good cause and that there are extraordinary circumstances necessitating the exemption.

(d) The department shall adopt rules pursuant to chapter 91 to carry out the purposes of this section.

(e) For the purposes of this section:

"Grounded vessel" means a vessel that made contact with the bed of a body of water and cannot move from the position under its own power.

"Transient vessel" means any vessel visiting the State for a period of less than ninety days."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on December 31, 2019. (Approved June 7, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 95

A Bill for an Act Relating to the Uniform Controlled Substances Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 329-22, Hawaii Revised Statutes, is amended to read as follows:

"§329-22 Schedule V. (a) The controlled substances listed in this section are included in schedule V.

(b) Narcotic drugs containing nonnarcotic active medicinal ingredients. Any compound, mixture, or preparation containing limited quantities of any of the following narcotic drugs, which also contains one or more nonnarcotic active medicinal ingredients in sufficient proportion to confer upon the compound, mixture, or preparation, valuable medicinal qualities other than those possessed by the narcotic drug alone:

- (1) Not more than 200 milligrams of codeine, or any of its salts, per 100 milliliters or per 100 grams;
- (2) Not more than 100 milligrams of dihydrocodeine, or any of its salts, per 100 milliliters or per 100 grams;
- (3) Not more than 100 milligrams of ethylmorphine, or any of its salts, per 100 milliliters or per 100 grams;
- (4) Not more than 2.5 milligrams of diphenoxylate and not less than 25 micrograms of atropine sulfate per dosage unit;
- (5) Not more than 100 milligrams of opium per 100 milliliters or per 100 grams; and
- (6) Not more than 0.5 milligram of difenoxin and not less than 25 micrograms of atropine sulfate per dosage unit.

(c) Stimulants. Unless specifically exempted or excluded or unless listed in another schedule, any material, compound, mixture, or preparation that contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers, and salts of isomers.

(d) Depressants. Unless specifically exempted or excluded or unless listed in another schedule, any material, compound, mixture, or preparation that contains any quantity of the following substances having a depressant effect on the central nervous system, including its salts, isomers, and salts of isomers:

- (1) Lacosamide [(R)-2-acetoamido-N-benzyl-3-methoxypropionamide], (Vimpat);
- (2) Pregabalin [(S)-3-(aminomethyl)-5-methylhexanoic acid]; and
- Brivaracetam ((2S)-2-[(4R)-2-oxo-4-propylpyrrolidin-1yl]butanamide) (Other names: BRV; UCB-34714; Briviact) and its salts.

(e) Approved cannabidiol drugs. A drug product in finished dosage formulation that has been approved by the United States Food and Drug Administration that contains cannabidiol (2-[1R-3-methyl-6R-(1-methylethenyl)-2-cyclohexen-1-yl]-5-pentyl-1,3-benzenediol) derived from cannabis and no more than 0.1 per cent (w/w) residual tetrahydrocannabinols."

SECTION 2. Section 329-38, Hawaii Revised Statutes, is amended by amending subsection (i) to read as follows:

"(i) Prescriptions for controlled substances shall be issued only as follows:

- (1) All prescriptions for controlled substances shall originate from within the State and be dated as of, and signed on, the day when the prescriptions were issued and shall contain:
 - (A) The first and last name and address of the patient; and
 - (B) The drug name, strength, dosage form, quantity prescribed, and directions for use. Where a prescription is for gamma hydroxybutyric acid, methadone, or buprenorphine, the practitioner shall record as part of the directions for use, the medical need of the patient for the prescription.

Except for electronic prescriptions, controlled substance prescriptions shall be no larger than eight and one-half inches by eleven inches and no smaller than three inches by four inches. A practitioner may sign a prescription in the same manner as the practitioner would sign a check or legal document (e.g., J.H. Smith or John H. Smith) and shall use both words and figures (e.g., alphabetically and numerically as indications of quantity, such as five (5), to indicate the amount of controlled substance to be dispensed. Where an electronic prescription is permitted, either words or figures (e.g., alphabetically or numerically as indications of quantity, such as five or 5), to indicate the amount of controlled substance to be dispensed shall be acceptable. Where an oral order or electronic prescription is not permitted, prescriptions shall be written with ink or indelible pencil or typed, shall be manually signed by the practitioner, and shall include the name, address, telephone number, and registration number of the practitioner. The prescriptions may be prepared by a secretary or agent for the signature of the practitioner, but the prescribing practitioner shall be responsible in case the prescription does not conform in all essential respects to this chapter and any rules adopted pursuant to this chapter. In receiving an oral prescription from a practitioner, a pharmacist shall promptly reduce the oral prescription to writing, which shall include the following information: the drug name, strength, dosage form, quantity prescribed in figures only, and directions for use; the date the oral prescription was received; the full name, Drug Enforcement Administration registration number, and oral code number of the practitioner; and the name and address of the person for whom the controlled substance was prescribed or the name of the owner of the animal for which the controlled substance was prescribed.

A corresponding liability shall rest upon a pharmacist who fills a prescription not prepared in the form prescribed by this section. A pharmacist may add a patient's missing address or change a patient's address on all controlled substance prescriptions after verifying the patient's identification and noting the identification number on the back of the prescription document on file. The pharmacist shall not make changes to the patient's name, the controlled substance being prescribed, the quantity of the prescription, the practitioner's Drug Enforcement Administration number, the practitioner's signature;

- (2) An intern, resident, or foreign-trained physician, or a physician on the staff of a Department of Veterans Affairs facility or other facility serving veterans, exempted from registration under this chapter, shall include on all prescriptions issued by the physician:
 - (A) The registration number of the hospital or other institution; and

(B) The special internal code number assigned to the physician by the hospital or other institution in lieu of the registration number of the practitioner required by this section.

The hospital or other institution shall forward a copy of this special internal code number list to the department as often as necessary to update the department with any additions or deletions. Failure to comply with this paragraph shall result in the suspension of that facility's privilege to fill controlled substance prescriptions at pharmacies outside of the hospital or other institution. Each written prescription shall have the name of the physician stamped, typed, or hand-printed on it, as well as the signature of the physician;

- (3) An official exempted from registration shall include on all prescriptions issued by the official:
 - (A) The official's branch of service or agency (e.g., "U.S. Army" or "Public Health Service"); and
 - (B) The official's service identification number, in lieu of the registration number of the practitioner required by this section. The service identification number for a Public Health Service employee shall be the employee's social security or other government issued identification number.

Each prescription shall have the name of the officer stamped, typed, or handprinted on it, as well as the signature of the officer; and

- (4) A physician assistant registered to prescribe controlled substances under the authorization of a supervising physician shall include on all controlled substance prescriptions issued:
 - (A) The Drug Enforcement Administration registration number of the supervising physician; and
 - (B) The Drug Enforcement Administration registration number of the physician assistant.

Each written controlled substance prescription issued shall include the printed, stamped, typed, or hand-printed name, address, and phone number of both the supervising physician and physician assistant, and shall be signed by the physician assistant. The medical record of each written controlled substance prescription issued by a physician assistant shall be reviewed and initialed by the physician assistant's supervising physician within seven working days."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 7, 2019.)

ACT 96

S.B. NO. 394

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to adopt market-based sourcing for purposes of apportioning income under the Uniform Division of Income for Tax Purposes Act (UDITPA), part II of chapter 235, Hawaii Revised Statutes. UDITPA governs the imposition of the Hawaii net income tax to taxpayers that carry on business both within and without the State. Historically, UDITPA has sourced intangibles and services to the place where the income-producing activity is performed or where most of the costs of performance are incurred. As intangible property and services have become a greater part of the economy, states have transitioned to market-based sourcing for intangibles and services. Market-based sourcing imposes tax in the place where taxpayers' markets are located rather than only the location of taxpayers' activities. Today, more than half of all states have made the transition to market-based sourcing. This Act amends UDITPA to transition to market-based sourcing for income from intangibles and services. Specifically, this Act changes the sourcing rules for the Hawaii sales factor for sales of services or intangibles to market-based sourcing.

This transition will ensure that Hawaii's income tax is keeping up with the changing economy and will foster uniformity with states that have also transitioned to market-based sourcing. This will reduce inter-state complexity and simplify inter-state compliance.

In addition, Hawaii's general excise tax utilizes a version of market-based sourcing. Therefore, transitioning the net income tax to market-based sourcing will increase consistency and efficiency between the two taxes.

SECTION 2. Section 235-37, Hawaii Revised Statutes, is amended to read as follows:

"§235-37 Apportionment; sales factor; nontangible personalty. Sales, other than sales of tangible personal property, are in this State [if]:

- (1) [The income producing activity is performed in this State; or] In the case of intangible property, to the extent the intangible property is used in this State; or
- (2) [The income-producing activity is performed both in and outside this State and a greater proportion of the income-producing activity is performed in this State than in any other state, based on costs of performance.] In the case of a service, to the extent the service is used or consumed in this State."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval, and shall apply to taxable years beginning after December 31, 2019.

(Approved June 7, 2019.)

ACT 97

S.B. NO. 1271

A Bill for an Act Relating to Tax Refund Offsets.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 231-53, Hawaii Revised Statutes, is amended to read as follows:

"[[]§231-53[]] Setoff against refund. The State, through the department of accounting and general services[₇] or the department of taxation, upon request of a claimant agency, shall set off any valid debt due and owing a claimant agency by the debtor against any debtor's refund. Any amount of the refund in excess of the amount retained to satisfy the debt shall be refunded to the debtor."

SECTION 2. Section 231-54, Hawaii Revised Statutes, is amended to read as follows:

"[[]§231-54[]] Hearings; appeals. At the time a setoff is identified, the debtor shall be notified by the comptroller[, department of accounting and general services,] or the director of taxation of the State's intention to apply the debtor's debt against the refund. The notice shall state that the debtor within thirty days may request a hearing before the claimant agency to contest the set-off. No issues that have been previously litigated shall be considered at the hearing. Appeals from the hearing allowed under this section shall be in accordance with chapter 91."

SECTION 3. Section 231-57.5, Hawaii Revised Statutes, is amended to read as follows:

"§231-57.5 Notification of address and social security number of debtor parent. The department of accounting and general services <u>or the department</u> <u>of taxation</u> shall notify the child support enforcement agency of the address and social security number of each debtor who has been subject to a setoff because of a child support debt."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 98

H.B. NO. 543

A Bill for an Act Relating to Affordable Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Front Street Apartments project on the island of Maui provides affordable housing to more than two hundred fifty low-income residents. The project was developed using state financing and state tax credits in 2001 as an affordable rental housing project with one hundred forty-two units and was expected to remain affordable to lowincome tenants for fifty years. However, the owners of the project have exercised an option to remove the project from the affordability requirements tied to the development of the project. This change will allow them to begin renting available apartments at market rates and to raise rents for existing tenants by October 2019.

The legislature further finds that, at the time the owners of the project exercised the option to remove the affordability requirements, many tenants of the Front Street Apartments project were not aware of this threat to their housing and are now worried that the removal of affordability requirements could leave them homeless. There is a severe shortage of affordable housing on the island of Maui, especially in west Maui, and this shortage will be exacerbated by the conversion of the Front Street Apartments project to market-rate housing.

The legislature took steps to condemn the ground lease for the Front Street Apartments project by enacting Act 150, Session Laws of Hawaii 2018 (Act 150). However, the legislature believes that the tenants, surrounding community, and the island of Maui would further benefit if the State were to acquire the leased fee and fee simple interests in the Front Street Apartments project. The legislature declares that it is in the public interest and is required for public use to preserve the affordable rental housing project at the Front Street Apartments by exercising the power of eminent domain if an agreement for the State to acquire the property is not reached within a reasonable time. If the State exercises eminent domain powers, the legislature further declares that it is necessary to provide public financing for the acquisition of any property interest in the Front Street Apartments by condemnation through the expenditure of general funds, revenue bonds, dwelling unit revolving funds, or any other authorized funds at the disposal of the State.

The legislature notes that Act 150 additionally authorized the Hawaii housing finance and development corporation to complete construction on another affordable housing project in west Maui. Development activities and expenditures on this project have commenced but may not be completed by 2021, as provided in that Act, and the \$30,000,000 or so much thereof appropriated from the rental housing revolving fund should therefore be returned to the rental housing revolving fund with an extended project completion date.

The legislature finds that, by enacting Act 288, Session Laws of Hawaii 2006, the State intervened to preserve affordable housing at the Kukui Gardens affordable rental housing project on the island of Oahu and this action provides precedent for this Act and Act 150.

Accordingly, the purpose of this Act is to ensure the continued availability of affordable rental housing, including the Front Street Apartments project and Leialii affordable housing project, on Maui.

SECTION 2. The Hawaii housing finance and development corporation shall immediately initiate negotiations with 3900 Corp., leasehold fee owner of the parcel designated as tax map key (2) 4-5-003-013, or its successor in interest to acquire the parcel.

SECTION 3. The Hawaii housing finance and development corporation shall submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2020 regarding its efforts to acquire the leased fee interest in the Front Street Apartments project.

SECTION 4. The Hawaii housing finance and development corporation shall exercise its power of eminent domain to acquire the leased fee interest in the Front Street Apartments project if an agreement to acquire the leased fee interest is not reached within a reasonable time, as determined by the corporation. For the purposes of this Act, and notwithstanding any provision of section 201H-13, Hawaii Revised Statutes, to the contrary, condemnation of the leased fee interest in the Front Street Apartments project shall not be subject to legislative disapproval.

SECTION 5. Act 150, Session Laws of Hawaii 2018, is amended to read as follows:

"SECTION 1. The Hawaii housing finance and development corporation shall institute proceedings for the condemnation of the ground lease for the Front Street Apartments affordable housing project pursuant to chapter 101, Hawaii Revised Statutes[-], unless the corporation has renegotiated the ground lease or issued a new ground lease on terms acceptable to the corporation by December 31, 2019. SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2018-2019 for an appraisal and other preparations for instituting the condemnation proceedings under section 1; provided that no funds authorized pursuant to this section shall be made available unless the county of Maui provides dollar-for-dollar matching funds.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

[SECTION 3. There is appropriated out of the rental housing revolving fund the sum of \$30,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to expedite and complete the construction of the Leialii affordable housing project in Lahaina, Maui, by 2021.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

SECTION 4.] SECTION 3. This Act shall take effect on July 1, 2018."

SECTION 6. There is appropriated out of the rental housing revolving fund the sum of \$37,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 to expedite and complete the construction of the Lealii affordable housing project in Lahaina, Maui, by 2022; provided that if the project does not obtain necessary land use entitlements by April 30, 2020, the appropriated funds shall be returned to the rental housing revolving fund.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this Act.

SECTION 7. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 8. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 10. This Act shall take effect on July 1, 2019.

(Approved June 7, 2019.)

ACT 99

H.B. NO. 942

A Bill for an Act Making Appropriations for Claims Against the State, its Officers, or its Employees.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The following sums or so much thereof as may be necessary for fiscal year 2018-2019 are appropriated out of the general revenues of the State of Hawaii to the department of the attorney general for the purpose of satisfying claims for legislative relief as to the following named persons, firms, corporations, and entities, for claims against the State or its officers or employees for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities, in the amounts set forth opposite their names:

ACT 99

1.	MISCELLANEOUS CLAIMS:	
	Asset Mortgage of Hawaii LLC c/o Sandy Knapp	\$ 2,466.84
	BG Kauai Holdings LLC	\$ 12,283.57
	Michael Bradley	\$ 2,332.00
	Shim Ching	\$ 40,600.00
	Jean A. Lee and Nancy Adachi Designated beneficiaries of Linda G. Lee, Deceased	\$ 20,238.55
	James McIntosh	\$ 92,764.00
	Monessa Miranda	\$ 10,200.00
	Raquel B. Nakahara	\$ 76.62
	Joseph Novotny	\$ 12,110.24
	Dustin S. Payne	\$ 54,378.95
	SUBTOTAL	\$ 247,450.77
	TOTAL (SECTION 1)	\$ 247,450.77

The sums appropriated shall be expended by the department of the attorney general for the purposes of this Act.

PART II

SECTION 2. The following sums or so much thereof as may be necessary for fiscal year 2018-2019 are appropriated out of the state highway fund for the purpose of satisfying claims for legislative relief as to the following named persons, for claims against the State or its officers or employees for payments of judgments or settlements, or other liabilities, in the amount set forth opposite their names:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS: DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION:	AMOUNT
 Bowles v. Hawaiian Electric Company, et al. Civil No. 17-1-0259-02 VLC, First Circuit 	\$ 12,166.45 Settlement
 Acosta, et al. v. State of Hawaii, et al. Civil No. 18-1-1507-90, First Circuit 	\$ 115,440.87 Settlement
 Huynh, et al. v. City and County of Honolulu, et al. Civil No. 15-1-1640-08, First Circuit 	\$ 900,000.00 Settlement
 O'Grady, et al. v. State of Hawaii, et al. Civil No. 07-1-0372, Third Circuit 	\$ 2,891,721.86 Settlement
 Sybounmy, et al. v. State of Hawaii, et al. Civil No. 16-1-1078-06, First Circuit 	\$ 15,000.00 Settlement
SUBTOTAL	\$ 3,934,329.18
TOTAL (SECTION 2)	\$ 3,934,329.18

The sums appropriated shall be expended by the department of transportation, highways division, for the purposes of this Act.

PART III

SECTION 3. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named persons for claims against the State or the department of the attorney general or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
1. DEPARTMENT OF THE ATTORNEY GENERAL:	
Aloha Pregnancy Care and CounselingSCenter, Inc. v. Suzuki, et al.Civil No. 17-00343, USDC	\$ 20,344.50 Settlement
Calvary Chapel Pearl Harbor, d/b/a S A Place for Women in Waipio, et al. v. Suzuki, et al. Civil No. 17-00326, USDC	\$ 40,000.00 Settlement
SUBTOTAL	\$ 60,344.50
TOTAL (SECTION 3)	60,344.50

Provided that of legislative appropriation item K-20 for the department of the attorney general for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$60,344.50 shall be expended from the fiscal year 2018-2019 budget (ATG 100, general funds) by the department of the attorney general for the purposes of this Act.

PART IV

SECTION 4. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the Hawaii state public charter school or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
1. HAWAII STATE PUBLIC CHARTER SCHOOL:	
Miller-Potter v. State of Hawaii, et al.	\$ 75,000.00
Civil No. 16-1-0385K, Third Circuit	Settlement
SUBTOTAL	\$ 75,000.00
TOTAL (SECTION 4)	\$ 75,000.00

Provided that of legislative appropriation item G-7 for the department of education for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$75,000 shall be expended from the fiscal year 2018-2019 budget (EDN 600, general funds) by the Hawaii state public charter school for the purposes of this Act.

PART V

SECTION 5. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of health or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	A	AMOUNT
1. DEPARTMENT OF HEALTH:		
Kawamoto, et al. v. Ige, et al. Civil No. 16-00362, USDC	\$	27,500.00 Settlement
SUBTOTAL	\$	27,500.00
TOTAL (SECTION 5)	\$	27,500.00

Provided that of legislative appropriation item E-25 for the department of health for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$27,500 shall be expended from the fiscal year 2018-2019 budget (HTH 907, general funds) by the department of health for the purposes of this Act.

PART VI

SECTION 6. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of human services or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

AMOUNT
\$ 585,000.00 Settlement
\$ 585,000.00
\$ 585,000.00
\$

Provided that of legislative appropriation item F-1 for the department of human services for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$585,000 shall be expended from the fiscal year 2018-2019 budget (HMS 301, general funds) by the department of human services for the purposes of this Act.

PART VII

SECTION 7. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of human services or its officers

or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
1. DEPARTMENT OF HUMAN SERVICES:	
Kawamoto, et al. v. Ige, et al. Civil No. 16-00362, USDC	\$ 27,500.00 Settlement
SUBTOTAL	\$ 27,500.00
TOTAL (SECTION 7)	\$ 27,500.00

Provided that of legislative appropriation item F-29 for the department of human services for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$27,500 shall be expended from the fiscal year 2018-2019 budget (HMS 904, general funds) by the department of human services for the purposes of this Act.

PART VIII

SECTION 8. The legislature finds and declares that the following claims for legislative relief recommended for approval as to the following named persons for claims against the State or the department of land and natural resources or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

	ENTS AGAINST THE STATE ITLEMENTS OF CLAIMS:	AMOUNT
1. DEPA	RTMENT OF LAND AND NATURAL RESOURCES:	
	ner v. Vitousek, et al. No. 16-1-155K, Third Circuit	\$ 70,000.00 Settlement
and N	rger, et al. v. Department of Land latural Resources, State of Hawaii No. 12-1-2625-10, First Circuit	\$ 160,645.29 Judgment
SUBT	OTAL	\$ 230,645.29
TOTA	AL (SECTION 8)	\$ 230,645.29

Provided that of legislative appropriation item D-9 for the department of land and natural resources for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$230,645.29 shall be expended from the fiscal year 2018-2019 budget (LNR 906, general funds) or from the fiscal year 2019-2020 budget by the department of land and natural resources for the purposes of this Act.

PART IX

SECTION 9. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of public safety or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

ACT 99

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
1. DEPARTMENT OF PUBLIC SAFETY:	
Fraser v. Lingle, et al.	\$ 25,000.00
Civil No. 08-1-0709(1), Second Circuit	 Settlement
SUBTOTAL	\$ 25,000.00
TOTAL (SECTION 9)	\$ 25,000.00

Provided that of legislative appropriation item I-5 for the department of public safety for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$25,000 shall be expended from the fiscal year 2018-2019 budget (PSD 406, general funds) by the department of public safety for the purposes of this Act.

PART X

SECTION 10. The legislature finds and declares that the following claims for legislative relief recommended for approval as to the following named persons for claims against the State or the department of public safety or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
. DEPARTMENT OF PUBLIC SAFETY:	
Luong v. Sequeira, et al. Civil No. 16-00613, USDC	\$ 27,500.00 Settlement
Johnson v. Department of Public Safety, et al. Civil No. 15-1-0609-04, First Circuit	\$ 18,000.00 Settlement
SUBTOTAL	\$ 45,500.00
TOTAL (SECTION 10)	\$ 45,500.00

Provided that of legislative appropriation item I-6 for the department of public safety for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$45,500 shall be expended from the fiscal year 2018-2019 budget (PSD 407, general funds) by the department of public safety for the purposes of this Act.

PART XI

SECTION 11. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of public safety or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
1. DEPARTMENT OF PUBLIC SAFETY:	
Coma, et al. v. State of Hawaii v. Global	\$ 74,900.00
Medical Staffing, Inc.	Settlement
Civil No. 15-1-0437-03, First Circuit	
SUBTOTAL	\$ 74,900.00
TOTAL (SECTION 11)	\$ 74,900.00

Provided that of legislative appropriation item I-1 for the department of public safety for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$74,900.00 shall be expended from the fiscal year 2018-2019 budget (PSD 402, general funds) by the department of public safety for the purposes of this Act.

PART XII

SECTION 12. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of public safety or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

HIDOMENTS ACAINST THE STATE

AND SETTLEMENTS OF CLAIMS:	AMOUNT	UNT
1. DEPARTMENT OF PUBLIC SAFETY:		
United States Department of Justice	\$ 45,000.00	
Investigation on State of Hawaii	Settlement	
Department of Public Safety for Americans		
With Disabilities Act Violations		
SUBTOTAL	\$ 45,000.00	
TOTAL (SECTION 12)	\$ 45,000.00	

Provided that of legislative appropriation item I-19 for the department of public safety for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$45,000.00 shall be expended from the fiscal year 2018-2019 budget (PSD 900, general funds) by the department of public safety for the purposes of this Act.

PART XIII

SECTION 13. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of education or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS: AMOUNT 1. DEPARTMENT OF EDUCATION: Kauhako, et al. v. State of Hawaii, et al. Judgment Civil No. 13-00567, USDC SUBTOTAL \$ 783,391.13 TOTAL (SECTION 13) \$ 783,391.13

Provided that of legislative appropriation item G-2 for the department of education for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$783,391.13 shall be expended from the fiscal year 2018-2019 budget (EDN 150, general funds) by the department of education for the purposes of this Act.

PART XIV

SECTION 14. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of education or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

JUDGMENTS AGAINST THE STATEAND SETTLEMENTS OF CLAIMS:AMOUNT1. DEPARTMENT OF EDUCATION:\$ 50,000.00Wong v. State of Hawaii, et al.\$ 50,000.00Civil No. 14-1-0281, Third Circuit\$ 50,000.00SUBTOTAL\$ 50,000.00TOTAL (SECTION 14)\$ 50,000.00

Provided that of legislative appropriation item G-4 for the department of education for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$50,000.00 shall be expended from the fiscal year 2018-2019 budget (EDN 300, general funds) by the department of education for the purposes of this Act.

PART XV

SECTION 15. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of public safety or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

ACT 99

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUN	T
1. DEPARTMENT OF PUBLIC SAFETY:		
Smith v. Chong, et al. Civil No. 16-00519, USDC	\$ 125,000. Settleme	
SUBTOTAL	\$ 125,000.0	00
TOTAL (SECTION 15)	\$ 125,000.0	00

Provided that of legislative appropriation item I-4 for the department of public safety for fiscal year 2018-2019 in section 3 of Act 49, Session Laws of Hawaii 2017, as amended by section 3 of Act 53, Session Laws of Hawaii 2018, the general fund sum of \$125,000.00 shall be expended from the fiscal year 2018-2019 budget (PSD 405, general funds) by the department of public safety for the purposes of this Act.

PART XVI

SECTION 16. The sums provided in sections 1 through 15 of this Act may be paid to the respective persons, or for the satisfaction or settlement of the respectively identified cases, and in several amounts hereinabove set forth or in lesser amounts deemed appropriate, upon checks issued by the comptroller; provided departments shall obtain the approval of the attorney general before payment of any claim can be made.

SECTION 17. Notwithstanding the sums provided in sections 1 through 15 of this Act stated as interest upon judgments against the State, payment of interest shall be limited to the period from the date of judgment, if applicable, to thirty days after the effective date of this Act, as provided in section 662-8, Hawaii Revised Statutes, for those cases to which the statute applies.

SECTION 18. All unexpended and unencumbered balances of the appropriations made in this Act as of the close of business on June 30, 2020, shall lapse.

SECTION 19. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act, which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 20. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 100

H.B. NO. 901

A Bill for an Act Relating to Government Publications.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Due to changes in technology and how the public accesses information, demand for reports produced by state and county agencies in paper form has decreased. The purpose of this Act is to reduce the burden on state and county agencies to produce paper copies of reports and ensure that the state publications distribution center receives the report in an electronic format. Receipt of these reports in an electronic format prescribed by the state librarian will ensure that the Hawaii state public library system will be able to provide the public access to the report anywhere in the statewide public library system.

SECTION 2. Section 93-3, Hawaii Revised Statutes, is amended to read as follows:

"§93-3 Deposit of publications. Upon release of a publication, every state and county agency shall immediately deposit [seven] two paper copies, and one electronic copy in a format prescribed by the state librarian, with the state publications distribution center and one paper copy with the University of Hawaii. Additional copies of the publications shall be deposited with the publications distribution center upon request of a representative of that center so long as copies are available.

The state librarian may enter into depository agreements with private and public educational, historical, or scientific institutions or other libraries, within or without the State, in order to achieve the objectives sought under this part."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 7, 2019.)

ACT 101 H.B. 1

H.B. NO. 1157

A Bill for an Act Relating to Post-Secondary Education Student Immunizations. *Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that colleges and universities are increasing the number of courses and programs offered online. The University of Hawaii offered 1,428 sections of distance learning in the fall 2018 semester and is preparing to increase its offering of exclusively online programs. Because methods of educational delivery are changing, certain requirements that have been traditionally imposed on students, such as immunizations, may not always apply in the same manner as they do for traditional classroom instruction.

The legislature further finds that the department of health is currently proposing changes to title 11, chapter 157, Hawaii Administrative Rules, relating to examination and immunization. The proposed changes include an exemption for online and distance learning for post-secondary schools to be implemented once the proposed rules are effective, the governor approves them, and the amended rules have been filed with the lieutenant governor.

The legislature additionally finds that the University of Hawaii is expanding its online and distance-learning programs beginning with the fall 2019 semester. However, the proposed rules may not be adopted in time for fall 2019 classes. Therefore, students who register exclusively for post-secondary online and distance-learning programs for fall 2019, or the preceding online summer college transition course, may still be subject to the current immunization requirements. The department of health and University of Hawaii agree that the rule regarding immunization should be amended to exempt post-secondary students in online or distance-learning programs who do not attend classes in person.

The purpose of this Act is to allow post-secondary students who attend classes exclusively online or through distance learning to be exempt from the requirements of title 11, chapter 157, Hawaii Administrative Rules, under certain conditions.

SECTION 2. Students in post-secondary education programs who are registered to attend classes exclusively online or through distance learning shall be exempt from the requirements of title 11, chapter 157, Hawaii Administrative Rules; provided that if a student needs to go on campus for any reason related to their online or distance learning class, the student shall be subject to the immunization requirements of title 11, chapter 157, Hawaii Administrative Rules, prior to entering the campus.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 20, 2019.)

ACT 102

H.B. NO. 349

A Bill for an Act Relating to International Yoga Day.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that yoga is a long standing aspect of Indian civilization and gift to humanity. According to the Yoga Sutras 1.2, "*yogas citta vrtti nirodhah*," which is translated as "yoga is the focused tranquility of the mind." Its practice emphasizes moral, physical, and mental well-being resulting in physical, mental, and spiritual balance. Yoga is not just physical exercise; it is a spiritual path to control the mind and senses and to know one's higher self and purpose in life, and it encourages living in harmony with society and nature. Yoga is a way of life and can promote health and well-being and insight into addressing environmental concerns and facilitating world peace. More than three hundred million people around the world practice some form of yoga.

According to the 2016 Yoga in America Study, which queried over two thousand members of the general population and over one thousand seven hundred yoga practitioners in the United States, over thirty-six million people in the United States practice yoga, seventy-four per cent of whom have been practicing for five years or less, which demonstrates the relative newness of the interest in yoga. The study revealed that yoga practitioners are drawn to yoga for a variety of reasons, including flexibility, stress relief, general fitness, overall health, and physical fitness. Additionally, yoga provides an economic benefit; Americans spent \$16,000,000,000 on yoga instruction, gear, and accessories, including \$5,800,000,000 on yoga classes and \$4,600,000,000 on clothes to engage in yoga. The study also found that about thirty-seven per cent of yoga practitioners have children under the age of eighteen who have practiced yoga.

The legislature further finds that the United Nations adopted a resolution on December 11, 2014, proclaiming June 21 as the International Day of Yoga. One hundred seventy-five countries cosponsored the resolution. Yoga embodies unity of mind and body; thought and action; restraint and fulfillment; harmony between man and nature; a holistic approach to health and well-being. It is not about exercise but to discover the sense of oneness with yourself, the world and the nature. The legislature further finds that yoga provides a holistic approach to health and well-being, and wider dissemination of information about the benefits of practicing yoga would be beneficial for the health of Hawaii's population. The practice of yoga is beneficial to the people of Hawaii, including children, as it lowers stress, reduces health problems and health insurance costs, and promotes healthy living among adults and the elderly population. Currently, yoga is being taught to inmates in Hawaii prisons.

The purpose of this Act is to establish June 21 of each year as International Yoga Day to promote the practice of yoga to increase the health and wellbeing of the people of Hawaii.

SECTION 2. Chapter 8, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§8- International Yoga Day." June 21 of each year shall be known and designated as "International Yoga Day"; provided that this day is not and shall not be construed to be a state holiday."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval. (Approved June 21, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 103

S.B. NO. 754

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the federal Food and Drug Administration Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption (21 C.F.R. Part 112) establishes produce safety rules to allow for inspection and regulation of farms producing food for consumers.

The purpose of this Act is to enact produce safety rules to authorize state department of agriculture inspectors to inspect and regulate farms producing food in the State to increase food safety.

SECTION 2. Chapter 145, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . PRODUCE SAFETY

§145-A Definitions. For purposes of this part, unless otherwise required by the context:

"C.F.R." means the Code of Federal Regulations.

"Chairperson" means the chairperson of the board of agriculture.

"Covered activity" means growing, harvesting, packing, or holding covered produce on a farm. "Covered activity" includes manufacturing or processing of covered produce on a farm, but only to the extent that such activities are performed on raw agricultural commodities.

"Covered farm" means a farm with an average annual monetary value of produce sold during the previous three-year period equal to more than \$25,000 on a two of three-year rolling basis, adjusted for inflation using 2016 as the baseline year for calculating the adjustment.

"Covered produce" means food that is produced within the meaning of the federal Food and Drug Administration Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption (21 C.F.R. Part 112) and that is a raw agricultural commodity. "Covered produce" includes all of the following:

(1)Fruits and vegetables such as almonds, apples, apricots, apriums, artichokes-globe-type, Asian pears, avocados, babacos, bananas, Belgian endive, blackberries, blueberries, boysenberries, brazil nuts, broad beans, broccoli, brussels sprouts, burdock, cabbages, Chinese cabbages (bok choy, mustard, and Napa), cantaloupes, carambolas, carrots, cauliflower, celeriac, celery, chayote fruit, cherries (sweet), chestnuts, chicory (roots and tops), citrus (such as clementine, grapefruit, lemons, limes, mandarin, oranges, tangerines, tangors, and unique fruit), cowpea beans, cress-garden, cucumbers, curly endive, currants, dandelion leaves, fennel-Florence, garlic, genip, gooseberries, grapes, green beans, guavas, herbs (such as basil, chives, cilantro, oregano, and parsley), honeydew, huckleberries, Jerusalem artichokes, kale, kiwifruit, kohlrabi, kumquats, leek, lettuce, lychees, macadamia nuts, mangos, other melons (such as Canary, Crenshaw, and Persian), mulberries, mushrooms, mustard greens, nectarines, onions, papayas, parsnips, passion fruit, peaches, pears, peas, peas-pigeon, peppers (such as bell and hot), pine nuts, pineapples. plantains, plums, plumcots, quince, radishes, raspberries, rhubarb, rutabagas, scallions, shallots, snow peas, soursop, spinach, sprouts (such as alfalfa and mung bean), strawberries, summer squash (such as patty pan, yellow, and zucchini), sweetsop, Swiss chard, taro, tomatoes, turmeric, turnips (roots and tops), walnuts, watercress, watermelons, and yams; and

(2) A mix of intact fruits and vegetables, such as a fruit basket.

"Covered produce" does not include:

- (1) Produce that is rarely consumed raw, specifically the produce on the following exhaustive list: asparagus; beans, black; beans, great Northern; beans, kidney; beans, lima; beans, navy; beans, pinto; beets, garden (roots and tops); beets, sugar; cashews; cherries, sour; chickpeas; cocoa beans; coffee beans; collards; corn, sweet; cranberries; dates; dill (seeds and weed); eggplants; figs; ginger; hazelnuts; horseradish; lentils; okra; peanuts; pecans; peppermint; potatoes; pumpkins; squash, winter; sweet potatoes; and water chestnuts;
- (2) Produce that is produced by an individual for personal consumption or produced for consumption on the farm or another farm under the same management; or

(3) Produce that is not a raw agricultural commodity.

"Farm" means:

(1) A primary production operation under one management in one general, but not necessarily contiguous, physical location devoted to the growing of crops, the harvesting of crops, the raising of animals including seafood, or any combination of these activities; or

(2) A secondary activities operation, not located on a primary production farm, devoted to harvesting such as hulling or shelling, packing, or holding of raw agricultural commodities; provided that the primary production farm that grows, harvests, or raises the majority of the raw agricultural commodities harvested, packed, or held by the secondary activities farm owns, or jointly owns, a majority interest in the secondary activities farm.

The term "farm" includes operations that, in addition to these activities:

- (1) Pack or hold raw agricultural commodities;
- (2) Pack or hold processed food; provided that all processed food used in such activities is either consumed on that farm or another farm under the same management, or is processed food; and
- (3) Manufacture or process food; provided that:
 - (A) All food used in such activities is consumed on that farm or another farm under the same management; or
 - (B) Any manufacturing or processing of food that is not consumed on that farm or another farm under the same management consists only of:
 - Drying or dehydrating raw agricultural commodities to create a distinct commodity such as drying or dehydrating grapes to produce raisins, and packaging and labeling such commodities, without additional manufacturing or processing such as slicing;
 - (ii) Treatment to manipulate the ripening of raw agricultural commodities, such as by treating produce with ethylene gas, and packaging and labeling treated raw agricultural commodities, without additional manufacturing or processing; or
 - (iii) Packaging and labeling raw agricultural commodities, when these activities do not involve additional manufacturing or processing such as irradiation.

"Food" means articles used for food or drink for humans or other animals, chewing gum, and articles used for components of any such article, and includes seeds and beans used to grow sprouts.

"Fruit" means the edible reproductive body of a seed plant or tree nut such as apple, orange, and almond such that fruit means the harvestable or harvested part of a plant developed from a flower.

"Harvesting" means activities that are traditionally performed on farms for the purpose of removing raw agricultural commodities from the place they were grown or raised and preparing them for use as food. Harvesting is limited to activities performed on raw agricultural commodities, or on processed foods created by drying or dehydrating a raw agricultural commodity without additional manufacturing or processing, on a farm. "Harvesting" does not include activities that transform a raw agricultural commodity into a processed food. Examples of harvesting include cutting or otherwise separating the edible portion of the raw agricultural commodity such as foliage, husks, roots or stems. Examples of harvesting also include cooling, field coring, filtering, gathering, hulling, shelling, sifting, threshing, trimming of outer leaves of, and washing raw agricultural commodities grown on a farm.

"Holding" means storage of food and also includes activities performed incidental to storage of a food such as activities performed for the safe or effective storage of that food, such as fumigating food during storage, and drying or dehydrating raw agricultural commodities when the drying or dehydrating does not create a distinct commodity such as drying or dehydrating hay or alfalfa. "Holding" also includes activities performed as a practical necessity for the distribution of that food such as blending of the same raw agricultural commodity and breaking down pallets, but does not include activities that transform a raw agricultural commodity into a processed food.

"Holding facilities" include warehouses, cold storage facilities, storage silos, grain elevators, and liquid storage tanks.

"Manufacturing or processing" means making food from one or more ingredients, or synthesizing, preparing, treating, modifying, or manipulating food, including food crops or ingredients. Examples include: Baking, boiling, bottling, canning, cooking, cooling, cutting, distilling, drying or dehydrating raw agricultural commodities to create a distinct commodity such as drying or dehydrating grapes to produce raisins, evaporating, eviscerating, extracting juice, formulating, freezing, grinding, homogenizing, labeling, milling, mixing, packaging including modified atmosphere packaging, pasteurizing, peeling, rendering, treating to manipulate ripening, trimming, washing, or waxing. For farms and farm mixed-type facilities, manufacturing or processing does not include activities that are part of harvesting, packing, or holding.

"Packing" means placing food into a container other than packaging the food and also includes re-packing and activities performed incidental to packing or re-packing a food such as activities performed for the safe or effective packing or re-packing of that food such as sorting, culling, grading, and weighing or conveying incidental to packing or re-packing, but does not include activities that transform a raw agricultural commodity into a processed food.

"Processed food" means any food other than a raw agricultural commodity and includes any raw agricultural commodity that has been subject to processing, such as canning, cooking, freezing, dehydration, or milling.

"Produce" means any fruit or vegetable including mixes of intact fruits and vegetables and includes mushrooms, sprouts irrespective of seed source, peanuts, tree nuts, and herbs. "Produce" does not include food grains meaning the small, hard fruits or seeds of arable crops, or the crops bearing these fruits or seeds, that are primarily grown and processed for use as meal, flour, baked goods, cereals, and oils rather than for direct consumption as small, hard fruits or seeds including cereal grains, pseudo cereals, oilseeds, and other plants used in the same fashion. Examples of food grains include barley, dent- or flint-corn, sorghum, oats, rice, rye, wheat, amaranth, quinoa, buckwheat, and oilseeds such as cotton seed, flax seed, rapeseed, soybean, and sunflower seed.

"Qualified end-user" means, with respect to a food, the consumer of the food or a restaurant or retail food establishment that is located in the State.

"Raw agricultural commodity" means any food in its raw or natural state, including all fruits that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing.

"Vegetable" means the edible part of an herbaceous plant such as cabbage or potato or fleshy fruiting body of a fungus such as white button or shiitake grown for an edible part such that vegetable means the harvestable or harvested part of any plant or fungus whose fruit, fleshy fruiting bodies, seeds, roots, tubers, bulbs, stems, leaves, or flower parts are used as food and includes mushrooms, sprouts, and herbs such as basil or cilantro.

§145-B Covered farm; covered produce; exemptions. (a) Covered produce is eligible for exemption from the requirements of this part under the following conditions:

- (1) The covered produce receives commercial processing that adequately reduces the presence of microorganisms of public health significance;
- (2) The covered farm discloses in documents accompanying the covered produce, that in accordance with the practice of the trade, the food is "not processed to adequately reduce the presence of microorganisms of public health significance";
- (3) The covered farm complies with the written assurance requirements of title 21 C.F.R. section 112.2(b)(3);
- (4) The covered farm complies with the documentation requirements of title 21 C.F.R. section 112.2(b)(4);
- (5) The requirements of title 21 C.F.R. part 112 subpart A (general provisions) and title 21 C.F.R. part 112 subpart Q (compliance and enforcement) apply to the covered produce; and
- (6) An entity that provides a written assurance under title 21 C.F.R. section 112.2(b)(3) acts consistently with the assurance and documents its actions taken to satisfy the written assurance.

(b) A covered farm shall comply with all applicable requirements of this part, rules adopted pursuant to section 145-I, and title 21 C.F.R part 112 when conducting a covered activity on covered produce. A farm is not subject to this part if it satisfies the requirements in title 21 C.F.R. section 112.5 and the United States Food and Drug Administration has not withdrawn the farm's exemption in accordance with the requirements of title 21 C.F.R. part 112 subpart R.

(c) A farm is eligible for a qualified exemption and associated modified requirements in a calendar year if:

- (1) The average annual monetary value of the food the farm sold directly to qualified end-users during the previous three-year period preceding the applicable calendar year exceeded the average annual monetary value of the food the farm sold to all other buyers during that period; and
- (2) The average annual monetary value of all food the farm sold during the three-year period preceding the applicable calendar year was less than \$500,000, adjusted for inflation, using 2016 as the baseline year for calculating the adjustment for inflation.

If a farm is eligible for a qualified exemption in accordance with title 21 C.F.R. section 112.5, the farm shall be subject to the requirements of title 21 C.F.R. part 112 subparts A, O, Q, and R. If a farm is eligible for a qualified exemption in accordance with title 21 C.F.R. section 112.5, the farm shall be subject to the modified requirements established in title 21 C.F.R. section 112.6(b).

(d) No covered farm or farm eligible for a qualified exemption in accordance with title 21 C.F.R. section 112.5 shall violate any provision of this part, rules adopted pursuant to section 145-I, or title 21 C.F.R. part 112.

§145-C Chairperson to have access to certain farms. The department shall have access only at reasonable hours to any covered farm or any farm eligible for a qualified exemption in accordance with title 21 C.F.R. section 112.5 for the purposes of:

- (1) Inspecting the farm to determine if any provision of this part is being violated; and
- (2) Securing and examining samples or specimens to determine if any provision of this part is being violated.

§145-D Authority to seize, condemn, or destroy covered produce. (a) If the department believes any covered produce on a covered farm that is being

grown, kept, or exposed for sale or held in possession or under the control of any person to be in violation of this part or rules adopted pursuant to section 145-I, the department may seize or take possession of or condemn, destroy, or require the destruction of the covered produce.

(b) Prior to condemning, destroying, or requiring the destruction of covered produce pursuant to subsection (a), the department shall seize the covered produce and either:

- (1) Secure written agreement to the condemnation or destruction, on a form to be provided by the chairperson, from the person from whom the covered produce was seized; or
- (2) Make complaint before a district judge pursuant to section 145-E.

§145-E Proceeding for condemnation or destruction of covered produce. If unable to secure the written agreement to the condemnation or destruction as required by section 145-D(b)(1), the department shall make complaint before a district judge in whose circuit the covered produce was seized. The district judge shall issue a summons to the person from whom the covered produce was seized, directing the person to appear before the circuit court within twelve days from the date of issuing the summons and show cause as to why the covered produce should not be condemned or destroyed. If the person from whom the covered produce was seized cannot be found, then the summons shall be served upon the person then in possession of the covered produce. The summons shall be served at least six days before the time of appearance mentioned therein. If the person from whom the covered produce was seized cannot be found, and no one can be found in possession of the covered produce, and the defendant does not appear on the return day, then an appropriate court shall proceed in the case in the same manner as where a writ of attachment is returned not personally served upon any of the defendants and none of the defendants appears upon the return day.

§145-F Judgment; appeal; proceeds. (a) Unless otherwise shown or if the covered produce to be condemned or destroyed pursuant to section 145-D is found to be in violation of any provision of this part or rules adopted pursuant to section 145-I, it shall be the duty of the district court to render judgment that the covered produce be forfeited to the State and that the goods be destroyed or sold by the department for any purpose other than to be used for food. Either party aggrieved by the district court may appeal to the intermediate appellate court.

(b) The proceeds arising from any sale ordered pursuant to subsection (a) shall be disposed of in a manner determined by the court.

§145-G Impeding the department prohibited. No person shall impede, obstruct, hinder, or otherwise prevent or attempt to prevent the department, an inspector, or any other person in the performance of duty in connection with this part.

§145-H Civil penalty. Any person who violates any provision of this part or rule adopted pursuant to section 145-I shall be subject to a civil penalty in an amount not to exceed \$1,000 per violation. In determining the amount of any civil penalty, the board of agriculture shall give due consideration to:

- (1) The history of the person's previous violations;
- (2) The seriousness of the violation; and
- (3) The demonstrated good faith of the person charged in attempting to achieve compliance with this part after being notified of the violation.

The penalty shall be collected by the department, and the proceeds shall be deposited into the agricultural development and food security special fund established pursuant to section 141-10.

§145-I Rulemaking authority. The board of agriculture may adopt rules pursuant to chapter 91 necessary to carry out the purposes of this part."

SECTION 3. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 4. This Act shall take effect upon its approval; provided that:

- (1) This Act shall be repealed upon the effective date of the repeal of title 21 Code of Federal Regulations part 112 or on July 1, 2022, whichever occurs sooner; and
- (2) This Act shall expire if the federal government declines to award funds to the State to implement the provisions of federal law embodied in this Act or the federal funds awarded are exhausted, whichever is later.

(Approved June 21, 2019.)

ACT 104

H.B. NO. 463

A Bill for an Act Relating to Food Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii is the most geographically isolated state in the country and imports approximately ninety-two per cent of its food, according to the Pacific Regional Integrated Sciences and Assessments Program.

Each food product imported to Hawaii is a lost opportunity for local economic growth. According to the University of Hawaii college of tropical agriculture and human resources, an increase in the production and sale of Hawaii-grown food would contribute to significant job creation. Increasing the amount of locally grown food by as little as ten per cent could keep hundreds of millions of dollars circulating within Hawaii's economy, stimulate growth, and create thousands of new jobs. Research shows that replacing ten per cent of current food imports with locally grown food will create a total of two thousand three hundred jobs. Such diversification would help make Hawaii's economy more resilient to worldwide events. Increasing local food production will ensure that Hawaii has food sources that will be more stable when faced with global supply disruptions, increasing global demand and shortages of commodities, and potential global food scarcities.

The federal Food and Drug Administration is implementing more comprehensive food safety regulations for agriculture under the 2011 FDA Food Safety Modernization Act. The implications for Hawaii are profound. The need for food safety education and compliance is critical to keep Hawaii's 1,400,000 residents and nearly nine million annual visitors safe from foodborne illnesses. During 2016, eight hundred thirty-nine foodborne disease outbreaks were reported nationwide, resulting in 14,259 illnesses, eight hundred seventy-five hospitalizations, and seventeen deaths. Public health officials reported outbreaks from fifty states, Puerto Rico, and Washington, D.C. The median reporting rate per million population was 3.6 outbreaks; rates ranged from 0.8 in Texas to 11.2 in Hawaii. The deadline for compliance with the FDA Food Safety Modernization Act has been staggered, starting with large operations in 2018. The small farm compliance deadline is January 2019 and the very small farmers' deadline occurs in 2020. Ninety per cent of Hawaii's 3,682 farms are small to very small farms. The new standards include recordkeeping that can be burdensome and expensive for many of Hawaii's farmers. The costs that farmers must incur to comply with the new food safety requirements are prohibitive to some farmers and will likely result in farm closures.

Furthermore, local retailers and distributors will be less likely to purchase from farms that cannot provide food safety and traceability documentation required by the FDA Food Safety Modernization Act. These buyers will import products no longer available from local sources to meet their customer's demands, increasing the State's dependency on imported food. The average age of Hawaii's farmers is over sixty years old. Many older farmers may be inclined to close their farms rather than invest time and resources into food safety certification and compliance. Fewer farms and the resulting decreased agricultural production will negatively impact the State's goals of reducing food imports, doubling the production of local food, and increasing food resiliency.

Providing additional support to Hawaii's agricultural industry could help reduce foodborne outbreaks, reduce reliance on agricultural imports and foster job growth in the State. In Hawaii, small and medium size farms are key to increasing locally produced food. Most farms currently grow only what can be sold in direct-to-consumer markets, often leaving much of their land uncultivated. Increased demand for locally grown food, driven by anticipated farm closures provides an opportunity for small and medium sized farms to expand production to meet these new market conditions.

Food safety certification of Hawaii farms, a critical first step towards compliance, can lead to increased market access and opportunities to increase production. The United States Department of Agriculture created the Good Agricultural Practices Certification Program based on food safety guidelines of the Food and Drug Administration. This program is voluntary and is designed to reduce the risk of foodborne illness originating with produce at the farm level through recommended best practices. Good Agricultural Practices certification is the most common certification standard required by produce buyers.

By January 2020, most local retailers and distributors will only purchase products from food safety-certified farms, however, attaining Good Agricultural Practices or an equivalent certification is challenging for many farmers who are adversely affected both by the cost of certification and by the time needed to develop and implement the requirements. These farmers require direct training assistance to successfully implement good agricultural practices and obtain certification.

The preservation of small, diversified farming businesses adds to and diversifies Hawaii's economy, helps redress the imbalance in agricultural trade, and promotes food resiliency. Reducing the burden on small to medium farmers seeking costly but necessary certifications and inspections by providing direct training and implementation assistance will allow many farms to secure Good Agricultural Practices certification before the January 2020 FDA Food Safety Modernization Act compliance deadline and will provide an ongoing food safety resource for Hawaii.

The purpose of this Act is to require and appropriate funds to the department of agriculture to partner with the agricultural community to establish a food safety certification training program for small and medium sized farms to comply with federal requirements. SECTION 2. The department of agriculture shall partner with Hawaii's agricultural community to establish a food safety certification training program that provides direct implementation assistance for small to medium sized farms with less than \$500,000 in annual food sales that results in United States Department of Agriculture Good Agricultural Practices certification or its equivalent for participating farms.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the department of agriculture to implement a food safety certification training program.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 105

S.B. NO. 1342

A Bill for an Act Relating to the Probate Code.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) The chief justice of the Hawaii supreme court, or the chief justice's designee, shall study and analyze the national landscape of donative transfer statutes.

(b) Before the convening of the regular session of 2020, the chief justice of the Hawaii supreme court, or the chief justice's designee, shall propose legislation, based on the study and analysis conducted pursuant to subsection (a), to regulate donative transfers in the State with the intent of ensuring there are meaningful protections for those who would otherwise be victimized by predatory actions.

SECTION 2. This Act shall take effect upon its approval. (Approved June 21, 2019.)

ACT 106

H.B. NO. 297

A Bill for an Act Relating to Mosquito Vector Control.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the *Aedes aegypti* mosquito is the primary mosquito species that is responsible for transmitting human viruses, including Zika and dengue. The legislature further finds that research by the World Mosquito Project indicates that the introduction of *Wolbachia* bacteria into mosquitoes makes the mosquitoes more resistant to infection with pathogens that can cause diseases in humans, including Zika and dengue, and therefore less likely to transmit these diseases to humans. However, while *Wolbachia* bacteria are natural bacteria in some mosquitoes, it is not usually found in the Aedes aegypti mosquito. Mosquitoes with naturally-occurring Wolbachia bacteria are not presently known to exist in the State.

The legislature further finds that the release of *Wolbachia*-carrying *Aedes aegypti* mosquitoes and subsequent interbreeding with wild mosquitoes reduce the ability of cumulative mosquito populations to serve as disease vectors without suppressing mosquito populations and, therefore, altering ecosystem balance. Research has also shown that *Wolbachia* is safe for humans, animals, and the environment.

The department of agriculture regulates the importation of animals, including insects, into Hawaii by maintaining lists of conditionally approved animals that require a permit for import into the State, restricted animals that require a permit for both import into the State and possession, and animals that are prohibited entry into the State.

The legislature further finds that protecting the residents of Hawaii from mosquito-borne illnesses such as Zika and dengue viruses warrants further inquiry into the feasibility and safety of importing and releasing mosquitoes with *Wolbachia* bacteria. Accordingly, the purpose of this Act is to investigate potential innovative vector control programs by:

- (1) Directing the department of agriculture to review the *Aedes aegypti* mosquito with *Wolbachia* bacteria, including *Aedes aegypti* mosquitoes originating from Hawaii stock that could be imported for landscape scale mosquito control, and render a determination for placement of the mosquito on the appropriate animal import list; and
- (2) Directing the departments of agriculture, health, and land and natural resources to collaborate on a report to the legislature that includes recommendations regarding the importation of the *Aedes aegypti* mosquito with *Wolbachia* bacteria, including *Aedes aegypti* mosquitoes originating from Hawaii stock that could be imported for landscape scale mosquito control, and recommendations for appropriate vector control programs.

SECTION 2. The department of agriculture shall review the *Aedes aegypti* mosquito with *Wolbachia* bacteria, including *Aedes aegypti* mosquitoes originating from Hawaii stock that could be imported for landscape scale mosquito control, and render a determination for placement of the mosquito on the appropriate animal import list, pursuant to section 150A-6.2, Hawaii Revised Statutes.

SECTION 3. The departments of agriculture, health, and land and natural resources shall collaborate on a report to the legislature that shall include:

- (1) Findings and recommendations regarding the importation and release of the *Aedes aegypti* mosquito with *Wolbachia* bacteria, including *Aedes aegypti* mosquitoes originating from Hawaii stock that could be imported for landscape scale mosquito control;
- (2) Determination for the placement of the *Aedes aegypti* mosquito with *Wolbachia* bacteria on the appropriate animal import list pursuant to section 150A-6.2, Hawaii Revised Statutes, and the status of the import list placement process;
- (3) Recommendations, plans, timeline, and implementation costs for a mosquito control program using the *Aedes aegypti* mosquito with *Wolbachia* bacteria, if permitted, and, if not permitted, recommendations for other alternative vector control means; and

(4) Any other relevant findings, recommendations, and any necessary proposed legislation.

The report shall be submitted to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 4. This Act shall take effect upon its approval. (Approved June 21, 2019.)

ACT 107

S.B. NO. 197

A Bill for an Act Relating to Campaign Finance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-381, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Campaign funds may be used by a candidate, treasurer, or candidate committee:

- (1) For any purpose directly related:
 - (A) In the case of the candidate, to the candidate's own campaign; or
 - (B) In the case of a candidate committee or treasurer of a candidate committee, to the campaign of the candidate, question, or issue with which they are directly associated;
- (2) To purchase or lease consumer goods, vehicles, equipment, and services that provide a mixed benefit to the candidate. The candidate, however, shall reimburse the candidate's candidate committee for the candidate's personal use of these items unless the personal use is de minimis;
- (3) To make donations to any community service, educational, youth, recreational, charitable, scientific, or literary organization; provided that in any election period, the total amount of all donations shall be no more than twice the maximum amount that one person may contribute to that candidate pursuant to section 11-357; provided further that no [contributions] donations shall be made from the date the candidate files nomination papers to the date of the general election[;] unless the candidate is:
 - (A) Declared to be duly and legally elected to the office for which the person is a candidate pursuant to section 12-41;
 - (B) Deemed and declared to be duly and legally elected to the office for which the person is a candidate pursuant to section 12-42; or
 - (C) <u>Unsuccessful in the primary or special primary election;</u>
- (4) To make donations to any public school or public library; provided that in any election period, the total amount of all contributions shall be no more than twice the maximum amount that one person may contribute to that candidate pursuant to section 11-357; provided further that any donation under this paragraph shall not be aggregated with or imputed toward any limitation on donations pursuant to paragraph (3);
- (5) To award scholarships to full-time students attending an institution of higher education or a vocational education school in a program leading to a degree, certificate, or other recognized educational cre-

dential; provided that in any election period, the total amount of all scholarships awarded shall be no more than twice the maximum amount that one person may contribute to that candidate pursuant to section 11-357; provided further that no awards shall be made from the filing deadline for nomination papers to the date of the general election[;] unless the candidate is:

- (A) Declared to be duly and legally elected to the office for which the person is a candidate pursuant to section 12-41;
- (B) Deemed and declared to be duly and legally elected to the office for which the person is a candidate pursuant to section 12-42; or
- (C) <u>Unsuccessful in the primary or special primary election;</u>
- (6) To purchase not more than two tickets for each event held by another candidate or committee, <u>regardless of</u> whether [or not] the event constitutes a fundraiser as defined in section 11-342;
- (7) To make contributions to the candidate's party so long as the contributions are not earmarked for another candidate; or
- (8) To pay for ordinary and necessary expenses incurred in connection with the candidate's duties as a holder of an office, including expenses incurred for memberships in civic or community groups."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 108

S.B. NO. 852

A Bill for an Act Relating to Restitution for Victims of Crime.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the holding in State v. DeMello, 130 Hawaii 332, 310 P.3d 1033 (App. 2013), denied restitution for a crime victim's wage loss on the basis that "[t]here is no explicit provision in HRS §706-646 for the award of lost wages as part of restitution". Although the Hawaii supreme court later vacated the lower court's ruling in State v. DeMello, 136 Hawaii 193, 361 P.3d 420 (2015), holding that section 706-646, Hawaii Revised Statutes, is generally "broad in scope" and requires restitution for lost wages through a plain reading of the language, ambiguity still exists in the section as to what losses are eligible for reimbursement.

The legislature further finds that the additional language in this Act will clarify that the intent of section 706-646, Hawaii Revised Statutes, is to reimburse crime victims fully for all reasonable and verified losses resulting from a defendant's offense. Nevertheless, as signaled by the use of the phrase, "including but not limited to", the losses enumerated in subsection (3) of section 706-646, Hawaii Revised Statutes, are intended to be illustrative, not exhaustive, for purposes of restitution.

SECTION 2. Section 706-646, Hawaii Revised Statutes, is amended by amending subsection (3) to read as follows:

"(3) In ordering restitution, the court shall not consider the defendant's financial ability to make restitution in determining the amount of restitution to order. The court, however, shall consider the defendant's financial ability to make restitution for the purpose of establishing the time and manner of payment. The court shall specify the time and manner in which restitution is to be paid. While the defendant is in the custody of the department of public safety, restitution shall be collected pursuant to chapter 353 and any court-ordered payment schedule shall be suspended. Restitution shall be a dollar amount that is sufficient to reimburse any victim fully for losses, including but not limited to:

- (a) Full value of stolen or damaged property, as determined by replacement costs of like property, or the actual or estimated cost of repair, if repair is possible;
- (b) Medical expenses[; and], which shall include mental health treatment, counseling, and therapy;
- (c) Funeral and burial expenses [incurred as a result of the crime.]: and
- (d) Lost earnings, which shall include paid leave."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 109

S.B. NO. 144

A Bill for an Act Relating to Lobbyists.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the existing mens rea requirement established under section 97-7, Hawaii Revised Statutes, to prove a violation of the lobbyist law is no longer appropriate, since the failure to file a statement or report with the state ethics commission is no longer a criminal offense. Accordingly, the purpose of this Act is to:

- (1) Repeal the restriction on access to transcripts from public contested hearings;
- (2) Repeal the requirement of proof that a violation of the lobbyist law was committed wilfully and replace it with a requirement of proof that the violation was committed negligently; and
- (3) Authorize the state ethics commission to assess an administrative fine pursuant to a settlement agreement.

SECTION 2. Section 97-6, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) If after twenty days following service of the charge and further statement of alleged violation in accordance with this section, a majority of the members of the commission conclude that there is probable cause to believe that a violation of this chapter has been committed, then the commission shall set a time and place for a hearing, giving notice to the complainant and the alleged violator in the same manner as provided in subsection (b). Upon the commission's issuance of a notice of hearing, the charge and further statement of alleged violation and the alleged violator's written response thereto shall become public records. The hearing shall be held within ninety days of the commission's issuance of a notice of hearing. If the hearing is not held within that ninety-day period, the charge and further statement of alleged violation shall be dismissed; provided that any delay that is at the request of, or caused by, the alleged violator shall not be counted against the ninety-day period.

All parties shall have an opportunity to:

- (1) Be heard;
- (2) Subpoena witnesses and require the production of any books or papers relative to the proceedings;
- (3) Be represented by counsel; and
- (4) Have the right of cross-examination.

All hearings shall be in accordance with chapter 91. All witnesses shall testify under oath and the hearings shall be open to the public. The commission shall not be bound by the strict rules of evidence but the commission's findings shall be based on competent and substantial evidence.

All testimony and other evidence taken at the hearing shall be recorded. [Copies of transcripts of the record shall be available only to the complainant and the alleged violator at their own expense.] All fees collected under this chapter shall be deposited into the general fund."

SECTION 3. Section 97-7, Hawaii Revised Statutes, is amended to read as follows:

"§97-7 Penalties; administrative fines. (a) Any person who:

- (1) [Wilfully] <u>Negligently</u> fails to file any statement or report required by this chapter;
- (2) [Wilfully] <u>Negligently</u> files a statement or report containing false information or material omission of any fact;
- (3) Engages in activities prohibited by section 97-5; or
- (4) Fails to provide information required by section 97-2 or 97-3;

shall be subject to an administrative fine imposed by the state ethics commission that shall not exceed \$1,000 for each violation of this chapter. All fines collected under this section shall be deposited into the general fund.

- (b) No fine shall be assessed unless[:] the state ethics commission:
- (1) [The commission convenes] <u>Convenes</u> a hearing in accordance with section 97-6(c) and chapter 91[;] and <u>renders a decision; or</u>
- (2) [A decision has been rendered by the commission.] Together with the alleged violator, agrees to resolve any alleged violation before the completion of the contested case process; provided that the resolution includes payment of an administrative fine or restitution, or both."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval. (Approved June 21, 2019.)

ACT 110

A Bill for an Act Relating to an Office of Administrative Hearings.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in most federal agencies and in many state, territorial, and local jurisdictions, administrative adjudications take place within a single agency that combines regulatory, enforcement, prosecutorial, and adjudicatory authority. The legislature believes that this combination of functions creates a potential conflict of interest. The legislature also believes that this combination of functions may also compromise the integrity of administrative adjudications and is often perceived as unfair by the litigants opposing the agencies.

The legislature also finds that the conflict of interest inherent in the same agency acting as both prosecutor and judge has led to the establishment of state central hearing agencies, also known as central panels. In central panels, an independent administrative law judge presides over the administrative litigation and is completely independent of the agency prosecutorial functions. Approximately twenty-nine state and local jurisdictions, including New York City; the City of Chicago; Cook County, Illinois; and the District of Columbia, have addressed this conflict by creating a central hearing agency.

The legislature further finds that the American Bar Association House of Delegates, on February 3, 1997, approved a model act that provides guidance to states intending to create central panels. The American Bar Association enunciated a goal of separation of functions in section 1-2(a) which states that the "Office of Administrative Hearings is created as an independent agency in the Executive Branch of State Government for the purpose of separating the adjudicatory function from the investigatory, prosecutory and policy-making functions of agencies in the Executive Branch."

The American Bar Association model act, as well as the current practices in most central panel states, authorizes the central panel to hear all contested cases that arise from a non-exempt agency. Central panel states report that state legislatures continue to expand and confer additional jurisdiction on existing central panels. Likewise, the American Bar Association model act and nearly all current central panel states authorize some or all final decision making authority in the central panel administrative law judges.

The purpose of this Act is to require the legislative reference bureau to submit a report to the legislature regarding the existing administrative hearings process in the State and the potential for a centralized office of administrative hearings that includes:

- (1) Statistical, non-confidential information from 2018 from all state departments and agencies that conduct or delegate contested case hearings, and which must be provided to the legislative reference bureau by August 1, 2019; and
- (2) Research on centralized administrative hearings offices in other jurisdictions.

SECTION 2. (a) The legislative reference bureau shall compile a report of the contested case hearings process conducted or delegated by the various state departments and agencies.

(b) To facilitate the completion of the report by the legislative reference bureau, all state departments and agencies that conduct or delegate contested case hearings shall provide the following data in an electronic format approved

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by the legislative reference bureau for 2018 regarding all contested case hearings to the legislative reference bureau by August 1, 2019:

- (1) Case type, based on subject matter;
- (2) Caseload statistics, including:
 - (A) Number of administrative hearings conducted;
 - (B) Average duration of cases, from filing to disposition;
 - (C) Number of hearings officers; and
 - (D) Number of contested cases appealed to the court; and
- (3) Costs, broken down by case type.

(c) All state departments and agencies shall provide the legislative reference bureau with information on any areas of conflicts of interest or other barriers to third party administrative hearings.

(d) Each state department or agency that provides information to the legislative reference bureau pursuant to this section shall also specify whether the 2018 data is representative of a typical year with regard to contested case hearings for that department or agency.

(e) The legislative reference bureau shall have the ability to request additional non-confidential information from each department and agency, as needed.

SECTION 3. The legislative reference bureau shall research whether other jurisdictions have centralized administrative hearings offices. For all jurisdictions that have centralized administrative hearings offices, the legislative reference bureau shall summarize how each of these systems are run.

SECTION 4. The legislative reference bureau shall submit a report of its findings and recommendations, including a summation of the statistical data provided by section 2 and a summary of research complied pursuant to section 3, to the legislature no later than twenty days before the convening of the regular session of 2020.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 111 H.B. NO. 1268

A Bill for an Act Relating to Statutory Revision: Amending or Repealing Various Provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii for the Purposes of Correcting Errors and References, Clarifying Language, and Deleting Obsolete or Unnecessary Provisions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 171-36, Hawaii Revised Statutes, is amended to read as follows:

"§171-36 Lease restrictions; generally. (a) Except as otherwise provided, the following restrictions shall apply to all leases:

- (1) Options for renewal of terms are prohibited;
- (2) No lease shall be for a longer term than sixty-five years, except in the case of a residential leasehold, which may provide for an initial term of fifty-five years with the privilege of extension to meet the requirements of the Federal Housing Administration, Federal National Mortgage Association, Federal Land Bank of Berkeley,

Federal Intermediate Credit Bank of Berkeley, Berkeley Bank for Cooperatives, or Department of Veterans Affairs requirements; provided that the aggregate of the initial term and extension shall in no event exceed seventy-five years;

- (3) No lease shall be made for any land under a lease [which] that has more than two years to run;
- (4) No lease shall be made to any person who is in arrears in the payment of taxes, rents, or other obligations [owing] owed to the State or any county;
- (5) No lease shall be transferable or assignable, except by devise, bequest, or intestate succession; provided that with the approval of the board [of land and natural resources], the assignment and transfer of a lease or unit thereof may be made in accordance with current industry standards, as determined by the board; provided further that prior to the approval of any assignment of lease, the board shall have the right to review and approve the consideration to be paid by the assignee and may condition its consent to the assignment of the lease on payment by the lessee of a premium based on the amount by which the consideration for the assignment, whether by cash, credit, or otherwise, exceeds the depreciated cost of improvements and trade fixtures being transferred to the assignee; provided further that with respect to state agricultural leases, in the event of foreclosure or sale, the premium, if any, shall be assessed only after the encumbrances of record and any other advances made by the holder of a security interest are paid;
- (6) The lessee shall not sublet the whole or any part of the demised premises, except with the approval of the board; provided that prior to the approval, the board shall have the right to review and approve the rent to be charged to the sublessee; provided further that in the case where the lessee is required to pay rent based on a percentage of its gross receipts, the receipts of the sublessee shall be included as part of the lessee's gross receipts; provided further that the board shall have the right to review and, if necessary, revise the rent of the demised premises based upon the rental rate charged to the sublessee, including the percentage rent, if applicable, and provided that the rent may not be revised downward;
- (7) The lease shall be for a specific use or uses and shall not include waste lands, unless it is impractical to provide otherwise;
- (8) Mineral and metallic rights and surface and ground water shall be reserved to the State; and
- (9) No lease of public lands, including submerged lands, [nor] or any extension of any [such] lease[5] of public lands shall be issued by the State to any person to construct, use, or maintain a sunbathing or swimming pier or to use the lands for [such] those purposes, unless [such] the lease, or any extension thereof, contains provisions permitting the general public to use the pier facilities on the public lands and requiring that a sign or signs be placed on the pier, clearly visible to the public, [which] that indicates the public's right to the use of the pier. The board, at the earliest practicable date, and where legally possible, shall cause all existing leases to be amended to conform to this paragraph. The term "lease", for the purposes of this paragraph, includes month-to-month rental agreements and similar tenancies.

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(b) The board, from time to time, upon the issuance or during the term of any intensive agricultural, aquaculture, commercial, mariculture, special live-stock, pasture, or industrial lease, may:

- (1) Modify or eliminate any of the restrictions specified in subsection (a);
- (2) Extend or modify the fixed rental period of the lease; provided that the aggregate of the initial term and any extension granted shall not exceed sixty-five years; or
- (3) Extend the term of the lease,

to the extent necessary to qualify the lease for mortgage lending or guaranty purposes with any federal mortgage lending agency, to qualify the lessee for any state or private lending institution loan, private loan guaranteed by the State, or any loan in which the State and any private lender participates, or to amortize the cost of substantial improvements to the demised premises that are paid for by the lessee without institutional financing[, such].

(c) Any extension [being] authorized pursuant to subsection (b) shall be based on the economic life of the improvements as determined by the board or an independent appraiser; provided that the approval of any extension shall be subject to the following:

- (1) The demised premises have been used substantially for the purpose for which they were originally leased;
- (2) The aggregate of the initial term and any extension granted shall not be for more than sixty-five years;
- (3) In the event of a reopening, the rental for any ensuing period shall be the fair market rental at the time of reopening;
- (4) Any federal or private lending institution shall be qualified to do business in the State;
- (5) Proceeds of any mortgage or loan shall be used solely for the operations or improvements on the demised premises;
- (6) Where improvements are financed by the lessee, the lessee shall submit receipts of expenditures within a time period specified by the board[, otherwise] or else the lease extension shall be canceled; and
- (7) The rules of the board[-] setting forth any additional terms and conditions, which shall ensure and promote the purposes of the demised lands.

[(e)] (d) The board, at any time during the term of any intensive agricultural, aquaculture, or mariculture lease and when justified by sound economic practices or other circumstances, may permit an alternative agricultural, aquaculture, or mariculture use or uses for any portion or portions of the land demised. As a condition to permitting alternative uses, the board may require [such] any other modifications, including rental adjustments or changes in the lease, as may be necessary to effect or accommodate the alternative use or uses. An alternative use or uses may be allowed by the board upon:

- (1) The application of the lessee;
- (2) Consent of each holder of record having a security interest in the leasehold; and
- (3) A finding by the board that the alternative use or uses are in the public interest.

[(d)] (e) The board, from time to time[-] during the term of any agriculture, intensive agriculture, aquaculture, commercial, mariculture, special livestock, pasture, or industrial lease, may modify or eliminate any of the [[] restrictions[]] specified in subsection (a), extend or modify the fixed rental period of the lease, or extend the term of the lease upon a showing of significant economic hardship directly caused by:

- (1) State disaster, pursuant to chapter 209, including seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood, or severe drought; or
- (2) A taking of a portion of the area of the lease by government action by eminent domain, withdrawal, or conservation easement; provided that the portion taken shall not be less than ten per cent of the entire leased area unless otherwise approved by the board; and provided that the board determines that the lessee will not be adequately compensated pursuant to the lease provisions.

[(e)] (f) The approval of any extension granted pursuant to subsection [(d)] (e) shall be subject to the following:

- (1) The demised premises [has] have been used substantially for the purposes for which they were originally leased;
- (2) The aggregate of the initial term and any extension granted shall not be for more than fifty-five years;
- (3) The rental shall not be less than the rental for the preceding term;
- (4) The rules of the board[5] setting forth any additional terms and conditions, which shall ensure and promote the purposes of the demised lands; and
- (5) The length of the extension shall not exceed a reasonable length of time for the purpose of providing relief and shall in no case exceed five years."

SECTION 2. Section 171-41.6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Notwithstanding any other provision of law to the contrary, and except as otherwise provided in [sections] section 171-36(b), (c), and [(d)] (e) and section 171-193, a lessee of public land that is classified as commercial and industrial use pursuant to section $171-10[_{7}]$ and that is subject to the management, administration, or control of the board may[_7] submit, during the last ten years of the term of the original lease, [submit] a written request to the board to initiate a request for interest process as provided in this section."

SECTION 3. Section 183D-4.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established within the department a game management advisory commission, which shall serve in an advisory capacity to the board. The game management advisory commission shall consist of <u>the following</u> nine members [to be appointed by the governor in the manner provided in section 26-34. Membership on the game management advisory commission shall include]:

- (1) One member from the county of Kauai;
- (2) Three members from the county of Maui, with one member from each of the islands of Maui, Lanai, and Molokai;
- (3) Two members from the county of Hawaii, with one member from east Hawaii and one member from west Hawaii;
- (4) One member from the city and county of Honolulu;
- (5) One at-large member; and
- (6) The chairperson of the board of land and natural resources or the chairperson's designated representative, who shall serve as an ex officio, voting member;

provided that each member, other than the chairperson of the board, shall be appointed by the governor in the manner provided in section 26-34, shall be a hunter licensed in the State under this chapter, and shall have leadership experience in working directly with local hunter or shooting organizations; provided

<u>further</u> that¹ at least one member shall have knowledge, experience, and expertise in the area of native Hawaiian cultural practices; and <u>provided further that</u> no more than three members shall represent, be employed by, or be under contract to any sector of government."

SECTION 4. Section 206N-3, Hawaii Revised Statutes, is amended to read as follows:

"[[]§206N-3[]] General. Except as provided in this chapter, the State or any county shall not prohibit or regulate the deployment of small wireless facilities or any associated modified or replaced utility poles used for the collocation of small wireless facilities. The State or a county may charge for the attachment of small wireless facilities on [solely-owned] solely owned state or county utility poles used for the [[]collocation[]] of small wireless facilities. Nothing in this chapter shall adversely impact the State's fiscal funding."

SECTION 5. Section 225M-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The office of planning shall gather, analyze, and provide information to the governor to assist in the overall analysis and formulation of state policies and strategies to provide central direction and cohesion in the allocation of resources and effectuation of state activities and programs and effectively address current or emerging issues and opportunities. More specifically, the office shall engage in the following activities:

- (1) State comprehensive planning and program coordination. Formulating and articulating comprehensive statewide goals, objectives, policies, and priorities, and coordinating their implementation through the statewide planning system established in part II of chapter 226;
- (2) Strategic planning. Identifying and analyzing significant issues, problems, and opportunities confronting the State, and formulating strategies and alternative courses of action in response to identified problems and opportunities by:
 - (A) Providing in-depth policy research, analysis, and recommendations on existing or potential areas of critical state concern;
 - (B) Examining and evaluating the effectiveness of state programs in implementing state policies and priorities;
 - (C) Monitoring through surveys, environmental scanning, and other techniques—current social, economic, and physical conditions and trends; and
 - (D) Developing, in collaboration with affected public or private agencies and organizations, implementation plans and schedules and, where appropriate, assisting in the mobilization of resources to meet identified needs;
- (3) Planning coordination and cooperation. Facilitating coordinated and cooperative planning and policy development and implementation activities among state agencies and between the state, county, and federal governments, by:
 - (A) Reviewing, assessing, and coordinating, as necessary, major plans, programs, projects, and regulatory activities existing or proposed by state and county agencies;
 - (B) Formulating mechanisms to simplify, streamline, or coordinate interagency development and regulatory processes; and
 - (C) Recognizing the presence of federal defense and security forces and agencies in the State as important state concerns;

- (4) Statewide planning and geographic information system. Collecting, integrating, analyzing, maintaining, and disseminating various forms of data and information, including geospatial data and information, to further effective state planning, policy analysis and development, and delivery of government services by:
 - (A) Collecting, assembling, organizing, evaluating, and classifying existing geospatial and non-geospatial data and performing necessary basic research, conversions, and integration to provide a common database for governmental planning and geospatial analyses by state agencies;
 - (B) Planning, coordinating, and maintaining a comprehensive, shared statewide planning and geographic information system and associated geospatial database. The office shall be the lead agency responsible for coordinating the maintenance of the multi-agency, statewide planning and geographic information system and coordinating, collecting, integrating, and disseminating geospatial data sets that are used to support a variety of state agency applications and other spatial data analyses to enhance decision-making. The office shall promote and encourage free and open data sharing among and between all government agencies. To ensure the maintenance of a comprehensive, accurate, up-to-date geospatial data resource that can be drawn upon for decision-making related to essential public policy issues such as land use planning, resource management, homeland security, and the overall health, safety, and well-being of Hawaii's citizens, and to avoid redundant data development efforts, state agencies shall provide to the shared system either their respective geospatial databases or, at a minimum, especially in cases of secure or confidential data sets that cannot be shared or must be restricted, metadata describing existing geospatial data. In cases where agencies provide restricted data, the office of planning shall ensure the security of that data: and
 - (C) Maintaining a centralized depository of state and national planning references;
- (5) Land use planning. Developing and presenting the position of the State in all boundary change petitions and proceedings before the land use commission, assisting state agencies in the development and submittal of petitions for land use district boundary amendments, and conducting periodic reviews of the classification and districting of all lands in the State, as specified in chapter 205;
- (6) Coastal and ocean policy management. Carrying out the lead agency responsibilities for the Hawaii coastal zone management program, as specified in chapter 205A. Also[, developing]:
 - (A) <u>Developing</u> and maintaining an ocean and coastal resources information, planning, and management system [further];
 - (B) <u>Further</u> developing and coordinating implementation of the ocean resources management plan[-]; and [formulating]
 - (C) Formulating ocean policies with respect to the exclusive economic zone, coral reefs, and national marine sanctuaries;
- (7) Regional planning and studies. Conducting plans and studies to determine:
 - (A) The capability of various regions within the State to support projected increases in both resident populations and visitors;

- (B) The potential physical, social, economic, and environmental impact on these regions resulting from increases in both resident populations and visitors;
- (C) The maximum annual visitor carrying capacity for the State by region, county, and island; and
- (D) The appropriate guidance and management of selected regions and areas of statewide critical concern.

The studies in subparagraphs (A) to (C) shall be conducted at appropriate intervals, but not less than once every five years;

- (8) Regional, national, and international planning. Participating in and ensuring that state plans, policies, and objectives are consistent, to the extent practicable, with regional, national, and international planning efforts;
- (9) Climate adaptation planning. Conducting plans and studies and preparing reports as follows:
 - (A) Develop, monitor, and evaluate strategic climate adaptation plans and actionable policy recommendations for the State and counties addressing expected statewide climate change impacts identified under Act 286, Session Laws of Hawaii 2012, through the year 2050;
 - (B) Provide planning and policy guidance and assistance to state and county agencies regarding climate change; and
 - (C) Publish its findings, recommendations, and progress reports on actions taken no later than December 31, 2017, and its annual report to the governor and the legislature thereafter; and
- (10) Smart growth and transit-oriented development. Acting as the lead agency to coordinate and advance smart growth and transit-oriented development planning within the State as follows:
 - (A) Identify transit-oriented development opportunities shared between state and county agencies, including relevant initiatives such as the department of health's healthy Hawaii initiative and the Hawaii clean energy initiative;
 - (B) Refine the definition of "transit-oriented development" in the context of Hawaii, while recognizing the potential for smart growth development patterns in all locations;
 - (C) Clarify state goals for transit-oriented development and smart growth that support the principles of the Hawaii State Planning Act by preserving non-urbanized land, improving worker access to jobs, and reducing fuel consumption;
 - (D) Target transit-oriented development areas for significant increase in affordable housing and rental units;
 - (E) Conduct outreach to state agencies to help educate state employees about the ways they can support and benefit from transitoriented development and the State's smart growth goals;
 - (F) Publicize coordinated state efforts that support smart growth, walkable neighborhoods, and transit-oriented development;
 - (G) Review state land use decision-making processes to identify ways to make transit-oriented development a higher priority and facilitate better and more proactive leadership in creating walkable communities and employment districts, even if transit will only be provided at a later date; and
 - (H) Approve all state agencies' development plans for parcels along the rail transit corridor. For the purposes of this subparagraph, "development plans" means conceptual land use

plans that identify the location and planned uses within a defined area."

SECTION 6. Section 235-2.4, Hawaii Revised Statutes, is amended by amending subsection (aa) to read as follows:

"(aa) Section 451 (which provides general rules for taxable year of inclusion) of the Internal Revenue Code shall be operative, except that section [451(j)(3) and (6),] 451(k)(3) and (6), as it relates to a qualified electric utility, shall not be operative for purposes of this chapter."

SECTION 7. Section 241-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- "(b) Nothing in this chapter shall be construed to:
- [to exclude] Exclude the application of other taxes imposed by the State or any political division thereof on national banking associations[7] or their activities, property, income, shares, or dividends when [such] those taxes may be imposed in addition to those authorized by [the above cited] section 5219 [of the], Revised Statutes[7] of the United States, as amended (12 U.S.C. 548), or other similar law[7 or];
- (2) [to exempt] Exempt the real property of national banking associations from taxation to the same extent, according to its value, as other real property is taxed[5]; or
- (3) [to preclude] Preclude the inclusion of the dividends from national banking associations in the income of individuals taxable under chapter 235 to the same extent as are included dividends from domestic corporations."

SECTION 8. Section 264-101, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The director of transportation, in the case of state highways, may, upon application in writing, issue a written permit, subject to any terms and conditions imposed by the director, authorizing the applicant to vend in the airspace, [as that term is defined in title 23 Code of Federal Regulations section 710.105, as amended, of] which includes the space above or below a highway, in the State's interstate highway system."

SECTION 9. Section 279D-1, Hawaii Revised Statutes, is amended to read as follows:

"[[]§279D-1[]] Statement of purpose. The legislature finds that 23 United States Code sections 134-135 and 49 United States Code sections 5303-5304, as amended, and federal regulations adopted pursuant thereto, and other federal laws require that metropolitan planning organizations be designated based on a minimum population threshold as defined in federal law to act as a decision-making agency and to receive certain funds for the purpose of carrying out a continuing, cooperative, and comprehensive transportation planning process.

Metropolitan planning organizations have their own policy board and staff. It is the responsibility of the policy board to make decisions that are the result of the continuing, cooperative, and comprehensive transportation planning process, and the organization's staff support and provide technical resources to the policy board. The continuing, cooperative, and comprehensive planning process is designed to provide both orderly and reasoned metropolitan transportation planning within the framework of federal law, and adequate and informed representation from state and county governments, operators of public transportation receiving federal funds, the public at large, and others as identified in 23 Code of Federal Regulations [section] part 450, subpart C."

SECTION 10. Section 286-28, Hawaii Revised Statutes, is amended to read as follows:

"§286-28 Fines. The department shall supervise and cause inspections to be made of official inspection stations and shall issue a fine, in an amount determined by the department by rule, to a station [which] that it finds is not properly conducting inspections. After three violations, the [vehicle inspection] permit issued to the station [license will] pursuant to section 286-27 shall be subject to suspension or revocation. The department shall maintain and post at its office lists of all stations holding permits and those whose permits have been suspended or revoked."

SECTION 11. Section 291E-61, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) A person committing the offense of operating a vehicle under the influence of an intoxicant shall be sentenced without possibility of probation or suspension of sentence as follows:

- (1) For the first offense, or any offense not preceded within a five-year period by a conviction for an offense under this section or section 291E-4(a):
 - (A) A fourteen-hour minimum substance abuse rehabilitation program, including education and counseling, or other comparable program deemed appropriate by the court;
 - (B) One-year revocation of license and privilege to operate a vehicle during the revocation period and installation during the revocation period of an ignition interlock device on any vehicle operated by the person;
 - (C) Any one or more of the following:
 - (i) Seventy-two hours of community service work;
 - (ii) Not less than forty-eight hours and not more than five days of imprisonment; or
 - (iii) A fine of not less than \$150 but not more than \$1,000;
 - (D) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
 - (E) A surcharge, if the court so orders, of up to \$25 to be deposited into the trauma system special fund;
- (2) For an offense that occurs within five years of a prior conviction for an offense under this section or section 291E-4(a):
 - (A) Revocation for not less than eighteen months nor more than two years of license and privilege to operate a vehicle during the revocation period and installation during the revocation period of an ignition interlock device on any vehicle operated by the person;
 - (B) Either one of the following:
 - (i) Not less than two hundred forty hours of community service work; or
 - (ii) Not less than five days but not more than thirty days of imprisonment, of which at least forty-eight hours shall be served consecutively;
 - (C) A fine of not less than \$500 but not more than \$1,500;

- (D) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
- (E) A surcharge of up to \$50 if the court so orders, to be deposited into the trauma system special fund;
- (3) For an offense that occurs within five years of two prior convictions for offenses under this section or section 291E-4(a):
 - (A) A fine of not less than \$500 but not more than \$2,500;
 - (B) Revocation for two years of license and privilege to operate a vehicle during the revocation period and installation during the revocation period of an ignition interlock device on any vehicle operated by the person;
 - (C) Not less than ten days but not more than thirty days imprisonment, of which at least forty-eight hours shall be served consecutively;
 - (D) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
 - (E) A surcharge of up to \$50 if the court so orders, to be deposited into the trauma system special fund;
- (4) In addition to a sentence imposed under paragraphs (1) through (3), any person eighteen years of age or older who is convicted under this section and who operated a vehicle with a passenger, in or on the vehicle, who was younger than fifteen years of age, shall be sentenced to an additional mandatory fine of \$500 and an additional mandatory term of imprisonment of forty-eight hours; provided that the total term of imprisonment for a person convicted under this paragraph shall not exceed the maximum term of imprisonment provided in paragraph (1), (2), or (3), as applicable. Notwithstanding paragraphs (1) and (2), the revocation period for a person sentenced under this paragraph shall be not less than two years; and
- (5) If the person demonstrates to the court that the person:
 - (A) Does not own or have the use of a vehicle in which the person can install an ignition interlock device during the revocation period; or
 - (B) Îs otherwise unable to drive during the revocation period,

the person shall be absolutely prohibited from driving during the period of applicable revocation provided in paragraphs (1) to (4); provided that the court shall not issue an ignition interlock permit pursuant to subsection (i) and the person shall be subject to the penalties provided by section 291E-62 if the person drives during the applicable revocation period."

SECTION 12. Section 302A-805, Hawaii Revised Statutes, is amended by amending its title to read as follows:

"§302A-805 Teachers; license or permit required; renewals."

SECTION 13. Section 329D-1, Hawaii Revised Statutes, is amended by amending the definition of "manufactured cannabis product" to read as follows:

"Manufactured cannabis product" means any capsule, lozenge, oil or oil extract, tincture, ointment or skin lotion, pill, transdermal patch, or pre-filled and sealed container used to aerosolize and deliver cannabis orally, such as an inhaler or nebulizer, that has been manufactured using cannabis, or any other products as specified by the department pursuant to section [329D-10(a)(9).] 329D-10(a)(10)."

SECTION 14. Section 352D-4, Hawaii Revised Statutes, is amended to read as follows:

"§352D-4 Establishment; purpose. There is established within the department of human services for administrative purposes only the office of youth services. The office of youth services is established to provide services and programs for youth at risk under one umbrella agency in order to facilitate optimum service delivery, to prevent delinquency, and to reduce the incidence of recidivism among juveniles through the provision of prevention, rehabilitation, and treatment services. The office shall also be responsible for program planning and development, intake/assessment, oversight, as well as consultation, technical assistance, and staff training relating to the delivery of services.

The office shall provide a continuum of services as follows:

- (1) An integrated intake/assessment and case management system;
- (2) The necessary educational, vocational, social counseling and mental health services; provided that the department of education shall be the only provider of standards-based education services for all youth [adults] at risk and young adults identified with special education needs or actively receiving special education services, in accordance with the Individuals with Disabilities Education Act (20 U.S.C. [section] 1400 et seq.) and all applicable federal and state educational requirements;
- (3) Community-based shelter and residential facilities;
- (4) Oversight of youth services; and
- (5) Other programs [which] that encourage the development of positive self-images and useful skills in [such] youth.

The executive director of the office of youth services shall submit annual reports to the legislature no later than twenty days prior to the convening of each regular session, reporting the services or programs funded pursuant to this section, the number of youth served by each service or program, and the results of the services or programs funded.

To this end, on July 1, 1991, this office shall assume the responsibilities for juvenile corrections functions, which were temporarily placed in the department of corrections pursuant to Act 338, <u>Session Laws</u> of <u>Hawaii</u> 1987. These functions shall include[$_{_{7}}$] but not be limited to[$_{_{7}}$] all responsibilities, under chapter 352, for the Hawaii youth correctional facilities."

SECTION 15. Section 431:4-101, Hawaii Revised Statutes, is amended to read as follows:

"§431:4-101 Definitions. As used in this article:

[(1) Surplus funds means the excess of the insurer's assets over its liabilities, including its capital stock as a liability.

(2) Available surplus] <u>"Available surplus</u>" means the excess over the minimum amount of surplus required for the classes of insurance the insurer is authorized to transact.

[(3) Equity security] "Equity security" means any stock or similar security; any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; any such warrant or right; or any security [which] that the commissioner, by [such] rules and regulations as the commissioner may prescribe in the public interest or for the protection of investors [designate], designates as an equity security.

"Surplus funds" means the excess of the insurer's assets over its liabilities, including its capital stock as a liability."

SECTION 16. Section 431:4-119, Hawaii Revised Statutes, is amended to read as follows:

"§431:4-119 Refund upon failure to complete or qualify or upon revocation of solicitation permit. [(a)] The commissioner shall withdraw all funds held in escrow and refund to subscribers or applicants all sums paid in on stock subscriptions, less that part of [such] the sums paid in on subscriptions as has been allowed and used for promotion and organization expenses, and all sums paid in on insurance applications, and shall dissolve the proposed insurer or corporation if:

- (1) The proposed insurer or corporation [fails]:
 - (A) <u>Fails</u> to complete its organization and obtain full payment for subscriptions and applications; and
- [(2) It fails] (B) Fails to secure its certificate of authority before expiration of the solicitation permit, if an insurer; or

[(b)] (2) The commissioner revokes the solicitation permit."

SECTION 17. Section 431:4-213, Hawaii Revised Statutes, is amended to read as follows:

***\$431:4-213 Exempt equity securities.** Section 431:4-208 to section 431:4-210 shall not apply to equity securities of a domestic stock insurance company <u>if:</u>

- (1) [if the] The equity securities of [such] the company have been registered with the United States Securities and Exchange Commission under section 12 of the Securities Exchange Act of 1934, as amended[7]:
- (2) [if the] <u>The</u> equity securities of the company are required to be registered with the United States Securities and Exchange [Commissioner] <u>Commission</u> under section 12 of the Securities Exchange Act of 1934, as amended[5]; or
- (3) [if the] <u>The</u> domestic stock insurance company [shall] <u>does</u> not have any class of its equity securities held of record by <u>at least</u> one hundred persons on the last business day of the year next preceding the year in which equity securities of the company would be subject to [section] <u>sections</u> 431:4-208 to [section] 431:4-210 [except] <u>but</u> for [item (3).] this paragraph."

SECTION 18. Section 431:5-201, Hawaii Revised Statutes, is amended to read as follows:

****§431:5-201 Qualified assets.** In any determination of the financial condition of an insurer, only [such] <u>the</u> assets [as are] owned by the insurer[₅] and [which] <u>that</u> consist of the following may be used:

- (1) Cash in the possession of the insurer or in transit under its control, and the true positive balance of any deposit of the insurer in a solvent bank or trust company;
- (2) Investments, securities, properties, and secured loans acquired or held in accordance with article 6, and in connection therewith the following items:
 - (A) Interest due or accrued on any bond or evidence of indebtedness [which] that is not in default and [which] that is not valued on a basis including accrued interest[-];
 - (B) Declared and unpaid dividends on stocks and shares unless the amount has otherwise been allowed as an asset[-];
 - (C) Interest due or accrued upon a collateral loan in an amount not to exceed six months' interest thereon[-];

- (D) Interest due or accrued on:
 - (i) Deposits in solvent banks, trust companies, and financial investment companies; and
 - (ii) Other assets if [such] the interest is in the judgment of the commissioner a collectible asset[-];
- (E) Interest due or accrued on a mortgage loan, in an amount not exceeding in any event the amount, if any, of the excess of the value of the property less delinquent taxes thereon over the unpaid principal; provided that interest due and unpaid for a period in excess of six months shall not be allowed as an asset[-]; or
- (F) Rent due or accrued on real property if [such] the rent is not in arrears for more than three months, unless the rent is secured by property held in the name of the tenant and conveyed to the insurer as collateral[-]:
- (3) Premium notes, policy loans, and other policy assets and liens on policies of life insurance, in an amount not exceeding the legal reserve and other policy liabilities carried on each individual policy;
- (4) The net amount of uncollected and deferred premiums on an effective date item basis and annuity considerations in the case of a life insurer, corresponding to the basis on which reserves are held;
- (5) Producer balances or uncollected premiums, other than for life insurance and other receivables, not more than ninety days past due, less commissions payable thereon; provided that the foregoing limitation shall not apply to premiums and other receivables payable directly or indirectly by the United States government or any of its instrumentalities;
- (6) Installment premiums other than life insurance premiums, in accordance with rules adopted by the commissioner consistent with practice formulated or adopted by the National Association of Insurance Commissioners;
- (7) Notes and like written obligations not past due, taken for premiums other than life insurance premiums, on policies permitted to be issued on such basis, to the extent of the unearned premium reserves carried thereon and unless otherwise required by rules adopted by the commissioner;
- (8) (A) The full amount of reinsurance recoverable by a ceding insurer from a solvent reinsurer not disqualified to take [such] the reinsurance under this code; or
 - (B) So much of reinsurance recoverable from [such] the reinsurer as does not exceed the liabilities carried by the ceding insurer for amounts withheld under a reinsurance treaty with [such] the reinsurer as security for the payment of obligations thereunder if [such] the funds are held subject to withdrawal by, and under the control of, the ceding insurer in the case of a reinsurer disqualified under this code;
- (9) Amounts receivable by an assuming insurer representing funds withheld by a solvent ceding insurer under a reinsurance treaty;
- (10) Deposits or equities recoverable from underwriting associations and reinsurance funds, or from any suspended banking institution, to the extent deemed by the commissioner available for the payment of losses and claims and at values to be determined by the commissioner;
- (11) Electronic data hardware;

- (12) Other assets not inconsistent with the foregoing provisions, deemed by the commissioner available for the payment of losses and claims; and
- (13) All assets, whether or not consistent with the provisions of this code, as may be allowed pursuant to the annual statement form provided for in section 431:3-301."

SECTION 19. Section 431:7-203, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

- "(c) This subsection shall apply to a refund for an overpayment of tax.
- If the tax return as filed by a taxpayer shows the amount already (1)paid, whether or not on the basis of installments, exceeds the amount determined to be the correct amount of the tax due, and the taxpayer requests a refund of the overpayment, the amount of overpayment together with interest, if any, shall be refunded in the manner provided in subsection (a). The interest shall be allowed and paid at the rate of two-thirds of one per cent for each calendar month or fraction thereof, beginning with the first calendar day after the due date of the return or, if the return is filed after the prescribed due date, the first month following the month the return is received, and continuing until the date that the commissioner approves the refund voucher. If the commissioner approves the refund voucher within ninety days from the due date or the date the return is received, whichever is later, and the comptroller of the State sends the taxpayer a refund warrant within forty-five days from the date of the commissioner's approval, no interest on the overpayment will be allowed or paid. However, if either the commissioner or the comptroller exceeds the time allowed herein, interest will be computed from the first calendar day after the due date of the return or from the first month following the month the return is received by the commissioner if the return is filed after the prescribed due date. until the date that the comptroller sends the refund warrant to the taxpaver.
- (2) If any overpayment of taxes results or arises from:
 - (A) The taxpayer filing an amended return[,]; or [from]

(B) A determination made by the commissioner,

and [such] the overpayment is not shown on the original return as filed by the taxpayer, interest on the overpayment shall be allowed and paid from the first calendar day after the due date of the original return or, if the original return is filed after the prescribed due date, the first month following the month the return is received, to the date that the commissioner signs the refund voucher. If the comptroller does not send the refund warrant to the taxpayer within forty-five days after the commissioner's approval, interest will continue until the date that the comptroller sends the refund warrant to the taxpayer.

(3) In the case of credit, interest shall be allowed and paid from the first calendar day after the due date of the return, the first month following the month the return is received by the commissioner, or the date of payment, whichever is later, to the date the credit is taken; provided that the commissioner may make a refund of any credit to a taxpayer where the taxpayer has no underpayment against which to apply the credit."

SECTION 20. Section 431:10D-118, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) A domestic life insurance company may[-] <u>establish</u>, by or pursuant to resolution of its board of directors, [establish] one or more separate accounts[-] and may allocate thereto amounts, including without limitation proceeds applied under optional modes of settlement or under dividend options, to provide for life insurance or annuities (and benefits incidental thereto), payable in fixed or variable amounts or both, subject to the following:

- (1) The income, gains, and losses, realized or unrealized, from assets allocated to a separate account shall be credited to or charged against the account, without regard to other income, gains, or losses of the company[-];
- (2) Except as hereinafter provided, amounts allocated to any separate account and accumulations thereon may be invested and reinvested without regard to any requirements or limitations prescribed by the laws of this State governing the investments of life insurance companies; provided that to the extent that the company's reserve liability with regard to:
 - (Å) [benefits] <u>Benefits</u> guaranteed as to amount and duration[,]; and
 - (B) [funds] Funds guaranteed as to principal amount or stated rate of interest,

is maintained in any separate account, a portion of the assets of [such] the separate account at least equal to [such] the reserve liability shall be[;] invested, except as the commissioner may otherwise approve, [invested,] in accordance with the laws of this State governing the investments of life insurance companies. The investments in [such] the separate account or accounts shall not be taken into account in applying the investment limitations otherwise applicable to the investments of the company[-];

- (3) Unless otherwise approved by the commissioner, assets allocated to a separate account shall be valued at their market value on the date of valuation, or if there is no readily available market, then as provided under the terms of the contract or the rules or other written agreement applicable to [such] the separate account; provided that unless otherwise approved by the commissioner, a portion of the assets of [such] the separate account equal to the company's reserve liability with regard to the guaranteed benefits and funds referred to in [[]subparagraphs[]] (A) and (B) of subsection (a)(2), if any, shall be valued in accordance with the rules otherwise applicable to the company's assets[-];
- (4) Amounts allocated to a separate account in the exercise of the power granted by this section shall be owned by the company, and the company shall not be, nor hold itself out to be, a trustee with respect to [such] those amounts. That portion of the assets of any [such] separate account equal to the reserves and other contract liabilities with respect to [such] the account shall not be chargeable with liabilities arising out of any other business the company may conduct[-]:
- (5) No sale, exchange, or other transfer of assets may be made by a company between any of its separate accounts or between any other investment account and one or more of its separate accounts unless, in case of a transfer into a separate account, [such] the transfer is made solely to establish the account or to support the operation of the contracts with respect to the separate account to which the

transfer is made, and unless [such] the transfer, whether into or from a separate account, is made by:

- (A) $[by a] \underline{A}$ transfer of cash[,]; or
- (B) [by a] A transfer of securities having a readily determinable market value[-]; provided that [such] the transfer of securities is approved by the commissioner.

The commissioner may approve other transfers among [such] the accounts[-] if, in the commissioner's opinion, [such] the transfers would not be inequitable[-]; and

(6) To the extent [such] the company deems it necessary to comply with any applicable federal or state laws, [such] the company, with respect to any separate account, including without limitation any separate account [which] that is a management investment company or a unit investment trust, may provide [for] persons having an interest [therein] in the account with appropriate voting and other rights and special procedures for the conduct of the business of [such] the account, including without limitation special rights and procedures relating to investment policy, investment advisory services, selection of independent public accountants, and the selection of a committee, the members of which need not be otherwise affiliated with [such] the company, to manage the business of [such] the account."

SECTION 21. Section 431:10H-205, Hawaii Revised Statutes, is amended to read as follows:

"[[]§431:10H-205[]] Continuation or conversion. (a) Group longterm care insurance issued in this State beginning July 1, 2000, shall provide covered individuals with a basis for continuation or conversion of coverage.

(b) [For purposes of this section, "a basis for continuation of coverage" means a policy provision that maintains coverage under the existing group policy when the coverage would otherwise terminate and which is subject only to the continued timely payment of premium when due.] Group policies that restrict provision of benefits and services to, or contain incentives to use, certain providers or facilities may provide continuation benefits that are substantially equivalent to the benefits of the existing group policy. The commissioner shall make a determination as to the substantial equivalency of benefits, and in doing so, shall take into consideration the differences between managed care and non-managed care plans, including but not limited to[5] provider system arrangements, service availability, benefit levels, and administrative complexity.

[(c) For purposes of this section, "a basis for conversion of coverage" means a policy provision that entitles an individual, whose coverage under the group policy would otherwise terminate or has been terminated for any reason including discontinuance of the group policy in its entirety or with respect to an insured class, and who has been continuously insured under the group policy or any group policy that it replaced for at least six months immediately prior to termination shall be entitled to the issuance of a converted policy by the insurer under whose group policy the individual is covered, without evidence of insurability.

(d) For purposes of this section, "converted policy" means an individual policy of long-term care insurance providing benefits identical to or benefits determined by the commissioner to be substantially equivalent to or in excess of those provided under the group policy from which conversion is made.]

(c) Where the group policy from which conversion is made restricts provision of benefits and services to, or contains incentives to use, certain providers or facilities, the commissioner, in making a determination as to substantial

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equivalency of benefits, shall take into consideration the differences between managed care and non-managed care plans, including but not limited to[7] provider system arrangements, service availability, benefit levels, and administrative complexity.

[(e)] (d) Written application for the converted policy shall be made and the first premium, if any, shall be paid as directed by the insurer no later than thirty-one days after termination of coverage under the group policy. The converted policy shall be issued effective on the day following the termination of coverage under the group policy[,] and shall be renewable annually.

[(f)] (e) Unless the group policy from which conversion is made replaced previous group policy coverage, the premium for the converted policy shall be calculated on the basis of the insured's age at inception of coverage under the group policy from which conversion is made. Where the group policy from which conversion is made replaced a previous group coverage, the premium for the converted policy shall be calculated on the basis of the insured's age at inception of coverage at inception of coverage under the group policy shall be calculated on the basis of the insured's age at inception of coverage under the group policy replaced.

 $[(\underline{g})]$ (f) Continuation of coverage or issuance of a converted policy shall be mandatory, except where:

- (1) Termination of group coverage resulted from an individual's failure to make any required payment of premium or contribution when due; or
- (2) The terminating coverage is replaced not later than thirty-one days after termination by another group coverage [effective on the day following the termination of coverage]:
 - (A) Effective on the day following the termination of coverage;
 - [(A)] (B) Providing benefits, or benefits determined by the commissioner to be, identical <u>or</u> substantially equivalent to, or in excess of, those provided by the terminating coverage; and
 - [(B)] (C) The premium for which is calculated in a manner consistent with the requirements of subsection [(f).] (e).

[(h)] (g) Notwithstanding any other provision of this section, a converted policy issued to an individual who at the time of conversion is covered by another long-term care insurance policy that provides benefits on the basis of incurred expenses[-] may contain a provision that results in a reduction of benefits payable if the benefits provided under the additional coverage, together with the full benefits provided by the converted policy, would result in payment of more than one hundred per cent of incurred expenses. The provision shall only be included in the converted policy if the converted policy also provides for a premium decrease or refund [which] that reflects the reduction in benefits payable.

[(i)] (h) The converted policy may provide that the benefits payable under the converted policy, together with the benefits payable under the group policy from which conversion is made, shall not exceed those that would have been payable had the individual's coverage under the group policy remained in force and effect.

[(j)] (i) Notwithstanding any other provision of this section, an insured individual whose eligibility for group long-term care coverage is based upon the individual's relationship to another person shall be entitled to continuation of coverage under the group policy upon termination of the qualifying relationship by death or dissolution of marriage or reciprocal beneficiary relationship.

[(k)] (j) For purposes of this section ["managed care plan" is a health eare or assisted living arrangement designed to coordinate patient care or control costs through utilization review, case management, or use of specific provider networks.]:

<u>"A basis for continuation of coverage" means a policy provision that</u> maintains coverage under the existing group policy when the coverage would otherwise terminate and that is subject only to the continued timely payment of premium when due.

<u>"A basis for conversion of coverage" means a policy provision that en-</u> <u>titles an individual:</u>

- (1) Whose coverage under the group policy would otherwise terminate or has been terminated for any reason, including discontinuance of the group policy in its entirety or with respect to an insured class; and
- (2) Who has been continuously insured under the group policy or any group policy that it replaced for at least six months immediately prior to termination,

to the issuance of a converted policy by the insurer under whose group policy the individual is covered, without evidence of insurability.

"Converted policy" means an individual policy of long-term care insurance providing benefits identical to, or benefits determined by the commissioner to be substantially equivalent to or in excess of, those provided under the group policy from which conversion is made.

<u>"Managed care plan" means a health care or assisted living arrangement</u> designed to coordinate patient care or control costs through utilization review, case management, or use of specific provider networks."

SECTION 22. Section 431:14-116.6, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) The plan shall provide a formula allowing an insurer who voluntarily removes an insured risk from the residual market to be eligible for a take-out credit applicable against that insurer's residual market assessment base levied by the plan. The terms and conditions of the take-out credit shall be as follows:

- (1) An insurer shall receive a credit against its assessment base for the amount of the annual premium reflected in [its] <u>the insurer's</u> financial statements for the respective calendar year. This reported premium shall be stated on the same financial basis as the premiums that are reported for use in determining each insurer's residual market assessment base and shall be subject to subsequent adjustments and audits;
- (2) The credit applicable to the residual market assessment base shall be as follows:

(A) First year: \$2 credit for every \$1 of premium removed;

- (B) Second year: \$1 credit for every \$1 of premium removed; and (C) Third year: \$1 credit for every \$1 of premium removed;
- (3) If the insurer keeps the insured risk out of the residual market for three years, that insurer shall receive credit for each of three years. If the insurer does not write the business for three years, [it] the insurer shall receive credit only for the period of time that [it] the insurer covered the risk in the voluntary market. Under no circumstances shall an insurer receive credit for risks returned to the residual market within one policy year;
- (4) An insurer shall not return an insured taken from the residual market to the residual market after one year of coverage to subsequently reissue insurance to the insured to obtain the higher credit established for the first year of residual market removal in paragraph [(2);] (2)(A);

- (5) There shall be no maximum limit on credits received; provided that the credits shall not reduce the insurer's assessment base below zero;
- (6) The kind and amount of coverage to be offered to voluntary risks shall not be less than those afforded by the policy being replaced, unless the kinds and amounts are refused by the insureds;
- (7) The commissioner may approve loss sensitive rating plans for larger companies that generate more than \$150,000 in insurance premiums; and
- (8) The commissioner may adjust or terminate the credit program depending on market conditions[,]; provided that any adjustment or termination shall not affect any credit earned prior to the adjustment or termination."

SECTION 23. Section 431:15-106, Hawaii Revised Statutes, is amended to read as follows:

"§431:15-106 Cooperation of officers and employees. (a) Any officer, manager, director, trustee, owner, employee, or agent of any insurer, or any other persons with authority over[₇] or in charge of any segment of the insurer's affairs, shall cooperate with the commissioner or the receiver in any proceeding under this article or any investigation preliminary to the proceeding. [The term person as used in this section, shall include any person who exercises control directly or indirectly over activities of an insurer through any holding company or other affiliate of the insurer. To cooperate shall include, but shall not be limited to the following:

- (I) To reply promptly in writing to any inquiry from the commissioner or the receiver requesting such a reply; and
- (2) To make available and deliver to the commissioner or receiver any books, accounts, documents, or other records, or information or property of or pertaining to the insurer and in its possession, custody or control.]

(b) No person shall obstruct or interfere with the commissioner in the conduct of any delinquency proceeding or any investigation preliminary or incidental [thereto.] to the proceeding.

(c) This section does not make it illegal to resist by legal proceedings the petition for liquidation or other delinquency proceedings, or other orders.

(d) Any person included within subsection (a) who fails to cooperate with the commissioner, or any person who obstructs or interferes with the commissioner in the conduct of any delinquency proceeding or any investigation preliminary or incidental [thereto,] to the proceeding, or who violates any order the commissioner issued validly under this article may:

- (1) Be sentenced to pay a fine not exceeding \$10,000 or to be imprisoned for a term of not more than one year, or both; or
- (2) After a hearing, be subject to the imposition by the commissioner, of a civil penalty not to exceed \$10,000 and shall be subject [further] to the revocation or suspension of any insurance licenses issued by the commissioner.

(e) As used in this section:

"Cooperate" includes but is not limited to the following:

- (1) <u>To reply promptly in writing to any inquiry from the commissioner</u> or the receiver requesting a reply; and
- (2) To make available and deliver to the commissioner or receiver any books, accounts, documents, or other records, or information or property of or pertaining to the insurer and in its possession, custody, or control.

"Person" includes any person who exercises control directly or indirectly over activities of an insurer through any holding company or other affiliate of the insurer."

SECTION 24. Section 431:20-102, Hawaii Revised Statutes, is amended to read as follows:

"§431:20-102 Definitions. For the purposes of this article:

[(1) Controlled escrow company] <u>"Controlled escrow company</u>" means each person engaged in the business of handling escrows of real property transactions in connection with which title policies are issued by a title insurer, which person:

- [(A)] (1) If an artificial person, directly or indirectly, is controlled by or controls, or is under common control with, a title insurer[7] or is controlled by or controls, or is under common control with, an underwritten title company; or
- (B) (2) If a natural person, is employed by or controlled by a title insurer[7] or by an underwritten title company.

[(2) Title insurance business or business of title insurance] "Title insurance business" or "business of title insurance" means:

- [(A)] (1) Issuing as insurer or offering to issue as insurer a title insurance policy; or
- [(B)] (2) Transacting or proposing to transact by a title insurer any of the following activities when conducted or performed in contemplation of the issuance of a title insurance policy:
 - [(i)] (A) Soliciting or negotiating the issuance of a title insurance policy;
 - [(ii)] (B) Guaranteeing, warranting, or otherwise insuring the correctness of title searches;
 - [(iii)] (C) Handling of escrows, settlements, or closings;
 - [(iv)] (D) Execution of title insurance policies;
 - [(v)] (E) Effecting contracts of reinsurance;
 - [(vi)] (F) Abstracting, searching, or examining titles; or
 - [(vii)] (G) Doing or proposing to do any business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of this article.

[(3) Title insurance policy or policy] <u>"Title insurance policy" or "policy"</u> means a contract issuing or indemnifying against loss or damage arising from any or all of the following existing on or before the policy date:

- [(A)] (1) Defects in, liens against, or encumbrances on the insured title;
- (\underline{B}) (2) Unmarketability of the insured title; or
- [(C)] (3) Invalidity or unenforceability of liens or encumbrances on the stated property. Title insurance policy does not include a preliminary report, binder, commitment, or abstract.

[(4) <u>Title insurer or insurer</u>] <u>"Title insurer" or "insurer"</u> means a company organized under laws of this State for the purpose of transacting as insurer the business of title insurance, and any foreign or alien title insurer engaged in this State in the business of title insurance as insurer.

[(5) Underwritten title company] <u>"Underwritten title company</u>" means each person engaged in the business of preparing lien or title searches, title examinations, certificates of searches of title, or abstracts of title upon the basis of which a title insurer regularly writes title policies." SECTION 25. Section 432:1-601, Hawaii Revised Statutes, is amended to read as follows:

"§432:1-601 Contract limitations for handicapped children and children with intellectual disabilities. All individual and group hospital or medical service plan contracts, delivered or issued for delivery in this State after May 8, 1968, [which] that provide that coverage of a dependent child shall terminate upon attainment of the limiting age for dependent children specified in the contract shall also provide in substance that attainment of [such] the limiting age shall not operate to terminate the coverage of [such] the child while the child is and continues to be both:

- (1) [incapable] Incapable of self-sustaining employment by reason of intellectual disability or physical handicap[7]; and
- (2) [chiefly] Chiefly dependent upon the policyholder, subscriber, or employee, as the case may be, for support and maintenance[₇];

provided <u>that</u> proof of [such] <u>the child's</u> incapacity and dependency is furnished to the hospital service or medical indemnity association by the policyholder, subscriber, or employee within thirty-one days of the child's attainment of the limiting age and subsequently as may be required by [such] the association."

SECTION 26. Section 432:2-103, Hawaii Revised Statutes, is amended to read as follows:

"§432:2-103 Definitions. For the purposes of this article:

[(1) Benefit contract shall mean] "Benefit contract" means the agreement for provision of benefits authorized by section 432:2-401, as that agreement is described in section 432:2-404(a).

[(2) Benefit member shall mean] <u>"Benefit member" means</u> an adult member who is designated by the laws or rules of the society to be a benefit member under a benefit contract.

[(3) Certificate shall mean] <u>"Certificate" means</u> the document issued as written evidence of the benefit contract.

[(4) <u>Commissioner</u>] <u>"Commissioner</u>" means the insurance commissioner of this State.

[(5) Laws shall mean] <u>"Laws" means</u> the society's articles of incorporation, constitution, and bylaws, however designated.

[(6) Lodge shall mean] "Lodge" means subordinate member units of the society, known as camps, courts, councils, branches, or by any other designation.

[(7) Premiums shall mean] "Premiums" means premiums, rates, dues, or other required contributions by whatever name known, which are payable under the certificate.

[(8) Rules shall mean] <u>"Rules" means</u> all rules, regulations, or resolutions adopted by the supreme governing body or board of directors [which] that are intended to have general application to the members of the society.

[(9) Society shall mean] <u>"Society" means a</u> fraternal benefit society, unless otherwise indicated."

SECTION 27. Section 480E-10, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) A distressed property consultant shall not:

(1) Represent, expressly or by implication, in connection with the advertising, marketing, promotion, offering for sale, or performance of any mortgage assistance relief service, that a distressed property owner cannot or should not contact or communicate with the distressed property owner's lender or servicer;

- (2) Misrepresent, expressly or by implication, any material aspect of any mortgage assistance relief service, including but not limited to:
 - (A) The likelihood of negotiating, obtaining, or arranging any represented service or result, such as those set forth in the definition of mortgage assistance relief service;
 - (B) The amount of time it will take the distressed property consultant to accomplish any represented service or result, such as those set forth in the definition of [mortgage assistance relief service:] "mortgage assistance relief service";
 - (C) That a mortgage assistance relief service is affiliated with, endorsed or approved by, or otherwise associated with:
 - (i) The United States government;
 - (ii) Any governmental homeowner assistance plan;
 - (iii) Any federal, state, or local government agency, unit, or department;
 - (iv) Any nonprofit housing counselor agency or program;
 - (v) The maker, holder, or servicer of the consumer's residential loan; or
 - (vi) Any other individual, entity, or program;
 - (D) The distressed property owner's obligation to make scheduled periodic payments or any other payments pursuant to the terms of the distressed property owner's residential loan;
 - (E) The terms or conditions of the distressed property owner's residential loan, including but not limited to the amount of the debt owed;
 - (F) The terms or conditions of any refund, cancellation, exchange, or repurchase policy for any mortgage assistance relief service, including but not limited to the likelihood of obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted, for a mortgage assistance relief service;
 - (G) That the distressed property consultant has completed the represented services or has a right to claim, demand, charge, collect, or receive payment or other consideration;
 - (H) That the distressed property owner will receive legal representation;
 - (I) The availability, performance, cost, or characteristics of any alternative to for-profit mortgage assistance relief services through which the distressed property owner can obtain mortgage assistance relief, including negotiating directly with the residential loan holder or servicer, or using any nonprofit housing counselor agency or program;
 - (J) The amount of money or the percentage of the debt amount that a distressed property owner may save by using any mortgage assistance relief service;
 - (K) The total cost to purchase any mortgage assistance relief service; or
 - (L) The terms, conditions, or limitation of any offer of mortgage assistance relief the distressed property consultant obtains from the distressed property owner's residential loan holder or servicer, including the time period in which the distressed property owner must decide to accept the offer;
- (3) Make any representation, expressly or by implication, about the benefits, performance, or efficacy of any mortgage assistance relief service unless, at the time such representation is made, the provider

possesses and relies upon competent and reliable evidence that substantiates that the representation is true. For the purposes of this paragraph, "competent and reliable evidence" means tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that have been conducted and evaluated in an objective manner by individuals qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results;

- (4) Conceal any material fact;
- (5) Induce or attempt to induce a distressed property owner to waive any provision of this chapter;
- (6) Make any promise or guarantee not fully disclosed in the distressed property consultant contract;
- (7) Engage or attempt to engage in any activity or act concerning the distressed property not fully disclosed in the distressed property consultant contract;
- (8) Induce or attempt to induce a distressed property owner to engage in any activity or act not fully disclosed in the distressed property consultant contract;
- (9) Take, ask for, claim, demand, charge, collect, or receive any compensation until after the distressed property consultant has fully performed each service the distressed property consultant contracted to perform or represented would be performed;
- (10) Take, ask for, claim, demand, charge, collect, or receive for any reason, any fee, interest, or any other compensation that exceeds the two most recent monthly mortgage installments of principal and interest due on the loan first secured by the distressed property or the most recent annual real property tax charged against the distressed property, whichever is less;
- (11) Take or ask for a wage assignment, a lien of any type on real or personal property, or other security to secure the payment of compensation. This type of security is void and not enforceable;
- (12) Receive any consideration from any third party in connection with services rendered to a distressed property owner unless the consideration is fully disclosed in the distressed property consultant contract;
- (13) Acquire any interest, directly or indirectly, or by means of a subsidiary or affiliate, in a distressed property from a distressed property owner with whom the distressed property consultant has contracted;
- (14) Require or ask a distressed property owner to sign any lien, encumbrance, mortgage, assignment, or deed unless the lien, encumbrance, mortgage, assignment, or deed is fully described in the distressed property consultant contract, including all disclosures required by this chapter;
- (15) Take any power of attorney from a distressed property owner for any purpose, except to inspect documents concerning the distressed property as allowed by law;
- (16) Advise or instruct a distressed property owner to stop making payments to any lending party if that property owner is not in receipt of a written notice that the property owner's residential loan has been accelerated;
- (17) Fail to disclose, at the time the distressed property consultant furnishes the distressed property owner with the lending party's written offer for mortgage assistance relief, the following information:

"This is an offer of mortgage assistance we obtained from your lender [or servicer]. You may accept or reject the offer. If you reject the offer, you do not have to pay us. If you accept the offer, you will have to pay us [same amount as disclosed in the distressed property consultant contract] for our services."

The disclosure required by this paragraph shall be made in a clear and prominent manner, on a separate written page, and preceded by the heading:

"IMPORTANT NOTICE: Before buying this service, consider the following information."

The heading shall be in boldface type that is two-point type larger than the type size of the required disclosure;

- (18) Fail to provide, at the time the distressed property consultant furnishes the distressed property owner with the written agreement specified in paragraph (17), a notice from the lending party that describes all material differences between the terms, conditions, and limitations associated with the distressed property owner's current residential loan and the terms, conditions, and limitations associated with the distressed property owner's residential loan if the owner accepts the lending party's offer, including but not limited to differences in the loan's:
 - (A) Principal balance;
 - (B) Contract interest rate, including the maximum rate and any adjustable rates, if applicable;
 - (C) Amount and number of the owner's scheduled periodic payments on the loan;
 - (D) Monthly amounts owed for principal, interest, taxes, and any mortgage insurance on the loan;
 - (E) Amount of any delinquent payments owing or outstanding;
 - (F) Assessed fees or penalties; and
 - (G) Term[[].[]]

The notice required by this paragraph shall be made in a clear and prominent manner, on a separate written page, and preceded by the heading: "IMPORTANT INFORMATION FROM YOUR [name of lender or servicer] ABOUT THIS OFFER." The heading shall be in boldface type that is two-point type larger than the type size of the required disclosure;

- (19) Fail to disclose in the notice specified in paragraph (18), in cases where the offer of mortgage assistance relief obtained by the distressed property consultant from the lending party is a trial residential loan modification, the terms, conditions, and limitations of the offer, including but not limited to:
 - (A) The fact that the distressed property owner may not qualify for a permanent loan modification; and
 - (B) The likely amount of the scheduled periodic payments and any arrears, payments, or fees that the distressed property owner would owe in failing to qualify; or
- (20) File any document in the bureau of conveyances of the State of Hawaii that purports to modify, reduce, eliminate, discharge, contest, or otherwise affect any mortgage, lien, or encumbrance of record without either the express written consent of the lending party or lienholder or a court order permitting or directing the document to

be filed, with the exception of a notice of pendency of action or lis pendens."

SECTION 28. Section 501-23, Hawaii Revised Statutes, is amended to read as follows:

****§501-23** Application, form, and contents. The application shall be in writing, signed, and sworn to by the applicant or by some person duly authorized in the applicant's behalf. If there is more than one applicant, the application shall be signed and sworn to by, or in behalf of, each. [H] The application shall contain a description of the land, with a statement of the estate or interest of the applicant in the land. [H] The application shall state whether the applicant is married, and if married, the name in full of the wife or husband, the time and place of marriage, and the name and office of the officer performing the marriage ceremony; and if unmarried, whether the applicant has been married, and if so, when and how the marriage relation terminated; and if by divorce, when, where, and by what court the divorce was granted. [H] The application shall also state the name in full and the address of the applicant and also the names and addresses of the adjoining owners and occupants, if known; and if not known, [it] the application shall state what search has been made to find them. If the applicant has been known by more than one name, the applicant shall state all of the applicant's names in full. [H] The application may be in form as follows:

State of Hawaii.

To the Honorable Judge of the Land Court:

I (or we), the undersigned, hereby apply to have the land herein described brought under the operation and provisions of chapter 501 of the Hawaii Revised Statutes and to have my (or our) title therein registered and confirmed as an absolute (qualified or possessory) title. And I (or we) declare:

- (1) That I am (or we are) the owner (or owners) in fee simple of a certain parcel of land, with the buildings (if any, and if not, strike out the clause), situate in (here insert accurate description).
- (2) That the land at the last assessment for taxation was assessed at.... dollars; and the buildings (if any) at....dollars.
- (3) That I (or we) do not know of any mortgage or encumbrance affecting the land, or that any other person has any estate or interest therein, legal or equitable, in possession, remainder, reversion, or expectancy. (If any, add "other than as follows," and set forth each clearly.)
- (4) That I (or we) obtained title (if by deed, state name of grantor, date, and place of record, and file the deed, or state reason for not filing. If in any other way, state it).
- (5) That the land is...occupied (state name in full, residence and post office address of occupant and the nature of the occupancy. If un-occupied, insert "not").
- (6) That the names in full and addresses as far as known to me (or us) of the occupants of all lands adjoining the land are as follows: (give post office address, street, and number wherever possible. If names not known, state whether inquiry has been made, and what inquiry.)
- (7) That the names and addresses so far as known to me (or us) of the owners of all lands adjoining above land are as follows: (same directions as above.)
- (8) That I am (or we are) married (follow literally the directions given in section 501-23.)

(9) That my (or our) full name (or names), residence and post office address are as follows:

Dated: (Schedule of documents.)

(Signature).

State of Hawaii } ss.

Dated:

Then personally appeared the above named.....known to me to be the signer (or signers) of the foregoing application, and made oath before $me[_{7}]$ that the statements made therein, so far as made of the [signer (or signers)] signer's (or signers') own knowledge, are true[_{7}] and, so far as made upon information and belief, that the signer (or signers) believes them to be true.

....., Notary Public."

SECTION 29. Section 502-95, Hawaii Revised Statutes, is amended to read as follows:

"§502-95 Validation of defective certificates. The record made prior to May 14, 1943, in the bureau of conveyances at Honolulu of any instrument otherwise authorized to be recorded therein, notwithstanding any defect in the form of the certificate of acknowledgment or proof, or the failure to make the notations required by section 502-61, or the failure to append thereto the certificate of authority required by section 502-46, or any defect in the form of the certificate, shall be in all respects as valid and effectual as though the certificate of acknowledgment or proof or certificate of authority had been in proper form or the certificate [Θ F] of authority had been appended to the instrument, or such notations had been made; provided that [in]:

- (1) In any case of a defect in the certification of the authority of the officer to take the acknowledgment or proof, at the time of taking and in the place where the same was taken (whether because of a defect in the officer's certificate or because of a defect in or failure to append the certificate of the officer's authority, when required), the burden shall be on the party relying on [such] the record to prove [such] the authority, in any proceeding where [such] the fact is in dispute; [provided further that with] and
- (2) With respect to any interlineation, erasure, or other change, not initialed and noted as required by section 502-61, the burden shall be on the party relying on [such] the record[₃] to prove that the change was made before acknowledgment of the instrument, in any proceeding where [such] the fact is asserted by [such] the party and is in dispute."

SECTION 30. Section 505-4, Hawaii Revised Statutes, is amended to read as follows:

****§505-4** Fees. Unless otherwise provided by rules established by the department of land and natural resources, pursuant to chapter 91, the fees payable under this chapter are as follows:

- (1) For each notice of federal tax lien in the bureau of conveyances, \$10; and
- (2) For each certificate of release, partial release, or discharge of a federal tax lien in the bureau of conveyances, \$10."

SECTION 31. Section 506-10, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

- "(č) As used in this section, "reverse mortgage loan" [means]:
- (1) <u>Means</u> a loan that:
- [(2)] (B) Is due upon [sale]:
 - (i) <u>Sale</u> of the property securing the loan[, or upon the];
 - (ii) The death of the last surviving borrower[, or upon the]:
 - (iii) <u>The</u> borrower terminating use of the real property as a principal residence[,]; or [upon the]
 - (iv) <u>The</u> borrower's default;
- [(3)] (C) Provides cash advances to the borrower based upon the equity or the value in the borrower's owner-occupied principal residence;
- [(4)] (D) Requires no payment of principal or interest until the entire loan becomes due and payable; and
- [(5)] (E) Is made by a lender licensed or chartered under state or federal law[-]; and
- (2) [For purposes of this section, "reverse mortgage loan" shall] <u>Shall</u> not include a loan:
- [(1)] (A) Insured by the United States Department of Housing and Urban Development;
- [(2)] (B) Intended for sale to the Federal National Mortgage Association (also known as "Fannie Mae") or to the Federal Home Loan Mortgage Corporation (also known as "Freddie Mac"); or
- [(3)] (C) For which mortgage counseling is required under other state or federal laws."

SECTION 32. Section 507-43, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) Owner acting through attorney-in-fact. In cases where materials have been furnished or labor was performed at the request, or upon the order, of a person acting under a duly executed and acknowledged power of attorney from the owner and:

- (1) [the] The power of attorney has not been revoked[$\frac{1}{3}$]; or
- (2) [the] <u>The</u> power of attorney has been revoked subsequent to the furnishing of materials and labor upon request or order and the owner cannot be found within the State,

service of the Application and Notice upon the person acting under the power of attorney shall be deemed service upon the owner."

SECTION 33. Section 507-61, Hawaii Revised Statutes, is amended by amending the definition of "occupant" to read as follows:

"Occupant" means a person, or the person's sublessee, successor, or assign, $[\Theta r]$ who is entitled to the use of designated or individual storage space at a self-service storage facility under a rental agreement, to the exclusion of others."

SECTION 34. Section 514B-143, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) The declaration, bylaws, or the board may require the association to carry any other insurance, including workers' compensation, employment prac-

tices, environmental hazards, and equipment breakdown, that the board considers appropriate to protect the association, the unit owners, or officers, directors, or agents of the association. Flood insurance shall also be maintained if the property is located in a special flood hazard area as delineated on flood maps issued by the Federal Emergency Management Agency. The flood insurance policy shall comply with the requirements of the National Flood Insurance Program and the Federal Insurance and Mitigation Administration."

SECTION 35. Section 514E-5, Hawaii Revised Statutes, is amended to read as follows:

"§514E-5 Geographic limitations. (a) Except as provided in this section, time share units, time share plans, and transient vacation rentals are prohibited.

[(1)] (b) Existing time share units, time share plans, and transient vacation rentals are not impaired by the provisions of this section.

[(2)] (c) Time share units, time share plans, and transient vacation rentals are allowed:

- [(A)] (1) In areas designated for hotel use, resort use, or transient vacation rentals, pursuant to county authority under section 46-4, or where the county, by its legislative process, designates hotel, transient vacation rental, or resort use;
- [(B)] (2) In a hotel where the county explicitly approves such use, in advance, as a nonconforming use; or
- [(C)] (3) In a county with a population in excess of five hundred thousand, in an existing hotel [which] that is a valid nonconforming use under county ordinance."

SECTION 36. Section 515-4, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Nothing in section 515-3 shall be deemed to prohibit refusal[5] because of sex, including gender identity or expression, sexual orientation, or marital status, to rent or lease housing accommodations:

- (1) Owned or operated by a religious institution and used for church purposes as that term is used in applying exemptions for real property taxes; or
- (2) [Which] That are part of a religiously affiliated institution of higher education housing program [which] that is operated on property that the institution owns or controls[7] or [which] that is operated for its students pursuant to Title IX of the [Higher Education Act] Education Amendments of 1972[7]. P.L. 92-318."

SECTION 37. Section 526-6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In this section:

[(1) "Time of distribution" means the time when a disclaimed interest would have taken effect in possession or enjoyment.

(2)] "Future interest" means an interest that takes effect in possession or enjoyment, if at all, later than the time of its creation.

<u>"Time of distribution" means the time when a disclaimed interest would</u> have taken effect in possession or enjoyment."

SECTION 38. Section 560:3-906, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Unless a contrary intention is indicated by the will, the distributable assets of a decedent's estate shall be distributed in kind to the extent possible through application of the following provisions:

- A specific devise is entitled to distribution of the thing devised to that person, and a spouse, reciprocal beneficiary, or child who has selected particular assets of an estate as provided in section [560:2-402] 560:2-403 shall receive the items selected;
- (2) Any homestead or family allowance or devise of a stated sum of money may be satisfied in kind; provided[:] that:
 - (A) The person entitled to the payment has not demanded payment in cash;
 - (B) The property distributed in kind is valued at fair market value as of the date of its distribution; and
 - (C) No residuary devisee has requested that the asset in question remain a part of the residue of the estate;
- For the purpose of valuation under paragraph (2), securities reg-(3) ularly traded on recognized exchanges, if distributed in kind, are valued at the price for the last sale of like securities traded on the business day prior to distribution, or if there was no sale on that day, at the median between amounts bid and offered at the close of that day. Assets consisting of sums owed the decedent or the estate by solvent debtors as to which there is no known dispute or defense are valued at the sum due with accrued interest or discounted to the date of distribution. For assets [which] that do not have readily ascertainable values, a valuation as of a date not more than thirty days prior to the date of distribution, if otherwise reasonable, controls. For purposes of facilitating distribution, the personal representative may ascertain the value of the assets as of the time of the proposed distribution in any reasonable way, including the employment of qualified appraisers, even if the assets may have been previously appraised; and
- (4) The residuary estate shall be distributed in any equitable manner."

SECTION 39. Section 571-52.6, Hawaii Revised Statutes, is amended to read as follows:

"§571-52.6 Child support order, judgment, or decree; accident and <u>health</u> or sickness insurance coverage. Each order, judgment, or decree under this chapter or chapter 576B, 580, or 584 ordering a person to pay child support shall include the following provisions:

- (1) Both the obligor and the obligee are required to file with the state case registry, through the child support enforcement agency, upon entry of the child support order and to update as appropriate, information on the identity and location of the party, including social security number, residential and mailing addresses, telephone number, driver's license number if different from social security number, and name, address, and telephone number of the party's employer; and
- (2) The liability of that person for accident and <u>health or</u> sickness insurance coverage when available at reasonable cost."

SECTION 40. Section 572-22, Hawaii Revised Statutes, is amended to read as follows:

"§572-22 Contracts. (a) A married person may make contracts, oral and written, sealed and unsealed, with [her or his] the married person's spouse,

or any other person, in the same manner as if [she or he] the married person were sole.

(b) An agreement between spouses providing for periodic payments for the support and maintenance of one spouse by the other, or for the support, maintenance, and education of children of the parties, when the agreement is made in contemplation of divorce or judicial separation, is valid; provided that [the]:

- (1) <u>The</u> agreement shall be subject to approval by the court in any subsequent proceeding for divorce or judicial separation; and [that future]
- (2) Future payments under an approved agreement shall nevertheless be subject to increase, decrease, or termination from time to time upon application and a showing of circumstances justifying a modification thereof.

(c) All contracts made between spouses, whenever made, whether before or after June 6, 1987, and not otherwise invalid because of any other law, shall be valid."

SECTION 41. Section 577-28, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) The consent authorized by this section shall not be applicable for purposes of the Individuals with Disabilities Education Act (20 U.S.C. [section] 1400 et seq.) or section 504 of the Rehabilitation Act of 1973 [(29 U.S.C. section 791).] (29 U.S.C. 794)."

SECTION 42. Section 578-8, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No decree of adoption shall be entered unless a hearing has been held at which the petitioner or petitioners, and any legal parent married to a petitioner, and any subject of the adoption whose consent is required, have personally appeared before the court, unless expressly excused by the court. After considering the petition and [such] any evidence as the petitioners and any other properly interested person may wish to present, the court may enter a decree of adoption if it is satisfied that:

- (1) [that the] The individual is adoptable under sections 578-1 and $578-2[_7]_{\underline{i}}$
- (2) [that the] The individual is physically, mentally, and otherwise suitable for adoption by the petitioners[7]:
- (3) [that the] The petitioners are fit and proper persons and financially able to give the individual a proper home and education, if the individual is a child[-]; and

(4) [that the] The adoption will be for the best interests of the individual, which decree shall take effect [upon such] on the date [as may be] fixed therein by the court, [such date] to be not earlier than the date of the filing of the petition and not later than six months after the date of the entry of the decree."

SECTION 43. Act 105, Session Laws of Hawaii 2014, as amended by section 1 of Act 152, Session Laws of Hawaii 2015, as amended by section 2 of Act 65, Session Laws of Hawaii 2017, as amended by section 2 of Act 32, Session Laws of Hawaii 2018, is amended by amending section 6 to read as follows:

"SECTION 6. This Act shall take effect on July 1, 2014; provided that [section]:

- (1) Section 3 shall be repealed on June 30, 2021[; provided further that the], except that section 3(g) shall be repealed on June 30, 2022; and
- (2) The amendment made to section 149A-13.5(b), Hawaii Revised Statutes, under section 2 of this Act shall not be repealed when section 149A-13.5(b), Hawaii Revised Statutes, is repealed and reenacted on June 30, 2015, by section 4 of Act 168, Session Laws of Hawaii 2010."

SECTION 44. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 45. This Act shall take effect upon its approval; provided that the amendments made to section 171-41.6(a), Hawaii Revised Statutes, by section 2 of this Act shall not be repealed when that section is reenacted on June 30, 2028, pursuant to section 7 of Act 149, Session Laws of Hawaii 2018.

(Approved June 21, 2019.)

Note

1. Should be underscored.

ACT 112

H.B. NO. 903

A Bill for an Act Relating to the Judiciary.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the imposition of excessive fines and fees has dire consequences for low-income individuals. Under Hawaii law, individuals who cannot afford to pay court-ordered fines or fees may have their driver's licenses suspended for failure to pay. For many individuals, especially those living in more remote areas with minimal or no public transportation, driver's license suspensions may deprive individuals of their only means of transportation to and from work. Furthermore, individuals with suspended driver's licenses who are unable to find alternative means of transportation may lose their employment. With limited or no income, individuals are even less likely to pay fines or fees, which may lead to greater penalties simply because those individuals are unable to pay initial fines or fees in one lump sum.

The purpose of this Act is to address the financial disparity imposed on low-income individuals who cannot afford to pay court-ordered fines and fees by requiring the judiciary to establish a financial hardship task force.

SECTION 2. (a) There is established within the judiciary the financial hardship task force to:

- (1) Examine the financial disparity imposed on low-income individuals in the court system;
- (2) Analyze other mechanisms regarding the nonpayment of fines rather than suspending driver's licenses;
- (3) Coordinate with applicable agencies; and
- (4) Analyze any other programs deemed necessary.

(b) The task force shall be composed of the following members or their designees:

- (1) The chief justice, who shall serve as chair;
- (2) The attorney general;
- (3) The director of public safety;
- (4) The director of transportation; and
- (5) The chief of police of each county.

(c) Members of the task force shall serve without compensation but shall be reimbursed for expenses incurred, including travel expenses, necessary for the performance of their duties.

(d) The task force shall be exempt from chapter 92, Hawaii Revised Statutes.

(e) The task force shall submit a report to the legislature of its findings and recommendations, including any proposed legislation, no later than twenty days before the convening of the regular session of 2020.

(f) The task force shall cease to exist on June 30, 2020.

SECTION 3. This Act shall take effect upon its approval. (Approved June 21, 2019.)

ACT 113

H.B. NO. 116

A Bill for an Act Relating to the State Budget.

Be It Enacted by the Legislature of the State of Hawaii:

PART I. PROGRAM APPROPRIATIONS

SECTION 1. There is appropriated from the agricultural loan reserve fund the sum of \$79,998 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for financial assistance for agriculture (AGR101) to establish one full-time equivalent (1.0 FTE) permanent business loan officer.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$350,000 or so much thereof as may be necessary for fiscal year 2019-2020 for quality and price assurance (AGR151) for food safety grants pursuant to section 141-12.5, Hawaii Revised Statutes.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$240,000 or so much thereof as may be necessary for fiscal year 2019-2020 for agricultural development and marketing (AGR171) for Hawaii specific agricultural surveys.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$90,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for general administration for agriculture (AGR192) to establish one full-time equivalent (1.0 FTE) permanent exempt special assistant

to the director of agriculture; provided that the director of agriculture shall appoint the special assistant without regard to chapter 76, Hawaii Revised Statutes.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,038,240 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$1,263,902 or so much thereof as may be necessary for fiscal year 2020-2021 for enterprise technology services - governance and innovation (AGS130) for cybersecurity capability enhancements.

The sums appropriated shall be expended by the office of enterprise technology services for the purposes of this Act.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$750,000 or so much thereof as may be necessary for fiscal year 2019-2020 for economic planning and research (BED130) for the 2020 census outreach; provided that the department may receive matching funds of \$250,000 from private contributions for the purpose for which this sum is appropriated.

The sums appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for general support for economic development (BED142) for the festival of pacific arts to be held in Honolulu.

The sums appropriated shall be expended by the department of business, economic development, and tourism for the purposes of Act 104, Session Laws of Hawaii 2017.

SECTION 8. There is appropriated from the Hawaii community development revolving fund the sum of \$180,294 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for Hawaii community development authority (BED150) for operating expenses of the Hawaii community development authority.

The sums appropriated shall be expended by the Hawaii community development authority for the purposes of this Act.

SECTION 9. There is appropriated from the public utilities commission special fund the sum of \$584,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for consumer advocate for communication, utilities, and transportation services (CCA103) to establish five full-time equivalent (5.0 FTE) permanent positions.

The sums appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 10. There is appropriated from the compliance resolution fund business registration sub account the sum of \$83,368 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for business registration and securities regulation (CCA111) for personal services for the conversion of one office assistant III to a staff attorney. The sums appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 11. There is appropriated from the public utilities commission special fund the sum of \$200,240 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$195,840 or so much thereof as may be necessary for fiscal year 2020-2021 for public utilities commission (CCA901) to establish two full-time equivalent (2.0 FTE) permanent enforcement officer positions and other expenses.

The sums appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the sum of \$52,956 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for amelioration of physical disasters (DEF110) to establish one full-time equivalent (1.0 FTE) permanent human resource specialist IV.

The sums appropriated shall be expended by the department of defense for the purposes of this Act.

SECTION 13. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the office of the governor (GOV100) to establish one full-time equivalent (1.0 FTE) temporary state disaster recovery coordinator.

The sums appropriated shall be expended by the office of the governor for the purposes of this Act.

SECTION 14. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for office of the governor (GOV100) for protocol expenses related to events at Washington Place.

The sums appropriated shall be expended by the office of the governor for the purposes of this Act.

SECTION 15. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000 or so much thereof as may be necessary for fiscal year 2019-2020 for general administration – DHS (HMS904) to establish a joint outreach center located in Kaneohe.

The sums appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 16. There is appropriated out of the general revenues of the State of Hawaii the sum of \$750,000 or so much thereof as may be necessary for fiscal year 2019-2020 for family health services (HTH560) for family planning.

The sums appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 17. There is appropriated from moneys in the treasury received from federal grants the sum of \$39,292 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for environmental health administration (HTH849).

The sums appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 18. There is appropriated from moneys in the treasury received from revolving funds the sum of \$21,553 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for environmental health administration (HTH849).

The sums appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 19. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for water and land development (LNR141) for the Hawaii association of conservation districts.

The sums appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 20. There is appropriated out of the general revenues of the State of Hawaii the sum of \$480,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for parks administration and operation (LNR806) for lifeguard services at Kua Bay on Hawaii island.

The sums appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 21. There is appropriated out of the general revenues of the State of Hawaii the sum of \$53,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for LNR – natural and physical environment (LNR906) to establish one full-time equivalent (1.0 FTE) temporary cultural resource project coordinator for the Kahoolawe island reserve commission.

The sums appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 22. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020 for LNR – natural and physical environment (LNR906) for operating expenses of the Kahoolawe island reserve commission.

The sums appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 23. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for LNR – natural and physical environment (LNR906) to establish one full-time equivalent (1.0 FTE) permanent aha moku executive director.

The sums appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 24. There is appropriated out of the general revenues of the State of Hawaii the sum of \$69,540 or so much thereof as may be necessary for

fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for kulani correctional facility (PSD403) to establish one full-time equivalent (1.0 FTE) permanent corrections supervisor I.

The sums appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 25. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,897,827 or so much thereof as may be necessary for fiscal year 2020-2021 for women's community correctional center (PSD409) to establish twenty three full-time equivalent (23.0 FTE) permanent positions and operating expenses for the Ho'okipa cottage; provided that the positions shall be established in fiscal year 2019-2020.

The sums appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 26. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,690,450 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for health care (PSD421) for Medicaid fiscal agent and pharmacy costs.

The sums appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 27. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,192 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for narcotics enforcement (PSD502) to fund one full-time equivalent (1.0 FTE) permanent investigator V.

The sums appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 28. There is appropriated out of the general revenues of the State of Hawaii the sum of \$85,800 or so much thereof as may be necessary for fiscal year 2020-2021 for narcotics enforcement (PSD502) for personal services for two full-time equivalent (2.0 FTE) permanent criminalist I positions.

The sum appropriated shall be expended by the department of public safety for the purposes of this Act.

SECTION 29. There is appropriated from the state highway fund the sum of \$147,321 or so much thereof as may be necessary for fiscal year 2020-2021 for Kauai highways (TRN561) for equipment for Kauai highways.

The sum appropriated shall be expended by the department of transportation for the purposes of this Act.

SECTION 30. There is appropriated out of the general revenues of the State of Hawaii the sum of \$59,448 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for in-community youth programs (HMS501) to fund one existing full-time equivalent (1.0 FTE) permanent corrections program specialist II; provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 that appropriates funds and establishes position ceilings, the position authorized in this section shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws; and

provided further that notwithstanding any law to the contrary, funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D.1),¹ for program execution and expenditure.

The sums appropriated shall be expended by the office of youth services for the purposes of this Act.

SECTION 31. There is appropriated out of the general revenues of the State of Hawaii the sum of \$450,000 or so much thereof as may be necessary for fiscal year 2019-2020 for in-community youth programs (HMS501) to fund existing juvenile justice reform programs.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

PART II. PROVISIONS

SECTION 32. Provided that of the general fund appropriation in section 3 of Act 5, Session Laws of Hawaii 2019, for public works – planning, design, and construction (AGS221), the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2019-2020 shall be expended for the implementation of a proof of concept study to update the Wahiawa Civic Center Master Plan, which shall include a new courthouse, facilities for current state tenants, facilities for other state agencies, and the optimization of facility space and land uses for the provision of services to the community.

SECTION 33. Provided that of the general funds appropriated by section 3 of Act 5, Session Laws of Hawaii 2019, for adult parole supervision and counseling (PSD612), the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2019-2020 shall be expended on a pre-entry and post-entry program for inmates by a federally qualified health center that operates an existing pre-entry and post-entry program for inmates.

SECTION 34. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 35. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor may correct the errors.

SECTION 36. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

Note

1. Act 5.

A Bill for an Act Relating to Offenses Against Public Administration.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 710-1063, Hawaii Revised Statutes, is amended to read as follows:

***§710-1063** Unsworn falsification to authorities. (1) A person commits the offense of unsworn falsification to authorities if, with an intent to mislead a public servant in the performance of the public servant's duty, the person:

- (a) Makes any statement, in written, printed, or electronic form, which the person does not believe to be true, in an application for any pecuniary or other benefit or in a record or report required by law to be submitted to any governmental agency;
- (b) <u>Knowingly makes a false statement in written, printed, electronic, or oral form, to a state investigator or a county inspector during an investigation into compliance with any state law, rule, or regulation or any county ordinance, rule, or regulation;</u>
- [(b)] (c) Submits or invites reliance on any statement, document, or record, in written, printed, or electronic form, which the person knows to be falsely made, completed, or altered; or
- [(e)] (d) Submits or invites reliance on any sample, specimen, map, boundary-mark, or other object the person knows to be false.
- (2) Unsworn falsification to authorities is a misdemeanor.
- (3) As used in this section:

"County inspector" means a person employed, contracted, or appointed by a county or a county department or agency to evaluate or investigate compliance with any county ordinances, rules, or regulations.

<u>"State investigator" means a person employed, contracted, or appointed</u> by the State or a state department or agency to evaluate or investigate compliance with any state laws, rules, or regulations."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 21, 2019.)

ACT 115

H.B. NO. 546

A Bill for an Act Relating to Intoxicating Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii's liquor laws contain inconsistencies regarding liquor manufacturing and sales. Accordingly, the purpose of this Act is to:

- (1) Allow a class 18 small craft producer pub licensee to manufacture not more than seventy thousand barrels of malt beverages on the licensee's premises during the license year;
- (2) Clarify that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at satellite locations other than the licensee's primary manufacturing premises under certain conditions; and
- (3) Clarify the definition of "growler".

SECTION 2. Section 281-31, Hawaii Revised Statutes, is amended as follows:

- 1. By amending subsection (n) to read:
- "(n) Class 14. Brewpub license. A brewpub licensee:
- (1) May sell malt beverages manufactured on the licensee's premises for consumption on the premises;
- (2) May sell malt beverages manufactured by the licensee in brewerysealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
- (3) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
- (4) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises to consumers in brewery-sealed kegs <u>and recyclable or reusable containers</u> and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a [glass, ceramic, or metal] recyclable or reusable container[₇] that does not [to] exceed one [half-gallon, which shall be securely sealed;
- (5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises in recyclable containers provided by the licensee or by the consumer which do not exceed one] gallon [per container] and [are] is securely sealed on the licensee's premises [to consumers for off-premises consumption];
- (6) (5) Shall comply with all [regulations] requirements pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages;
- [(7)] (6) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises in brewery-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county [regulations] ordinances

or rules governing class 1 manufacturer licensees and class 3 wholesale dealer licensees;

- [(8)] (7) May conduct the activities under paragraphs (1) to [(7)] (6) at [one location] locations other than the licensee's primary manufacturing premises; provided that:
 - (A) The manufacturing takes place in Hawaii; [and]
 - (B) [The] Each of the other [location is] locations:
 - (i) Operates within the State under the same trade name for the premises; and
 - (ii) <u>Is</u> properly licensed [<u>under the same ownership</u>;] <u>within</u> the county of its operation as a class 1 manufacturer licensee, class 2 restaurant licensee, class 4 retail dealer licensee, class 5 dispenser licensee, class 12 hotel licensee, class 14 brewpub licensee, or class 18 small craft producer pub licensee;
 - (C) The county liquor commission of the county in which the licensee satellite is located shall have jurisdiction of the satellite; and
 - (D) All requirements of the license class of the location shall be in effect as required by the county liquor commission for the satellite licensed premises; and
- [(9)] (8) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."
 - 2. By amending subsection (r) to read:

"(r) Class 18. Small craft producer pub license. A small craft producer pub licensee:

- (1) Shall manufacture not more than:
 - (A) [Sixty] Seventy thousand barrels of malt beverages;
 - (B) Twenty thousand barrels of wine; or
 - (C) Seven thousand five hundred barrels of alcohol on the licensee's premises during the license year;

provided that for purposes of this paragraph, "barrel" means a container not exceeding thirty-one gallons or wine gallons of liquor;

- (2) May sell malt beverages, wine, or alcohol manufactured on the licensee's premises for consumption on the premises;
- (3) May sell malt beverages, wine, or alcohol manufactured by the licensee in producer-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
- (4) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
- (5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises to consumers in producer-sealed kegs <u>and recyclable or reusable containers</u> and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growl-

er" means a [glass, ceramic, or metal] recyclable or reusable container[$_{7}$] that does not [to] exceed one [half-gallon,] gallon, which shall be securely sealed;

(6) May, subject to federal labeling and bottling requirements, sell [malt beverages,] wine[5] or alcohol manufactured on the licensee's premises in recyclable containers provided by the licensee or by the consumer which do not exceed:

(A) One gallon per container for [malt beverages and] wine; and

(B) One liter for alcohol; and

are securely sealed on the licensee's premises to consumers for offpremises consumption;

- (7) Shall comply with all [regulations] requirements pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages, wine, and alcohol;
- (8) May, subject to federal labeling and bottling requirements, sell malt beverages, wine, and alcohol manufactured on the licensee's premises in producer-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county [regulations] ordinances or rules governing class 1 manufacturer licensees and class 3 wholesale dealer licensees;
- (9) May conduct the activities under paragraphs (1) to (8) at [one location] locations other than the licensee's premises; provided that:
 - (A) The manufacturing takes place in Hawaii; [and]
 - (B) [The] Each of the other [location is] locations:
 - (i) Operates within the State under the same trade name for the premises; and
 - (ii) <u>Is</u> properly licensed [<u>under the same ownership;</u>] <u>within</u> the county of its operation as a class 1 manufacturer licensee, class 2 restaurant licensee, class 4 retail dealer licensee, class 5 dispenser licensee, class 12 hotel licensee, class 14 brewpub licensee, or class 18 small craft producer pub licensee;
 - (C) The county liquor commission of the county in which the licensee satellite is located shall have jurisdiction of the satellite; and
 - (D) All requirements of the license class of the location shall be in effect as required by the county liquor commission for the satellite licensed premises; and
- (10) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019.

(Approved June 21, 2019.)

H.B. NO. 1070

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that certain public schools have geographical features, such as streams or rough terrain, on or adjacent to their property and have been required to expend their own school funds to maintain these features. There are currently twenty-four public schools with streams and one hundred thirteen schools with other types of terrain, which these schools need to pay to maintain. The legislature further finds that these schools' financial resources could and should be better spent on actual education-related needs. In addition, because not all public schools have streams or rough terrain on or adjacent to their property, schools that do should not be unfairly disadvantaged.

The purpose of this part is to prohibit public schools from being required by the department of education to expend any school funds to maintain any geographically disadvantageous land, including streams and rough terrain.

SECTION 2. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§302A- Maintenance of geographically disadvantageous land; expenditure of school funds; prohibited. (a) Notwithstanding any law to the contrary, a public school shall not be required by the department of education to expend any school funds to maintain any geographically disadvantageous land on or adjacent to its property.

(b) As used in this section:

"Geographically disadvantageous land" includes rough terrain and streams.

"Rough terrain" means land that is uncultivated, undeveloped, and unsuitable for educational purposes and that may be covered by scrub or boulders.

"Stream" means natural, altered, or improved channels that have seasonal or continuous water flows as a result of either surface stormwater runoff or groundwater influx, or both. Streams include channels, streambeds, stream banks, drainage ways, and stream mouths."

PART II

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,268,154 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for six permanent full-time equivalent (6.0 FTE) positions and funding for the Hawaii teacher standards board as follows:

- (1) \$50,304 for one permanent full-time equivalent (1.0 FTE) secretary IV position;
- (2) \$60,480 for two permanent full-time equivalent (2.0 FTE) office assistant III positions;
- (3) \$183,818 for two permanent full-time equivalent (2.0 FTE) teacher licensing specialist II positions;
- (4) \$129,252 for one permanent full-time equivalent (1.0 FTE) Hawaii teacher standards board executive officer position;
- (5) \$5,200 for substitute teachers; and

(6) \$839,100 for other operation costs.

The sums appropriated shall be expended by the department of education for the purposes of this part.

PART III

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$600,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for teacher stipends for the grow our own teachers initiative.

The sums appropriated shall be expended by the department of education for the purposes of this Act.

PART IV

SECTION 5. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 that appropriates funds and establishes position ceilings, the positions authorized in section 3 shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws.

SECTION 6. Notwithstanding any law to the contrary, provided that the funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 7. If any portion of this Act or its application to any person, entity, or circumstance, is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 8. If manifest clerical, typographical, or other mechanical errors are found in this Act, the governor may correct the errors.

SECTION 9. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 10. New statutory material is underscored.²

SECTION 11. This Act shall take effect on June 28, 2019. (Approved June 21, 2019.)

Notes

1. Act 5.

2. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Search Warrants.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 803, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

"§803- Warrants issued on oral statements or electronic communications. (a) A judge or magistrate may grant the issuance of a search warrant pursuant to this section based upon a sworn oral statement communicated in person or by telephone, or based upon a sworn statement communicated electronically.

(b) In the case of an application for a warrant based on a sworn oral statement that is communicated in person or by telephone:

- (1) The application may only be granted if the judge or magistrate finds that due to circumstances of time and place, a delay in obtaining a search warrant in writing or pursuant to subsection (c) may result in the destruction or disappearance of the person, place, or thing to be searched or the items to be seized;
- (2) The applicant shall make a recording of all communications between the applicant and the judge or magistrate, or between any other person who provides information that is relied upon to support the application and the judge or magistrate;
- (3) The judge or magistrate shall place the applicant under oath;
- (4) The applicant's sworn oral statement shall be made under penalty of perjury and shall be deemed the affidavit;
- (5) The judge or magistrate may examine, under oath, the applicant and any other person who provides information that is relied upon to support the application for a warrant;
- (6) The judge or magistrate may examine any exhibits that are relied upon to support the application for a warrant;
- (7) The application shall not be granted unless the judge or magistrate finds that there is probable cause for the issuance of the warrant;
- (8) If the judge or magistrate is satisfied that there is probable cause for the issuance of a warrant, the judge or magistrate shall identify the person, place, or thing to be searched and the items to be seized;
- (9) The recording of communications between the applicant and the judge or magistrate, or between any person who provides information to support the application and the judge or magistrate, shall be transcribed. A copy of the transcript shall be filed with the clerk of the court, and the recording shall be deemed the warrant; and
- (10) The applicant shall provide or clearly play an audio copy of the recording to the person to be searched or from whom, or from whose premises, property is to be seized; provided that the judge or magistrate may issue a protective order that limits disclosure, which shall be subject to further order of the court.

(c) In the case of an application for a warrant based upon a sworn statement communicated electronically:

- (1) The application shall consist of an affidavit and a formatted unsigned search warrant, and may be supported by exhibits;
- (2) The applicant shall electronically sign the affidavit under penalty of perjury, using the "/s/ (title) (full name), (date)" format. An affidavit

that is signed in accordance with this paragraph shall be deemed a sworn affidavit;

- (3) Nothing in this subsection shall preclude a judge or magistrate from undertaking to examine in person or by telephone, under oath, the applicant and any other person who provides information that is relied upon to support the application for a warrant. The judge's or magistrate's examination of the applicant and any other person who provides information that is relied upon to support the application for a warrant shall be recorded and transcribed, and a copy of the transcript shall be filed with the clerk of the court;
- (4) The judge or magistrate may examine any exhibits that are relied upon to support the application for a warrant;
- (5) The application shall not be granted unless the judge or magistrate is satisfied that there is probable cause for the issuance of the warrant;
- (6) If the judge or magistrate is satisfied that there is probable cause for the issuance of a warrant, the judge or magistrate shall electronically sign the warrant and affidavit in the same format as prescribed in paragraph (2);
- (7) The judge or magistrate shall provide a copy of the electronically signed warrant and affidavit to the applicant;
- (8) The judge or magistrate shall file the warrant, affidavit, and any exhibits with the clerk of the court; and
- (9) The applicant shall provide or clearly display an electronic copy of the warrant to the person to be searched or from whom, or from whose premises, property is to be seized; provided that the judge or magistrate may issue a protective order that limits disclosure, which shall be subject to further order of the court.

(d) A search warrant based upon a sworn oral statement or a sworn statement communicated electronically shall not be executed between 10:00 p.m. and 6:00 a.m., unless the judge or magistrate permits execution during those hours."

SECTION 2. Section 803-31, Hawaii Revised Statutes, is amended to read as follows:

"§803-31 Search warrant; defined. A search warrant is an order in writing <u>or issued otherwise pursuant to section 803-</u> made by a judge or other magistrate, directed to an officer of justice, commanding the officer to search for certain articles supposed to be in the possession of, or anticipated to be in the possession of, one who is charged with having obtained them illegally, or who keeps them illegally, or with the intent of using them as the means of committing a certain offense. A search warrant may identify an individual or entity authorized pursuant to section 803-37 to provide technical assistance to the officer."

SECTION 3. Section 803-34, Hawaii Revised Statutes, is amended to read as follows:

"§803-34 Contents. The warrant shall be in writing, signed by the judge or magistrate, with the judge's or magistrate's official designation, <u>or issued pur-</u> <u>suant to section 803-</u>, <u>and shall be</u> directed to a sheriff or other officer of justice, and commanding the sheriff or other officer to search for and bring before the judge or magistrate the property or articles specified in the affidavit, to be disposed of according to justice, and also to bring before the judge or magistrate for examination the person in whose possession the property or articles may be found. The warrant shall identify any individual or entity authorized pursuant to section 803-37 to provide technical assistance to the sheriff or officer." SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on January 1, 2020. (Approved June 21, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 118

H.B. NO. 356

A Bill for an Act Relating to Claims Against the State.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 41D-3, Hawaii Revised Statutes, is amended to read as follows:

"§41D-3 Adjustment of claims against the State. (a) The attorney general may review any claim. The attorney general may refer claims to the comptroller for informal resolution.

(b) All claims against the State that are within the purview of section 41D-8 shall be reviewed in the first instance by the comptroller for informal resolution as provided in this section[-]: provided that:

- [(e)] (1) The comptroller may compromise or settle a claim within the purview of section 41D-8 for an amount not exceeding [\$15,000,] \$25,000 and the comptroller may pay the claim without review by the attorney general[-]: and
- [(d)] (2) The comptroller may compromise or settle and pay a tort claim not within the purview of section 41D-8 for [\$10,000 or less] an amount not exceeding \$25,000 without the necessity of court approval[, and the comptroller may pay the claim].

[(e)] (c) Upon referral by the comptroller, the attorney general, in the attorney general's discretion, shall make determinations of whether a claim would or would not be within the purview of section 41D-8 for purposes of [subsections (c) and (d).] subsection (b).

(f) (d) If the tort claim cannot be resolved informally as set forth in [subsections (c) and (d),] subsection (b), the comptroller promptly shall inform the attorney general.

 $[(\underline{e})]$ (<u>e</u>) All of the efforts of the comptroller or the comptroller's delegate under this section shall be "compromise negotiations" within the meaning of rule 408, Hawaii Rules of Evidence, as set forth in section 626-1.

[(h)] (f) Claims compromised or settled under this section shall be paid from the state risk management revolving fund."

SECTION 2. Section 41D-4, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) The comptroller shall prepare, for each fiscal year, a report of all claims arbitrated, compromised, or settled [for \$10,000 or less] and paid from the state risk management revolving fund[-] as provided in section 41D-3. The report

shall be submitted to the legislature twenty days prior to the commencement of the regular session next succeeding the year for which the report is made."

SECTION 3. Section 662-11, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Claims arbitrated, compromised, or settled by the attorney general for [$\frac{10,000 \text{ or less}}{10,000 \text{ or less}}$] an amount not exceeding $\frac{25,000}{10,000}$, shall be paid from the state risk management revolving fund. Claims arbitrated, compromised, or settled by the attorney general for more than [$\frac{10,000}{25,000}$ shall be paid only after funds are appropriated by the legislature for the payment of those claims."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 119

H.B. NO. 170

A Bill for an Act Relating to Ethics.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to increase clarity and consistency in the administration and enforcement of the State's ethics laws and to promote integrity in state government by:

- (1) Clarifying the fair treatment laws and conflict of interest laws with respect to legislators and task force members; and
- (2) Requiring the state ethics commission to adopt rules regarding the fair treatment laws and the public disclosures required of task force members.

SECTION 2. Section 84-13, Hawaii Revised Statutes, is amended to read as follows:

"§84-13 Fair treatment. (a) No legislator or employee shall use or attempt to use the legislator's or employee's official position to secure or grant unwarranted privileges, exemptions, advantages, contracts, or treatment, for oneself or others; including but not limited to the following:

- (1) Seeking other employment or contract for services for oneself by the use or attempted use of the legislator's or employee's office or position[-]:
- (2) Accepting, receiving, or soliciting compensation or other consideration for the performance of the legislator's or employee's official duties or responsibilities except as provided by law[-];
- (3) Using state time, equipment or other facilities for private business purposes[-]; or
- (4) Soliciting, selling, or otherwise engaging in a substantial financial transaction with a subordinate or a person or business whom the legislator or employee inspects or supervises in the legislator's or employee's official capacity.

(b) Nothing [herein] in this section shall be construed to prohibit a legislator from introducing bills and resolutions, [or to prevent a person from serving on a task force or] from serving on a [task force] committee, or from making statements or taking official action as a legislator[, or a task force member or a task force member's designee or representative]. Every legislator[, or task force member or designee or representative of a task force member shall file a full and complete public disclosure of] <u>shall publicly disclose</u> the nature and extent of the interest or transaction [which] <u>that</u> the legislator [or task force member or task force member or task force member or task force member or task force member's designee or representative] believes may be affected by the legislator's [or task force member's] official action.

(c) Nothing in this section shall be construed to prevent a person from:

- (1) Serving on a task force; or
- (2) <u>Making statements or taking official action as a task force member</u> or a task force member's designee or representative;

provided that every task force member or designee or representative of a task force member shall publicly disclose the nature and extent of any interest or transaction that the task force member or task force member's designee or representative believes may be affected by the task force member's official action.

(d) The state ethics commission shall adopt rules pursuant to chapter 91 to effectuate the purposes of this section."

SECTION 3. Section 84-14, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) [Subsections (a), (b), and (d) shall not apply to a task force member or the designee or representative of that task force member whose service as a task force member would not otherwise cause that member, designee, or representative to be considered an employee, if the task force member or the designee or representative of that task force member complies with the disclosure requirements under section 84-17.] Nothing in this section shall be construed to prevent a person from:

- (1) Serving on a task force; or
- (2) Making statements or taking official action as a task force member or a task force member's designee or representative;

provided that every task force member or designee or representative of a task force member shall publicly disclose the nature and extent of any interest or transaction that the task force member or task force member's designee or representative believes may be affected by the task force member's official action. The state ethics commission shall adopt rules pursuant to chapter 91 to effectuate the purposes of this subsection."

SECTION 4. The state ethics commission, in its discretion, may make any changes that it deems necessary to its internal procedures or forms to aid in the implementation of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved June 21, 2019.)

A Bill for an Act Relating to the State Ethics Code.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to improve the administration of the state ethics code by clarifying provisions regarding:

- (1) Gift disclosure statements;
- (2) Retention of financial disclosure statements;
- (3) Transcripts from contested case hearings; and
- (4) Ethics training.

SECTION 2. Section 84-11.5, Hawaii Revised Statutes, is amended to read as follows:

"[[]§84-11.5[]] Reporting of gifts. (a) Every legislator and employee shall file a gifts disclosure statement with the state ethics commission [on] no later than June 30 of each year if all the following conditions are met:

- (1) The legislator or employee, or spouse or dependent child of a legislator or employee, received directly or indirectly from one source any gift or gifts valued singly or in the aggregate in excess of \$200, whether the gift is in the form of money, service, goods, or in any other form;
- (2) The source of the gift or gifts have interests that may be affected by official action or lack of action by the legislator or employee; and
- (3) The gift is not exempted by subsection (d) from reporting requirements under this subsection.

(b) The report shall cover the period from June 1 of the preceding calendar year through [June 1] May 31 of the year of the report.

(c) The gifts disclosure statement shall contain the following information:

- (1) A description of the gift;
- (2) A good faith estimate of the value of the gift;
- (3) The date the gift was received; and
- (4) The name of the person, business entity, or organization from whom, or on behalf of whom, the gift was received.

(d) Excluded from the reporting requirements of this section are the following:

- (1) Gifts received by will or intestate succession;
- (2) Gifts received by way of distribution of any inter vivos or testamentary trust established by a spouse or ancestor;
- (3) Gifts from a spouse, fiance, fiancee, any relative within four degrees of consanguinity or the spouse, fiance, or fiancee of such a relative. A gift from any such person is a reportable gift if the person is acting as an agent or intermediary for any person not covered by this paragraph;
- (4) Political campaign contributions that comply with state law;
- (5) Anything available to or distributed to the public generally without regard to the official status of the recipient;
- (6) Gifts that, within thirty days after receipt, are returned to the giver or delivered to a public body or to a bona fide educational or charitable organization without the donation being claimed as a charitable contribution for tax purposes; and

(7) Exchanges of approximately equal value on holidays, birthday, or special occasions.

(e) Failure of a legislator or employee to file a gifts disclosure statement as required by this section shall be a violation of this chapter.

(f) This section shall not affect the applicability of section 84-11.

(g) For purposes of this section, "legislator or employee" includes any individual who was a legislator or employee for any portion of the period from June 1 of the preceding calendar year through May 31 of the year of the report."

SECTION 3. Section 84-17.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) All financial disclosure statements filed by a legislator, employee, or delegate to a constitutional convention shall be maintained by the state ethics commission [during the term of office of the legislator, employee, or delegate and] for a period of six years [thereafter.] from the date of the financial disclosure statement's filing. Upon the expiration of the six-year period, the financial disclosure statement and all copies thereof shall be destroyed."

SECTION 4. Section 84-31, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) If after twenty days following service of the charge and further statement of alleged violation in accordance with this section, a majority of the members of the commission conclude that there is probable cause to believe that a violation of this chapter or of the code of ethics adopted by the constitutional convention has been committed, then the commission shall set a time and place for a hearing, giving notice to the complainant and the alleged violator. Upon the commission's issuance of a notice of hearing, the charge and further statement of alleged violation and the alleged violator's written response thereto shall become public records. The hearing shall be held within ninety days of the commission's issuance of a notice of hearing. If the hearing is not held within that ninety-day period, the charge and further statement of alleged violator shall be dismissed; provided that any delay that is at the request of, or caused by, the alleged violator shall not be counted against the ninety-day period. All parties shall have an opportunity to:

- (1) [to be] <u>Be</u> heard[,];
- (2) [to subpoena] Subpoena witnesses and require the production of any books or papers relative to the proceedings[_;]:
- (3) [to be] <u>Be</u> represented by counsel; and
- (4) [to have] <u>Have</u> the right of cross-examination.

All hearings shall be in accordance with chapter 91. All witnesses shall testify under oath and the hearings shall be open to the public. The commission shall not be bound by the strict rules of evidence but the commission's findings must be based upon competent and substantial evidence. All testimony and other evidence taken at the hearing shall be recorded. [Copies of transcripts of such record shall be available only to the complainant and the alleged violator at their own expense, and the fees therefor shall be deposited in the State's general fund.]"

SECTION 5. Section 84-43, Hawaii Revised Statutes, is amended to read as follows:

"[[]§84-43[]] Ethics training course. (a) The state ethics commission shall establish, design, supervise, and conduct ethics training [designed specifically] for the officers and employees to whom this part applies.

(b) The ethics training course shall include:

- (1) Explanations and discussions of the ethics laws, administrative rules, and relevant internal policies;
- (2) Specific technical and legal requirements;
- (3) The underlying purposes and principles of ethics laws;
- (4) Examples of practical application of the laws and principles; and
- (5) A question-and-answer participatory segment regarding common problems and situations.

The state ethics commission shall develop the methods and prepare any materials necessary to implement the course.

- (c) The state ethics commission shall:
- (1) Administer the ethics training course;
- (2) Designate those of its legal staff who are to conduct the ethics training course; and
- (3) Notify each officer or employee enumerated in section 84-41 that their attendance in this course is mandatory.

[(d) The ethics training course shall be held in January of each year for those who have not attended the course previously. The course shall last at least two hours in length.

(e)] (d) The state ethics commission may repeat the course as necessary to accommodate all persons who are required to attend.

[(f)] (e) Each state agency shall provide to the state ethics commission the names of those required to take the course in a timely manner and assist the commission by providing adequate meeting facilities for the ethics training course."

SECTION 6. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 121

S.B. NO. 1417

A Bill for an Act Relating to Filipino Veterans Burial Assistance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for burial grants for Filipino-American World War II veterans, which cover funeral and burial costs, including the cost of returning their remains to the Philippines for burial; provided that:

- (1) Federal funding remains unavailable for this purpose;
- (2) There remain eligible Filipino-American World War II veterans living in the State; and
- (3) The funds are matched on a one-to-one basis with private funds.

The sums appropriated shall be expended by the office of veterans' services for the purposes of this Act; provided that the office shall establish the amount

of burial grant funds that may be disbursed on behalf of a Filipino-American World War II veteran.

SECTION 2. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

ACT 122

H.B. NO. 852

A Bill for an Act Relating to the Hawaii State Energy Office. *Be It Enacted by the Legislature of the State of Hawaii:*

PART I

SECTION 1. The legislature finds that energy composes approximately one-eighth of Hawaii's overall economy. Electric bills for public facilities and public transportation services exceed \$400,000,000 annually. Management and direction of the energy sector of the state economy is becoming an increasingly complex and critically important job. According to Hawaii's utilities, successfully achieving one hundred per cent renewable electricity by 2045 is expected to save nearly \$6,000,000,000. Additionally, electric vehicles are already cheaper to operate than traditional gas-powered vehicles. Transitioning to clean transportation will save residents billions of dollars. Climate change is expected to cost the State at least \$19,000,000,000 in losses from sea level rise alone, making the switch to renewable energy and the ultimate reduction of atmospheric carbon a priority. The State must also handle the need for island resiliency; rapid increase and economic viability of renewable and distributed energy resources; the digitization, democratization, and inter-connectivity of infrastructure; and the transition to clean transportation systems. These complex realities reveal the need for a state agency responsible for assisting the transition to a clean energy economy to meet Hawaii's climate and cost of living goals.

The legislature further finds that efforts taken by universities, public schools, executive departments, and other government entities have already begun to save taxpayers money by reducing the government's electricity costs. However, those efforts lack statewide coordination, preventing economies of scale to maximize savings. While some departments have made substantial progress, others have yet to commence meaningful activities. Tasking a single agency to plan for energy savings measures across all public facilities and assist government entities already working to reduce energy costs is a necessary step to maximize taxpayer savings.

The legislature further finds that although the state energy office is tasked with the responsibility of overseeing one-eighth of Hawaii's economy, which impacts every business and household, the state energy office lacks an enabling statute, a mission, formal guidance, and reporting accountability. Additionally, appointment of the head of the state energy office, the Hawaii state energy office administrator, is exempt from the senate confirmation process required for the majority of other agency heads.

The legislature's intent is to establish in statute an energy agency with a clear mission, established guidance, transparent reporting, and accountable leadership that will assist both the public and private sectors in achieving the State's energy goals. More specifically, the purpose of this Act is to:

- (1) Establish the Hawaii state energy office as an attached agency to the department of business, economic development, and tourism and a chief energy officer position within the office;
- (2) Transfer the duties and responsibilities of the energy resources coordinator, which are currently assigned to the director of business, economic development, and tourism, along with the functions of the renewable energy facilitator, functions of the existing state energy office, and all employees of the state energy office to the Hawaii state energy office and chief energy officer;
- (3) Amend the allowable uses of the energy security special fund for purposes of the office; and
- (4) Appropriate funds for operating expenses and establish position ceilings for the office.

PART II

SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . HAWAII STATE ENERGY OFFICE

§196-A Hawaii state energy office; established. (a) There is established the Hawaii state energy office, which shall be a public body politic and an instrumentality and agency of the State. The office shall be placed within the department of business, economic development, and tourism for administrative purposes, pursuant to section 26-35. The purpose of the Hawaii state energy office shall be to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy.

- (b) The Hawaii state energy office shall:
- (1) Provide analysis and planning to actively develop and inform policies to achieve energy efficiency, renewable energy, energy resiliency, and clean transportation goals with the legislature, public utilities commission, state agencies, and other relevant stakeholders;
- (2) Lead efforts to incorporate energy efficiency, renewable energy, energy resiliency, and clean transportation to reduce costs and achieve clean energy goals across all public facilities;
- (3) Provide renewable energy, energy efficiency, energy resiliency, and clean transportation project deployment facilitation to assist private sector project completion when aligned with state energy goals; and
- (4) Engage the private sector to help lead efforts to achieve renewable energy and clean transportation goals through the Hawaii clean energy initiative.

(c) The Hawaii state energy office shall be the State's primary government entity for supporting the clean energy initiative.

(d) No later than twenty days prior to the convening of each regular session, the Hawaii state energy office shall submit a report to the legislature that includes:

- (1) A description of the activities of the Hawaii state energy office in response to the directives established pursuant to subsection (b) and section 196-B(d), along with progress in meeting any of the Hawaii state energy office goals established in or pursuant to this part;
- (2) Progress by the State in meeting its energy efficiency, renewable energy, and clean transportation goals; and
- (3) Proposed legislation, if any.

§196-B Chief energy officer of the Hawaii state energy office; duties. (a) The Hawaii state energy office shall be led by the chief energy officer, who shall be nominated and, by and with the advice and consent of the senate, appointed by the governor; provided that the term of the chief energy officer shall be coterminous with the term of the governor.

- (b) The chief energy officer shall have:
- (1) Experience, knowledge, and expertise in policy, programs, or services related to energy efficiency, renewable energy, clean transportation, and energy resiliency related activities and development; and
- (2) Experience in a supervisory or administrative capacity.

(c) The chief energy officer shall hire staff necessary to carry out the purposes of this part. The chief energy officer and employees of the Hawaii state energy office shall be exempt from chapter 76 and shall not be considered civil service employees but shall be entitled to any employee benefit plan normally inuring to civil service employees.

(d) Subject to the approval of the governor, the chief energy officer shall:

- (1) Formulate, analyze, recommend, and implement specific policies, strategies, and plans, in coordination with public and private sector stakeholders, to cost-effectively and equitably achieve the State's energy goals;
- (2) Identify, track, and report key performance measures and milestones related to the State's energy and decarbonization goals;
- (3) Provide technical assistance to state and county agencies to assess and implement projects and programs related to energy conservation and efficiency, renewable energy, clean transportation, energy resiliency, and related measures;
- (4) Coordinate the State's energy programs with those of the federal government, other territory and state governments, the political subdivisions of the State, departments of the State, and governments of nations with interest in common energy resources;
- (5) Identify market gaps and innovation opportunities, collaborate with stakeholders, and facilitate public-private partnerships to develop projects, programs, and tools to encourage private and public exploration, research, and development of energy resources, distributed energy resources, and data analytics that will support the State's energy and decarbonization goals;
- (6) Create and review proposed state actions that may have a significant effect on the State's energy and decarbonization goals, report to the governor their effect on the energy program, and perform other services as may be required;
- (7) Evaluate, recommend, and participate in the development of incentives and programs that encourage the development of energy efficiency, renewable energy, energy resiliency, distributed energy resources, and clean transportation resources;
- (8) Assess and evaluate the effectiveness and continued necessity of existing energy related incentives, tax credits, and programs, and provide recommendations and proposed changes;
- (9) Develop and maintain a comprehensive and systematic quantitative and qualitative capacity to analyze the status of energy resources, systems, and markets, both in-state and in other states and countries, particularly in relation to the State's economy, and to recommend, develop proposals for, and assess the effectiveness of policy and regulatory decisions, and energy emergency planning;

- (10) Develop and recommend programs for, and assist public agencies in the implementation of, energy assurance and energy resilience;
- (11) Support the development, evaluation, revision, and adoption of energy-related codes and standards that advance the State's energy goals;
- (12) Act as the State's energy data clearinghouse by identifying, collecting, compiling, analyzing, publishing, and where possible, monetizing energy and clean transportation data and analyses;
- (13) Advocate for the State's energy and decarbonization goals at relevant venues and departments, including but not limited to the public utilities commission, legislature, and division of consumer advocacy, to ensure that state energy policies and regulations align with the state strategic goals and are data-driven;
- (14) Support economic development and innovation initiatives related to and resulting from the State's renewable energy and distributed energy resources experience, capabilities, and data analyses;
- (15) Facilitate the efficient, expedited permitting of energy efficiency, renewable energy, clean transportation, and energy resiliency projects by:
 - (Å) Coordinating and aligning state and county departments and agencies to support, expedite, and remove barriers to deployment of energy initiatives and projects; and
 - (B) Identify and evaluate conflicting or onerous policies and rules that unreasonably impede project development and deployment and propose regulatory, legislative, administrative, or other solutions to applicable stakeholders;
- (16) Identify and recommend policies to align utility goals with those of ratepayers, including evaluating utility models that best support state energy goals;
- (17) Prepare and submit an annual report and other reports as may be requested to the governor and to the legislature on the implementation of this part;
- (18) Contract for services when required for the implementation of this part; and
- (19) Adopt rules, pursuant to chapter 91, for the administration of this part."

SECTION 3. Sections 125C-22, 125C-23, 125C-31, 141-9, 196-5, 196-6.5, 196-11, 196-30, 196-63, 206M-23, 286-172, 304A-1892, and 304A-1894.1, Hawaii Revised Statutes, are amended by substituting the term "chief energy officer of the Hawaii state energy office" wherever the term "state energy resources coordinator", "energy resources coordinator", "coordinator", or "energy program administrator of the department" appears, as the context requires.

SECTION 4. Section 196-2, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read: "Distributed energy resources" means a resource sited close to customers that:

- (1) <u>Can provide all or some of the customers' immediate electric and power needs;</u>
- (2) Can be used by the system to reduce demand or provide supply to satisfy the energy, capacity, or ancillary service needs of the distribution grid; and

(3) Is connected to the distribution system and close to load, if the resource provides electricity or thermal energy.

"Distributed energy resources" includes but is not limited to solar photovoltaic and thermal, wind, combined heat and power, electrical and thermal energy storage, demand response technologies, alternative energy vehicles and related infrastructure, microgrids, energy efficiency, and advanced inverters."

2. By amending the definition of "energy resources" to read:

"Energy resources" means fuel, and also includes all electrical or thermal energy produced by combustion of any fuel, or generated [or], produced, or <u>stored</u> using wind, the sun, geothermal heat, ocean water, falling water, currents, waves, or any other source."

3. By deleting the definition of "coordinator".

[""Coordinator" means the energy resources coordinator."]

SECTION 5. Section 201-12.8, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Subject to legislative appropriation, moneys from the fund may be expended by the [department of business, economic development, and tourism] <u>Hawaii state energy office</u> for the following purposes and used for no other purposes, except for those set forth in this section:

- (1) To support the Hawaii clean energy initiative program[, including its energy division, including funding staff positions within the division,] and projects that [ensure] promote and advance dependable[, efficient, and economical energy, promote] and affordable energy, renewable energy, energy efficiency, energy self-sufficiency, and [provide] greater energy security and resiliency for the State[;] and public facilities;
- [(2) To fund the renewable energy facilitator pursuant to section 201-12.5 and any other positions necessary for the purposes of paragraph (1) as determined by the legislature; and
- (3)] (2) To fund, to the extent possible, the [greenhouse gas emissions reduction task force, climate change task force, grants-in-aid to the economic development boards of each county, and grants-in-aid to economic development agencies of each county to meet the stated objectives of the Hawaii clean energy initiative program.] climate change mitigation and adaptation commission and the greenhouse gas sequestration task force;
- (3) To support achieving the zero emissions clean economy target set forth in section 225P-5;
- (4) To fund the building energy efficiency revolving loan fund established in section 201-20;
- (5) To fund projects and incentives to promote the adoption of clean transportation technologies, develop clean vehicle charging infrastructure, and upgrade infrastructure to support the development of clean vehicle charging infrastructure; and
- (6) To fund, to the extent possible, the duties of the state building code council in section 107-24, as they relate to the development of energy conservation codes."

SECTION 6. Section 304A-1891, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The director of the institute shall coordinate the institute's work with the [energy resources coordinator] chief energy officer of the Hawaii state

<u>energy office</u> in carrying out duties pursuant to section [196-4] <u>196-B</u> in the area of research and development of renewable energy sources."

SECTION 7. Section 196-3, Hawaii Revised Statutes, is repealed.

SECTION 8. Section 196-4, Hawaii Revised Statutes, is repealed.

SECTION 9. Section 201-12.5, Hawaii Revised Statutes, is repealed.

PART III

SECTION 10. Unless otherwise clear from the context, as used in this Act:

"Expending agency" means the executive department, independent commission, bureau, office, board, or other establishment of the state government (other than the legislature, Office of Hawaiian Affairs, and judiciary), the political subdivisions of the State, or any quasi-public institution supported in whole or in part by state funds, which is authorized to expend specified appropriations made by this Act.

Abbreviations, where used to denote the expending agency, shall mean the following:

BED Department of Business, Economic Development, and Tourism

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in this Act. All appropriations are followed by letter symbols. Such letter symbols, where used, shall have the following meanings:

A general funds

T trust funds

"Position ceiling" means the maximum number of permanent and temporary full-time equivalent positions authorized for a particular program during a specified period or periods, as denoted by an asterisk for permanent fulltime equivalent positions and a pound sign for temporary full-time equivalent positions.

"Program ID" means the unique identifier for the specific program and consists of the abbreviation for the organization responsible for carrying out the program followed by the organization number for the program.

SECTION 11. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021. The total expenditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the position ceilings indicated for each fiscal year, except as provided elsewhere in this Act or as provided by general law.

ITEM NO.		PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
	PROG. ID			FISCAL M YEAR O 2019-2020 F	FISCAL M YEAR O 2020-2021 F
1.	BED120 -	HAWAII STATE EN	NERGY OFFICE	5.00*	5.00*
OPERATING		BED BED	22.00# 2,818,077 A 240,000 T	22.00# 2,818,077 A 240,000 T	

PROGRAM APPROPRIATIONS

PART IV

SECTION 12. Section 243-3.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In addition to any other taxes provided by law, subject to the exemptions set forth in section 243-7, there is hereby imposed a state environmental response, energy, and food security tax on each barrel or fractional part of a barrel of petroleum product sold by a distributor to any retail dealer or end user of petroleum product, other than a refiner. The tax shall be \$1.05 on each barrel or fractional part of a barrel of petroleum product that is not aviation fuel; provided that of the tax collected pursuant to this subsection:

- (1) 5 cents of the tax on each barrel shall be deposited into the environmental response revolving fund established under section 128D-2;
- (2) [15] 5 cents of the tax on each barrel shall be deposited into the energy security special fund established under section 201-12.8;
- (3) 10 cents of the tax on each barrel shall be deposited into the energy systems development special fund established under section 304A-2169.1; and
- (4) 15 cents of the tax on each barrel shall be deposited into the agricultural development and food security special fund established under section 141-10.

The tax imposed by this subsection shall be paid by the distributor of the petroleum product."

PART V

SECTION 13. There is appropriated out of the energy security special fund the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the purposes of conducting a study of carbon pricing, including whether and how a carbon pricing policy shall be implemented in Hawaii.

The sum appropriated shall be expended by the Hawaii state energy office for the purposes of this Act.

PART VI

SECTION 14. Provided that, notwithstanding any provision contained in the General Appropriations Act of 2019 that appropriates funds and establishes position ceilings, the positions authorized in section 11 shall be in addition to the positions authorized for that program under the General Appropriations Act of 2019; provided further that any incumbent employee shall retain the employee's:

- (1) Civil service status, whether permanent or temporary; and
- (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws;

provided further that the positions as described in section 76-16(b)(17), Hawaii Revised Statutes, shall continue to be exempt from the provisions of chapter 76, Hawaii Revised Statutes.

SECTION 15. Notwithstanding any law to the contrary, provided that the funds appropriated in this Act may be transferred with the approval of the governor to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 16. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 17. Statutory material to be repealed is bracketed and stricken.² New statutory material is underscored.

SECTION 18. This Act shall take effect on July 1, 2019. (Approved June 21, 2019.)

Notes

1. Act 5.

2. Edited pursuant to HRS §23G-16.5.

ACT 123

H.B. NO. 465

A Bill for an Act Relating to Aging.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii's aging population, similar to the rest of the United States, is rapidly increasing as more and more residents born during the baby boom era of 1946-1964 turn sixty years of age. Between 1980 and 2010, the number of adults in Hawaii over the age of sixty grew by 139.8 per cent, eclipsing the growth of the general population, which increased by 34.2 per cent during the same period. The increase in the number of adults in Hawaii over the age of eighty-five during this period is even more extreme at 431.5 per cent. In addition, it is projected that Hawaii's adult population over the age of sixty will comprise 29.7 per cent of the total population by 2035.

This significant increase in Hawaii's elder population and the concomitant increase in demand for services, particularly those that allow for aging in place, will require an ongoing commitment to ensure that Hawaii's kupuna are adequately cared for.

The legislature finds that the kupuna care program was enacted in 1999 to help frail and vulnerable seniors age in place by leading independent, meaningful, and dignified lives in their own homes and communities. One of the principles of the program is that long-term care should be available to everyone, regardless of government or private insurance coverage or eligibility for other assistance programs, such as medicaid and supportive and nutrition services under Title III of the federal Older Americans Act. The kupuna care program is considered to be an alternative to traditional long-term care options and uses state funds to provide a continuum of home and community-based supports that form a safety net for all kupuna and their caregivers.

Access to the kupuna care program for all seniors is necessary to maintain a consistent continuum of care for vulnerable older persons, particularly as individuals' access to resources, support systems, and capacity change over time. The most successful programs for aging-in-place recognize and build upon integrated health and social services. Kupuna care consists of nine core services that support individuals in need of assistance to perform some of the basic and instrumental activities of daily living. Basic activities of daily living include transferring from bed to chair, moving about within the home, bathing, dressing, toileting, and eating. Instrumental activities of daily living include preparing a meal, shopping, managing medications, laundry, using the telephone, managing money, housekeeping, and using available transportation. Kupuna care also provides core services, including personal care, homemaking, chores, home delivered meals, adult day care, case management, assisted transportation, regular transportation, and attendant care.

In addition to these services, kupuna care clients may select services from a contracted provider or have the option for a participant-directed approach to home and community-based services. Individuals who are assessed and deemed eligible for kupuna care core services will have services authorized based on the needs identified within their respective individual support plan. In the participant-directed model, an individual exercises decision-making authority to use an allotment of public funds to purchase and manage a wide array of supports that meet the individual's unique needs and complement the ongoing efforts of family caregivers and the individual's personal and financial resources.

The legislature further finds that funding for the kupuna care program is critical as the population aged sixty and older is increasing rapidly. The additional funding provided by this Act would enable the executive office on aging to target and triage additional clients according to each individual's vulnerability by utilizing the comprehensive person-centered intake and assessment tools developed statewide for targeting public supports to persons in greatest need.

The purpose of this Act is to make an appropriation to the department of health to provide funding for the kupuna care program.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$4,145,695 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to provide funding of the kupuna care program; provided that any funds appropriated pursuant to this section shall be included in the base budget of the executive office on aging.

The sums appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 3. Notwithstanding any law to the contrary, the funds appropriated by this Act may be transferred, with the approval of the governor, to the General Appropriations Act of 2019 (House Bill No. 2, H.D. 1, S.D. 1, C.D. 1),¹ for program execution and expenditure.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

Note

1. Act 5.

ACT 124

H.B. NO. 468

A Bill for an Act Relating to the Healthy Aging Partnership Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Hawaii healthy aging partnership program was established in 2003 to improve the health status of older adults by empowering residents to make healthy decisions and engage in health-

ier lifestyles. Since its formation, the healthy aging partnership program has successfully adapted evidence-based health promotion programs and disease prevention programs for the multicultural population in Hawaii. Participants may engage in two evidenced-based interventions. First, better choices better health - *ke ola pono*, also known nationwide as the chronic disease self-management program, is an evidence-based program where individuals with chronic or ongoing medical conditions can learn how to effectively manage their health conditions to improve their quality of life. The second intervention is EnhanceFitness, which is an effective, research-driven exercise program to improve the overall functional fitness and well-being of older adults. Because of the many accomplishments of the healthy aging partnership program, the program received the 2013 multicultural aging award from the American Society on Aging. This accomplishment brought further recognition to the program's role in improving the health of Hawaii's diverse aging population.

The legislature finds that the healthy aging partnership program received funding for fiscal year 2017-2018 through Act 103, Session Laws of Hawaii 2017. However, the program did not receive funding for fiscal year 2018-2019. Without adequate funding, the program will have to close and the executive office on aging will not be able to meet the first goal of the Hawaii state plan on aging, which strives to maximize opportunities for older adults to age well, remain active, and enjoy life in their communities.

The purpose of this Act is to appropriate funds for the healthy aging partnership program to further the program's important role in improving the health and well-being of Hawaii's kupuna.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$550,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the healthy aging partnership program to further the program's important role in improving the health and well-being of Hawaii's kupuna.

The sum appropriated shall be expended by the executive office on aging of the department of health for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

ACT 125

H.B. NO. 471

A Bill for an Act Relating to Aging.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the policy advisory board for elder affairs has a majority of members who are elders and others who live on the neighbor islands. This contributes to the difficulty of meeting current quorum requirements for meetings because, per the state sunshine law, meetings cannot be held or minutes approved without quorum. Additionally, because there is no specific statutory definition of quorum for the policy advisory board for elder affairs, the default quorum is set at fifty per cent of members plus one.

The purpose of this Act is to establish quorum requirements for the policy advisory board for elder affairs. SECTION 2. Section 349-4, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There shall be a policy advisory board for elder affairs, appointed by the governor under section 26-34. The board shall advise the director in but not limited to the following areas:

- (1) The identification of issues and alternative approaches to solutions;
- (2) The development of position statements and papers;
- (3) Advocacy and legislative actions; and
- (4) Program development and operations.

The board shall consist of not less than fifteen nor more than twenty-one members, a majority of whom are over sixty years of age and who shall be selected on the basis of their interests and knowledge in and their ability to make contributions to the solution of problems relating to aging, and shall include at least one member from the county of Hawaii, one member from the county of Maui, one member from the county of Kauai, and one member from the city and county of Honolulu. There may be up to ten members who shall serve as ex officiol [+]nonvoting members and may consist of the heads of the following agencies that provide services or programs affecting elders: health, human services, education, labor and industrial relations, commerce and consumer affairs. University of Hawaii, transportation, the state retirement system, and, by invitation, the Hawaii representatives of the United States Department of Health and Human Services and the Social Security Administration. Ex officio members may delegate their board responsibilities to another member of their agency. Of the non ex officio members, one-third of the members shall be appointed for the term of four years, one-third for the term of three years, and one-third for the term of two years; and thereafter the terms of office of each member shall be four years. The members shall serve without compensation, but shall be paid their necessary expenses in attending meetings and carrying out the responsibilities of the board. The chairperson shall be elected annually from the nongovernmental members of the board. There shall be not less than twelve meetings of the board each year. Quorum shall be a majority of the currently serving members, but in no event fewer than eight members shall constitute a quorum.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 25, 2019.)

ACT 126

S.B. NO. 1025

A Bill for an Act Relating to the Kupuna Caregivers Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in 2017, 17.8 per cent of Hawaii's population was sixty-five years or older, and with projections of an increase to 19.4 per cent by 2020 and 23 per cent by 2030, caring for Hawaii's kupuna is a high priority of the legislature.

The legislature finds that currently there are 154,000 unpaid family caregivers in Hawaii who are taking care of their parents, spouse, or other relatives who need extra care. Family caregivers play a crucial role in the State's health care system by providing long-term care to the elderly, all unpaid. However, it is imperative to ensure that the caregivers take care of themselves and have the necessary support and services to sustain their own health as well as the health of the family member for whom they are caring.

To address this issue, the kupuna caregivers program was established on July 6, 2017, and aims to provide working caregivers with additional resources to cover a variety of support services such as adult day care, assisted transportation, homemaker services, and many more important services to qualified kupuna. The program ensures that caregivers continue earning their own retirement benefits, which helps businesses retain experienced workers and provides peace of mind that loved kupuna are well cared for while caregivers remain in the workforce. This program allows caregivers who are juggling their own employment with their caregiving responsibilities to simultaneously take care of their kupuna and themselves.

Since the establishment of the kupuna caregivers program, the executive office on aging has reportedly received hundreds of calls from Hawaii residents wishing to receive the benefits of the program. While the creation of the program was an important first step, the legislature believes that the program requires additional third year funding to have the impact it needs. With the high volume of residents showing interest in the program, the current funding needs to be increased in order to better serve the people of Hawaii.

The purpose of this Act is to:

- (1) Require the executive office on aging to include in its annual report to the legislature a section detailing outcomes of the kupuna caregivers program;
- (2) Require the executive office on aging to develop and implement a plan to maximize the number of caregivers served by the program;
- (3) Include additional services to be provided by the kupuna caregivers program; and
- (4) Appropriate funds for the implementation of the kupuna caregivers program.

SECTION 2. Section 349-5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The planning and administrative services division shall engage in the following activities, including but not limited to:

- (1) Preparation and submission of programs and budgets;
- (2) Preparation of an annual evaluation report on elder programs for the governor and legislature[;], which shall include a section detailing outcomes of the kupuna caregivers program, including but not limited to:

(A) Evaluation metrics;

- (B) A cost breakdown and de-identified, aggregated analysis of individuals served, by county and type of service received;
- (C) Identification of the number of service providers contracted by county and the types of services provided;
- (D) Consolidated data of the existing waiting list broken down by county; and
- (E) <u>Recommendations to support the implementation and execution of the program to maximize the number of caregivers</u> served by the program;
- (3) Preparation of studies and analysis;
- (4) Maintenance of personnel records;

- (5) Management of contracts and agreements entered into by the executive office on aging with public and private vendors, consultants, and suppliers;
- (6) Monitoring the purchase of service agreements with public and private agencies and rendering technical assistance to elder program service providers; and
- (7) Establishment and maintenance of reimbursement systems for services provided by agreement with federal, state, and county agencies, as well as private groups."

SECTION 3. Section 349-18, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) The program shall be coordinated and administered by the executive office on aging and implemented through the area agency on aging. The executive office on aging shall develop and implement a plan to maximize the number of caregivers served by the program.

(c) The kupuna caregivers program shall award an allocation of funds, subject to the availability of funding and up to a maximum of [\$70] \$210 per [day,] week, to cover costs for [the following] services that would otherwise be performed by the qualified caregiver for the care recipient[\ddagger], including but not limited to:

(1) Care coordination or case management;

- [(1)] (2) Adult day care;
- (2) (3) Assisted transportation;
- [(3)] (4) Chores;
- [(4)] (5) Home-delivered meals;
- [(5)] (6) Homemaker services;
- [(6)] (7) Personal care;
- [(7)] (8) Respite care; or
- [(8)] (9) Transportation;

provided that the allocated funds shall be issued directly to the service provider upon request and receipt of an invoice for services rendered."

SECTION 4. The executive office on aging shall submit a copy of the kupuna caregivers program plan, as required by section 349-18(b), Hawaii Revised Statutes, to the legislature no later than twenty days prior to the convening of the regular session of 2020. In addition to the plan, the executive office on aging may adopt administrative rules to implement and administer the kupuna caregivers program.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 for proper implementation of the kupuna caregivers program.

The sums appropriated shall be expended by the executive office on aging for the purposes of this Act.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

ACT 127

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Alzheimer's disease and dementia are chronic health conditions that gravely impact the residents of Hawaii. There are twenty-eight thousand people in Hawaii who are at least sixty-five years old and suffering from Alzheimer's disease. The expenditure of \$207,000,000 in 2018 for Medicaid is expected to increase by 35.5 per cent by 2025, with a per capita expenditure of \$17,617 for Medicare spending for people with Alzheimer's disease and other dementia.

The position of Alzheimer's disease and related dementia services coordinator was established within the executive office on aging by Act 214, Session Laws of Hawaii 2013. The coordinator is tasked with coordinating the provision of public and private Alzheimer's disease and related dementia services.

The purpose of this Act is to appropriate funds for the existing position of Alzheimer's disease and related dementia services coordinator within the executive office on aging and make the position exempt from chapters 76 and 89, Hawaii Revised Statutes.

SECTION 2. Section 349-3.2, Hawaii Revised Statutes, is amended to read as follows:

"[[[§349-3.2[]] Alzheimer's disease and related dementia services coordinator. There is established within the executive office on aging an Alzheimer's disease and related dementia services coordinator to coordinate the provision of public and private Alzheimer's disease and related dementia services. The coordinator shall be appointed by the director [in accordance with chapters 76 and 89]."

SECTION 3. Section 76-16, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The civil service to which this chapter applies shall comprise all positions in the State now existing or hereafter established and embrace all personal services performed for the State, except the following:

- (1) Commissioned and enlisted personnel of the Hawaii National Guard as such, and positions in the Hawaii National Guard that are required by state or federal laws or regulations or orders of the National Guard to be filled from those commissioned or enlisted personnel;
- (2) Positions filled by persons employed by contract where the director of human resources development has certified that the service is special or unique or is essential to the public interest and that, because of circumstances surrounding its fulfillment, personnel to perform the service cannot be obtained through normal civil service recruitment procedures. Any such contract may be for any period not exceeding one year;
- (3) Positions that must be filled without delay to comply with a court order or decree if the director determines that recruitment through normal recruitment civil service procedures would result in delay or noncompliance, such as the Felix-Cayetano consent decree;
- (4) Positions filled by the legislature or by either house or any committee thereof;
- (5) Employees in the office of the governor and office of the lieutenant governor, and household employees at Washington Place;

- (6) Positions filled by popular vote;
- (7) Department heads, officers, and members of any board, commission, or other state agency whose appointments are made by the governor or are required by law to be confirmed by the senate;
- (8) Judges, referees, receivers, masters, jurors, notaries public, land court examiners, court commissioners, and attorneys appointed by a state court for a special temporary service;
- (9) One bailiff for the chief justice of the supreme court who shall have the powers and duties of a court officer and bailiff under section 606-14: one secretary or clerk for each justice of the supreme court, each judge of the intermediate appellate court, and each judge of the circuit court; one secretary for the judicial council; one deputy administrative director of the courts; three law clerks for the chief justice of the supreme court, two law clerks for each associate justice of the supreme court and each judge of the intermediate appellate court, one law clerk for each judge of the circuit court, two additional law clerks for the civil administrative judge of the circuit court of the first circuit, two additional law clerks for the criminal administrative judge of the circuit court of the first circuit, one additional law clerk for the senior judge of the family court of the first circuit, two additional law clerks for the civil motions judge of the circuit court of the first circuit, two additional law clerks for the criminal motions judge of the circuit court of the first circuit, and two law clerks for the administrative judge of the district court of the first circuit; and one private secretary for the administrative director of the courts, the deputy administrative director of the courts, each department head, each deputy or first assistant, and each additional deputy, or assistant deputy, or assistant defined in paragraph (16);
- (10) First deputy and deputy attorneys general, the administrative services manager of the department of the attorney general, one secretary for the administrative services manager, an administrator and any support staff for the criminal and juvenile justice resources co-ordination functions, and law clerks;
- (11) (A) Teachers, principals, vice-principals, complex area superintendents, deputy and assistant superintendents, other certificated personnel, not more than twenty noncertificated administrative, professional, and technical personnel not engaged in instructional work;
 - (B) Effective July 1, 2003, teaching assistants, educational assistants, bilingual/bicultural school-home assistants, school psychologists, psychological examiners, speech pathologists, athletic health care trainers, alternative school work study assistants, alternative school educational/supportive services specialists, alternative school project coordinators, and communications aides in the department of education;
 - (C) The special assistant to the state librarian and one secretary for the special assistant to the state librarian; and
 - (D) Members of the faculty of the University of Hawaii, including research workers, extension agents, personnel engaged in instructional work, and administrative, professional, and technical personnel of the university;
- (12) Employees engaged in special, research, or demonstration projects approved by the governor;

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- (13) (A) Positions filled by inmates, patients of state institutions, persons with severe physical or mental disabilities participating in the work experience training programs;
 - (B) Positions filled with students in accordance with guidelines for established state employment programs; and
 - (C) Positions that provide work experience training or temporary public service employment that are filled by persons entering the workforce or persons transitioning into other careers under programs such as the federal Workforce Investment Act of 1998, as amended, or the Senior Community Service Employment Program of the Employment and Training Administration of the United States Department of Labor, or under other similar state programs;
- (14) A custodian or guide at Iolani Palace, the Royal Mausoleum, and Hulihee Palace;
- (15) Positions filled by persons employed on a fee, contract, or piecework basis, who may lawfully perform their duties concurrently with their private business or profession or other private employment and whose duties require only a portion of their time, if it is impracticable to ascertain or anticipate the portion of time to be devoted to the service of the State;
- (16) Positions of first deputies or first assistants of each department head appointed under or in the manner provided in section 6, article V, of the Hawaii State Constitution; three additional deputies or assistants either in charge of the highways, harbors, and airports divisions or other functions within the department of transportation as may be assigned by the director of transportation, with the approval of the governor; four additional deputies in the department of health, each in charge of one of the following: behavioral health, environmental health, hospitals, and health resources administration, including other functions within the department as may be assigned by the director of health, with the approval of the governor; an administrative assistant to the state librarian; and an administrative assistant to the superintendent of education;
- (17) Positions specifically exempted from this part by any other law; provided that:
 - (A) Any exemption created after July 1, 2014, shall expire three years after its enactment unless affirmatively extended by an act of the legislature; and
 - (B) All of the positions defined by paragraph (9) shall be included in the position classification plan;
- (18) Positions in the state foster grandparent program and positions for temporary employment of senior citizens in occupations in which there is a severe personnel shortage or in special projects;
- (19) Household employees at the official residence of the president of the University of Hawaii;
- (20) Employees in the department of education engaged in the supervision of students during meal periods in the distribution, collection, and counting of meal tickets, and in the cleaning of classrooms after school hours on a less than half-time basis;
- (21) Employees hired under the tenant hire program of the Hawaii public housing authority; provided that not more than twenty-six per cent of the authority's workforce in any housing project maintained

or operated by the authority shall be hired under the tenant hire program;

- (22) Positions of the federally funded expanded food and nutrition program of the University of Hawaii that require the hiring of nutrition program assistants who live in the areas they serve;
- (23) Positions filled by persons with severe disabilities who are certified by the state vocational rehabilitation office that they are able to perform safely the duties of the positions;
- (24) The sheriff;
- (25) A gender and other fairness coordinator hired by the judiciary;
- (26) Positions in the Hawaii National Guard youth and adult education programs;
- (27) In the state energy office in the department of business, economic development, and tourism, all energy program managers, energy program specialists, energy program assistants, and energy analysts; [and]
- (28) Administrative appeals hearing officers in the department of human services[-]; and
- (29) <u>The alzheimer's disease and related dementia services coordinator in</u> the executive office on aging.

The director shall determine the applicability of this section to specific positions.

Nothing in this section shall be deemed to affect the civil service status of any incumbent as it existed on July 1, 1955."

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$59,616 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the position of Alzheimer's disease and related dementia services coordinator within the executive office on aging.

The sums appropriated shall be expended by the executive office on aging for the purposes of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

ACT 128

H.B. NO. 257

A Bill for an Act Relating to Homelessness.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 209, Session Laws of Hawaii 2018, is amended as follows:

1. By amending section 3 to read:

"SECTION 3. (a) There is established the ohana zones pilot program to provide temporary housing and services to homeless individuals and families based on principles similar to the housing first program. (b) The governor shall designate executive branch agencies to develop and implement the ohana zones pilot program, including an agency with specific expertise in construction development and an agency with specific expertise in administering homeless services. The governor, through the governor's designated agencies, shall determine the number and locations of the ohana zones, which shall be situated on public <u>or private</u> lands[:] <u>in accordance with subsection (c)</u>; provided that the designated agencies shall identify at least three sites on Oahu and one site on each of the islands of Hawaii, Kauai, and Maui.

(c) The agencies designated pursuant to subsection (b) may coordinate with public or private entities, as appropriate, to develop and implement the ohana zones pilot program; provided that [if]:

- (1) If any public land under the jurisdiction of a state or county agency is determined to be suitable for use as an ohana zone, the designated agencies shall:
- [(1)] (A) Work with the appropriate state or county agency that controls the land to transfer the land designated for use as an ohana zone to an agency whose mission is more suited to the management of ohana zones; and
- [(2)] (B) Work with the appropriate state or county agency that controls the land and its construction agency to ensure that an ohana zone's infrastructure needs are met and minimize adverse impacts to the environment, including to nearshore resources such as corals, reef fish, and seabirds[-];
 - (2) Use of any private lands determined to be suitable for use as an ohana zone shall be for limited purposes and require a written agreement between the private land owner and any state or county department that any structure built with public funds may be moved or is temporary; provided that if the land ceases to be used for an ohana zone or low-income housing before the time specified in the agreement, the state or county agency may choose to move the structure off the private land to a location of the state or county agency's choosing; and
 - (3) The ohana zones pilot program may allow for off-the-grid technologies that can provide drinking water, electricity, and process sewage without existing infrastructure.

(d) The ohana zones pilot program may provide the following facilities and services at each ohana zone site:

- (1) Secure dwelling spaces that:
 - (A) May be private or communal;
 - (B) Have access to toilets, showers, and other hygiene facilities; and
 - (C) Have access to an area for food storage and meal preparation;
- (2) Medical and social support services; and
- (3) Transportation to appointments related to medical care or supportive services that are not available onsite."
- 2. By amending section 4 to read:

"SECTION 4. (a) Contracts entered into by the agencies designated by the governor pursuant to the ohana zones pilot program shall be exempt from the requirements of chapters 103D and 103F, Hawaii Revised Statutes.

(b) The agencies designated by the governor shall establish no later than December 31, 2018, the following:

(1) The criteria that the agencies will use to evaluate potential ohana zone locations;

- (2) A monthly timetable of milestones that the agencies expect to meet in establishing one or more ohana zones over the course of the three-year pilot program;
- (3) The specific, measurable, attainable, reasonable, and time-based performance measures that the agencies expect to meet at the end of each fiscal year;
- (4) The evaluation criteria and process that the agencies intend to use each year when reviewing the success and sustainability of the ohana zones; and
- (5) The monitoring and oversight controls that the agencies will have over the ohana zones to identify, address, and prevent possible fraud, waste, and abuse and ensure compliance with local, state, and federal laws.

(c) The governor's coordinator on homelessness shall compile and consolidate information from the agencies designated by the governor to effectuate this part and submit reports to the legislature no later than twenty days prior to the convening of the regular sessions of [2019,] 2020, [and] 2021[-], and 2022.

(d) The report submitted no later than twenty days prior to the convening of the regular session of [2019] 2020 shall include the following information:

- (1) A summary and explanation of the process that the agencies designated by the governor pursuant to the ohana zones pilot program engaged in to identify possible ohana zone locations; and
- (2) A summary of the information required under subsection (b).

(e) The reports submitted no later than twenty days prior to the convening of the regular sessions of [2020 and] 2021 and 2022 shall include the following information:

- (1) The milestones established pursuant to subsection (b) that were met by the agencies designated by the governor pursuant to the ohana zones pilot program and ohana zones established during the fiscal year;
- (2) An evaluation of the ohana zones to determine whether the objectives set have been met or exceeded;
- (3) Any proposed changes that need to be made to the performance measures used to assess the achievement of program goals; and
- (4) An assessment of the impact of the ohana zone model on the homelessness problem in Hawaii.
- (f) The pilot program shall cease to exist on June 30, [2021.] 2023."
- 3. By amending section 7 to read:

"SECTION 7. (a) There is established within the department of human services a pilot program to be known as the emergency department homelessness assessment pilot program. The department of human services, in consultation with the Hawaii interagency council on homelessness and any other appropriate agency, shall serve as the administrator of the pilot program.

(b) The pilot program shall consist of multidisciplinary teams composed of but not limited to physicians, advanced practice registered nurses, social workers, and patient navigators who are employed by a participating hospital in the participating hospital's emergency department. The multidisciplinary team shall:

- (1) Identify patients who are experiencing homelessness or patients at risk of experiencing homelessness and have high utilization of emergency department services;
- (2) Assess the patient's current circumstances; and

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(3) Coordinate and refer these patients to appropriate and available wrap-around supports and community resources along the entire continuum of care with a goal of reducing costs associated with chronic use of hospital emergency departments.

(c) The department of human services shall work with the participating hospital under the emergency department homelessness assessment pilot program to collect and analyze data to be included in a report that contains a summary and explanation of the data regarding the efficacy of emergency department intervention by the multidisciplinary team in mitigating the number of unnecessary emergency department visits by patients experiencing homelessness or patients at risk of experiencing homelessness. The report shall contain findings and recommendations, including any proposed legislation, for continuation, modification, or termination of the pilot program. The department of human services shall submit the report to the legislature no later than twenty days prior to the convening of the regular session of [2019.] 2020.

(d) The department of human services shall be exempt from chapter 103F, Hawaii Revised Statutes, in implementing this part.

(e) The emergency department homelessness assessment pilot program shall cease to exist on June 30, [2019.] 2020."

4. By amending section 9 to read:

"SECTION 9. (a) There is established within the department of human services a pilot program to be known as the medical respite pilot program. The department of human services, in consultation with the Hawaii interagency council on homelessness and any appropriate agency, shall serve as the administrator of the pilot program.

(b) A participating community human services provider, in partnership with a hospital participating in the pilot program, shall provide emergency housing for eligible individuals experiencing homelessness who are discharged from the participating hospital and provide, at minimum, meals, case management, and medical, nursing, and psychiatric care. The medical respite facilities shall comply with the department of health's standards of accessibility, sanitation, and other requirements, as determined by the department of health for facilities of similar use.

(c) The department of human services shall submit a report to the legislature of its findings and recommendations, including any proposed legislation, regarding the pilot program no later than twenty days prior to the convening of the regular session of [2019.] 2020.

(d) The department of human services shall be exempt from chapter 103F, Hawaii Revised Statutes, in implementing this part.

(e) The medical respite pilot program shall cease to exist on June 30, [2019.] 2020."

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 to be used solely for the construction of modular temporary units or facilities, the renovation of existing structures on public lands, or the creation of infrastructure to make land suitable for temporary housing under the ohana zones pilot program.

The sum appropriated shall be expended by the office of the governor for the purposes of this Act; provided that the governor shall transfer the expenditure authority to designated executive branch departments or agencies within a reasonable time.

Statutory material to be repealed is bracketed and strick-SECTION 3. en. New statutory material is underscored.

SECTION 4. This Act shall take effect on June 29, 2019. (Approved June 25, 2019.)

ACT 129

S.B. NO. 1124

A Bill for an Act Relating to Mental Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Act 221, Session Laws of Hawaii 2013 (Act 221), was enacted with the intent of helping individuals with serious mental illness obtain the treatment and medication they needed, through the concept of "assisted community treatment." Five years later, however, the potential of assisted community treatment is no closer to reality. Less than ten orders for court-mandated treatment plans have been issued during the past five years.

In the statement of findings and purpose of Act 221, the legislature found that the State had "identified serious problems of high incarceration and hospitalization rates of those with severe mental illness" and that the circumstances reflected "a failure to provide needed treatment to persons who may need it most and that failure is extremely costly." These findings remain true today.

The purpose of this Act is to clarify the petitions, procedures, and hearings for involuntary hospitalization and assisted community treatment to promote mental health treatment.

SECTION 2. Chapter 334, Hawaii Revised Statutes, is amended by adding a new section to part VIII to be appropriately designated and to read as follows:

****8334**-Examination for assisted community treatment indication. A licensed psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization associated with the licensed psychiatric facility where a person is located who was committed to involuntary hospitalization, delivered for emergency examination or emergency hospitalization, or voluntarily admitted to inpatient treatment at a psychiatric facility pursuant to part IV shall, prior to the person's discharge, examine the person to determine whether an assisted community treatment plan is indicated pursuant to this part. If a plan is indicated, the psychiatrist or advanced practice registered nurse shall prepare the certificate specified by section 334-123. The psychiatric facility may notify another mental health program for assistance with the coordination of care in the community for the person. Nothing in this section shall delay the appropriate discharge of a person from the psychiatric facility after the examination for assisted community treatment indication has been completed."

SECTION 3. Section 334-1, Hawaii Revised Statutes, is amended by amending the definition of "dangerous to self" to read as follows: ""Dangerous to self" means the person recently has:

- (1) Threatened or attempted suicide or serious bodily harm; or
- (2)Behaved in such a manner as to indicate that the person is unable, without supervision and the assistance of others, to satisfy the need for nourishment, essential medical care, including treatment for a

<u>mental illness</u>, shelter or self-protection, so that it is probable that death, substantial bodily injury, or serious physical debilitation or disease will result unless adequate treatment is afforded."

SECTION 4. Section 334-121, Hawaii Revised Statutes, is amended to read as follows:

"§334-121 Criteria for assisted community treatment. A person may be ordered to obtain assisted community treatment if the family court finds, based on the professional opinion of a psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization, that:

- (1) The person is mentally ill or suffering from substance abuse;
- (2) The person is unlikely to live safely in the community without available supervision [based on the professional opinion of a psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization;], is now in need of treatment in order to prevent a relapse or deterioration that would predictably result in the person becoming imminently dangerous to self or others, and the person's current mental status or the nature of the person's disorder limits or negates the person's ability to make an informed decision to voluntarily seek or comply with recommended treatment;
- [(3) The person, at some time in the past: (A) has received inpatient hospital treatment for mental illness or substance abuse or (B) has been found to be imminently dangerous to self or others, as a result of mental illness or substance abuse;
- (4) The person, based on the person's treatment history and current condition, is now in need of treatment in order to prevent a relapse or deterioration which would predictably result in the person becoming imminently dangerous to self or others;
- (5) The person has a history of a lack of adherence to treatment for mental illness or substance abuse, and the person's current mental status or the nature of the person's disorder limits or negates the person's ability to make an informed decision to voluntarily seek or comply with recommended treatment;
- (6) The assisted community treatment is medically appropriate, and in the person's medical interests; and
- (7)] (3) The person has a:
 - (A) Mental illness that has caused that person to refuse needed and appropriate mental health services in the community; or
 - (B) History of lack of adherence to treatment for mental illness or substance abuse that resulted in the person becoming dangerous to self or others and that now would predictably result in the person becoming imminently dangerous to self or others; and
- (4) Considering less intrusive alternatives, assisted community treatment is essential to prevent the danger posed by the person[-], is medically appropriate, and is in the person's medical interests."

SECTION 5. Section 334-123, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Any interested party may file a petition with the family court alleging that another person meets the criteria for assisted community treatment. The petition shall state:

- (1) Each of the criteria under section [334-121(1) through (7)] <u>334-121</u> for assisted community treatment;
- (2) Petitioner's good faith belief that the subject of the petition meets each of the criteria under section [334-121(1) through (7);] 334-121;
- (3) Facts that support the petitioner's good faith belief that the subject of the petition meets each of the criteria under section [334-121(1) through (7);] <u>334-121;</u> and
- (4) That the subject of the petition is present within the county where the petition is filed.

The hearing on the petition need not be limited to the facts stated in the petition. The petition shall be executed subject to the penalties of perjury[-] <u>but</u> need not be sworn to before a notary public.

(b) The petition may be accompanied by a certificate of a licensed psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization who has examined the subject of the petition within twenty calendar days prior to the filing of the petition. For purposes of the petition, an examination shall be considered valid so long as the licensed psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization has obtained enough information from the subject of the petition to reach a diagnosis of the subject of the petition, and to express a professional opinion concerning the same, even if the subject of the petition is not fully cooperative. If the petitioner believes that further evaluation is necessary before treatment, the petitioner may request further evaluation."

SECTION 6. Section 334-127, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) If after hearing all relevant evidence, including the results of any diagnostic examination ordered by the family court, the family court finds that the criteria for assisted community treatment under section 334-121(1) have been met beyond a reasonable doubt and that the criteria under section 334-121(2) to [334-121(7)] 334-121(4) have been met by clear and convincing evidence, the family court shall order the subject to obtain assisted community treatment for a period of no more than one year. The written treatment plan submitted pursuant to section 334-126(h) shall be attached to the order and made a part of the order.

If the family court finds by clear and convincing evidence that the beneficial mental and physical effects of recommended medication outweigh the detrimental mental and physical effects, if any, the order may authorize types or classes of medication to be included in treatment at the discretion of the treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization.

The court order shall also state who should receive notice of intent to discharge early in the event that the treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization determines, prior to the end of the court ordered period of treatment, that the subject should be discharged early from assisted community treatment. Notice of the order shall be provided to those persons entitled to notice pursuant to section 334-125."

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 130

S.B. NO. 567

A Bill for an Act Related to Mental Health Treatment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020 for program ID HTH 420 to contract for legal assistance with petitions for assisted community treatment and related court proceedings.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

ACT 131

S.B. NO. 663

A Bill for an Act Relating to Highway Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the prevalence of drivers violating Hawaii's traffic laws has become intolerable, particularly drivers who run red lights. These violations endanger the lives of motorists and pedestrians and compound the already hazardous conditions on Hawaii's roads and highways. It has become increasingly common to hear reports of hit-and-run drivers who have struck children or the elderly.

The legislature further finds that in other jurisdictions in Canada, Europe, the United States, and other countries throughout the world, photo red light imaging detector systems have been proven reliable, efficient, and effective in identifying and deterring those who run red lights.

Photo red light imaging detector systems are safe, quick, cost-effective, and efficient. No traffic stop is involved, and a police officer is not at risk from passing traffic or armed violators. With photo red light imaging detector systems, a camera is positioned at intersections where red light violations are a major cause of collisions and serves as a twenty-four hour deterrent to running a red light. Sensors are buried under a crosswalk and lead to a self-contained camera system mounted on a nearby structure. When a vehicle enters the intersection against a red light, the camera takes a telephoto color picture of the rear of the car, capturing the license plate. A second wide-angle photograph takes in the entire intersection, including other traffic.

These systems provide numerous benefits. Not only are streets safer, but police officers are also freed from the time-consuming duties of traffic enforcement and have more time to respond to priority calls. A violator is less likely to go to court because the color photograph of the violation, imprinted with the time, date, and location of the violation, and the number of seconds the light had been red before the violator entered the intersection, can be used as evidence in court. Few cases are contested in other jurisdictions using this system, and officers make fewer court appearances, saving court costs.

The system may also result in lower insurance costs for safe drivers through an overall reduction in crashes and injuries and by placing system costs on the violators who have created the need for the program, not on law-abiding taxpayers. Traffic laws are impartially enforced, and safety and efficiency are increased by reducing the number of chases and personnel required for traffic accident clean-up, investigation, and court testimony.

The legislature finds that the photo speed imaging detector system created by Act 234, Session Laws of Hawaii 1998, as amended by Act 263, Session Laws of Hawaii 1999, and Act 240, Session Laws of Hawaii 2000, and implemented in December 2001, generated intense public opposition. As a result of this opposition, the legislature repealed Act 234, as amended, in its entirety through the enactment of Act 58, Session Laws of Hawaii 2002. However, the majority of the opposition to this program resulted from the method by which the program was implemented. The public perceived that the program was operated to maximize revenue for the vendor running the program rather than to improve traffic safety.

The purpose of this Act is to establish a red light running committee to develop policy recommendations for red light running pilot programs in the city and county of Honolulu, and the counties of Maui, Kauai, and Hawaii, and to make recommendations on staffing requirements, capital improvements, and evaluation and efficacy metrics.

SECTION 2. (a) The department of transportation shall establish a red light running committee to develop policy recommendations for red light running pilot programs in the city and county of Honolulu, and the counties of Maui, Kauai, and Hawaii.

(b) When developing any policies, the committee shall consider that all pilot programs are to be conducted directly by the state, or jointly with the county in which the program is located, and the enforcement and maintenance of the programs shall not be contracted out to a third party vendor. In developing its recommendations, the committee shall also:

- (1) Estimate the staffing needs for each pilot program, provided that each pilot program shall be solely funded by the state or the county in which the program is located;
- (2) Estimate any capital improvement needs for each pilot program, provided that all moneys for any capital improvement projects shall be appropriated out of state or county funds;
- (3) Determine the most appropriate location for each pilot program; and
- (4) Develop an evaluation plan, which shall include appropriate metrics for determining how effective each program is in promoting public safety and reducing incidents of pedestrian fatalities.

(c) The department of transportation shall invite the following to participate on the red light running committee:

- (1) The deputy administrative director of the courts or the deputy's designee;
- (2) The state public defender or the state public defender's designee;
- (3) The chair of the state highway safety council or the chair's designee;
- (4) Representatives from each county police department;
- (5) Representatives from each county prosecutors' office; and
- (6) Transportation officials from each county.

(d) The red light running committee shall submit a report, including any findings, recommendations, and proposed legislation, to the legislature no later than twenty days prior to the convening of the 2020 regular session.

SECTION 3. This Act shall take effect upon its approval. (Approved June 25, 2019.)

ACT 132

S.B. NO. 98

A Bill for an Act Relating to Crosswalk Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that confusion exists as to when a vehicle must yield the right-of-way to a pedestrian who plans to cross or is crossing a roadway, particularly with regard to when a pedestrian is considered to be within an intersection or adjacent crosswalk.

The purpose of this Act is to clarify the requirement that a driver of a motor vehicle yield to a pedestrian by specifying when a pedestrian is considered to be within an intersection or adjacent crosswalk.

SECTION 2. Section 291C-32, Hawaii Revised Statutes, is amended to read as follows:

"§291C-32 Traffic-control signal legend. (a) Whenever traffic is controlled by traffic-control signals exhibiting different colored lights, or colored lighted arrows, successively one at a time or in combination, only the colors green, red, and yellow shall be used, except for special pedestrian signals carrying a word or symbol legend, and the lights shall indicate and apply to drivers of vehicles and pedestrians as follows:

(1) Green indication:

- (A) Vehicular traffic facing a circular green signal may proceed straight through or turn right or left unless a sign at the place prohibits either such turn. But vehicular traffic, including vehicles turning right or left, shall yield the right-of-way to other vehicles and to pedestrians lawfully within the intersection or an adjacent crosswalk at the time such signal is exhibited.
- (B) Vehicular traffic facing a green arrow signal, shown alone or in combination with another indication, may cautiously enter the intersection only to make the movement indicated by such arrow, or such other movement as is permitted by other indications shown at the same time. Such vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection.

- (C) Unless otherwise directed by a pedestrian-control signal, as provided in section 291C-33, pedestrians facing any green signal, except when the sole green signal is a turn arrow, may proceed across the roadway within any marked or unmarked crosswalk.
- (2) Steady yellow indication:
 - (A) Vehicular traffic facing a steady yellow signal is thereby warned that the related green movement is being terminated or that a red indication will be exhibited immediately thereafter when vehicular traffic shall not enter the intersection.
 - (B) Pedestrians facing a steady yellow signal, unless otherwise directed by a pedestrian-control signal as provided in section 291C-33, are thereby advised that there is insufficient time to cross the roadway before a red indication is shown and no pedestrian shall then start to cross the roadway.
- (3) Steady red indication:
 - (A) Vehicular traffic facing a steady red signal alone shall stop at a clearly marked stop line, but if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and shall remain standing until an indication to proceed is shown, except as provided in the next succeeding paragraphs.
 - (B) The driver of a vehicle which is stopped in obedience to a steady red indication may make a right turn but shall yield the right-of-way to pedestrians and other traffic proceeding as directed by the signal at said intersection, except that counties by ordinance may prohibit any such right turn against a steady red indication, which ordinance shall be effective when a sign is erected at such intersection giving notice thereof.
 - (C) The driver of a vehicle on a one-way street which intersects another one-way street on which traffic moves to the left shall stop in obedience to a steady red indication but may then make a left turn into said one-way street, but shall yield right-of-way to pedestrians, proceeding as directed by the signal at said intersection, except that counties by ordinance may prohibit any such left turn as above described, which ordinance shall be effective when a sign is erected at such intersection giving notice thereof.
 - (D) Unless otherwise directed by a pedestrian-control signal as provided in section 291C-33, pedestrians facing a steady red signal alone shall not enter the roadway.

(b) In the event an official traffic-control signal is erected and maintained at a place other than an intersection, the provisions of this section shall be applicable except as to those provisions which by their nature can have no application. Any stop required shall be made at a sign or marking on the pavement indicating where the stop shall be made, but in the absence of any such sign or marking, the stop shall be made at the signal.

(c) For purposes of this section, a pedestrian is lawfully within an intersection or adjacent crosswalk when any part or extension of the pedestrian, including any part of the pedestrian's body, wheelchair, cane, crutch, or bicycle, is beyond the curb or the edges of the traversable roadway or moves onto the roadway within an intersection or crosswalk." SECTION 3. Section 291C-72, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The driver of a vehicle shall stop for a pedestrian who is crossing the roadway within a crosswalk when the pedestrian is either:

- (1) Upon the half of the roadway upon which the vehicle is traveling; or
- (2) Approaching the vehicle so closely from the opposite half of the roadway as to be in danger,

and shall not proceed until the pedestrian has passed the vehicle and the driver can safely proceed.

For purposes of this section, "a pedestrian who is crossing the roadway within a crosswalk" occurs when any part or extension of the pedestrian, including any part of the pedestrian's body, wheelchair, cane, crutch, or bicycle, is beyond the curb or edges of the traversable roadway and moves onto the roadway within an intersection or crosswalk."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval. (Approved June 25, 2019.)

ACT 133

S.B. NO. 693

A Bill for an Act Relating to the Statewide Traffic Code.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that section 291C-33, Hawaii Revised Statutes, relating to pedestrian-control signals, was last substantively amended in 1981. This section needs to be updated to include countdown timers and to clarify what a pedestrian must do when in a crosswalk while the countdown timer is operating. Countdown timers show pedestrians how many seconds are left to cross the street before the pedestrian signal changes from a flashing "Don't Walk" to a steady "Don't Walk" or upraised palm indication.

SECTION 2. Section 291C-33, Hawaii Revised Statutes, is amended to read as follows:

"§291C-33 Pedestrian-control signals. Whenever special pedestriancontrol signals[-] exhibiting the words "Walk" or "Don't Walk" [or], the symbols of a walking person or an upraised palm, or a countdown timer are in place, such signals shall indicate as follows:

- (1) Walk or Walking Person. Pedestrians facing such signal may proceed across the roadway in the direction of the signal and shall be given the right-of-way by the drivers of all vehicles[-]:
- (2) Don't Walk or Upraised Palm. No pedestrian shall start to cross the roadway in the direction of such signal, whether flashing or steady, but any pedestrian who has partially completed the pedestrian's crossing on the Walk or Walking Person signal shall complete the crossing to a sidewalk or safety island while the Don't Walk or Upraised Palm signal is showing[-]; and

(3) Countdown timer. If the pedestrian-control signal is equipped with a countdown timer, no pedestrian shall start to cross the roadway in the direction of such signal once the countdown begins, but any pedestrian who has partially completed the pedestrian's crossing when the countdown begins shall complete the crossing to a sidewalk or safety island before the countdown timer ends."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

ACT 134

H.B. NO. 757

A Bill for an Act Relating to Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that traffic-related fatalities are on the rise nationwide. Each year, an average of more than forty thousand people are killed in the United States in vehicle crashes. In Hawaii, forty-five per cent of the fatal crashes in the State were speed-related in 2016, ranking the State as the fifth highest in the nation for proportion of speed-related fatal crashes. A majority of the speed-related fatalities occur on state roadways. Additionally, nearly forty per cent of driving fatalities in Hawaii are alcohol-related, which is above the national average. In 2018, a record number of forty-three pedestrian fatalities were documented in Hawaii, reflecting a dramatic increase from fifteen in 2017.

The legislature finds that many tragedies can be prevented by taking a proactive, preventive approach that prioritizes traffic safety. Vision Zero, also known as target zero in some states, is a movement that seeks to prevent and ultimately eliminate all traffic-related fatalities. The Vision Zero approach recognizes that individuals will sometimes make mistakes, so communities should implement policies and design roads that slow down vehicles in order to give pedestrians and bicyclists safe alternatives and to reduce the chance that a human mistake will lead to a fatality.

The National Complete Streets Coalition endorses a Vision Zero approach in pursuit of the objective to design streets that prevent traffic injuries and fatalities, particularly for the most vulnerable road users. Over one thousand two hundred jurisdictions in the United States have, through an adoption of Complete Streets policies, committed to design and operate their streets to provide for the needs of all users of the road, regardless of age, ability, income, or mode of transportation. Vision Zero strategies can be easily integrated into existing Complete Streets programs.

The legislature passed Act 54, Session Laws of Hawaii 2009, which requires the State's and all counties' departments of transportation to adopt a complete streets policy that reasonably accommodates convenient access and mobility for all users of the public highways. It also established a temporary task force to review existing state and county design standards and guidelines. The city and county of Honolulu further adopted its Complete Streets policy ordinance in 2012. In 2018, the mayor of Maui presented a Vision Zero proclamation in honor of a cyclist who was struck and killed on the shoulder of the Piilani highway. Maui continues to invest in its Complete Streets program with local organizations partnering with the county to carry forward its Vision Zero initiative.

The legislature finds that the State and counties must collaborate to provide safe roads, as many fatalities occur on state highways. Hawaii should adopt its own Vision Zero policy to prevent and ultimately eliminate all traffic fatalities through a combination of engineering, enforcement, education, and emergency response strategies to focus on equity.

SECTION 2. Chapter 286, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§286- Vision Zero.¹ The department of transportation and the county transportation departments shall adopt a Vision Zero policy that seeks to prevent and ultimately eliminate all traffic fatalities through a combination of engineering, enforcement, education, and emergency response strategies that focus on equity."

SECTION 3. (a) The state highway safety council, in collaboration with each of the county traffic or highway safety councils, shall develop an action plan to reduce traffic fatalities to zero. The action plan shall include but not be limited to:

- (1) Policies on how to reduce speeds on state and county roads;
- (2) Engineering recommendations on how to increase vehicular, pedestrian, and bicycle safety;
- (3) Data-driven enforcement recommendations on how to reduce speeding and operating a vehicle while under the influence of an intoxicant;
- (4) Additional steps that can be taken to eliminate vehicular, pedestrian, and bicycle fatalities on the road;
- (5) An implementation plan; and
- (6) Establishment of measures to track success.

(b) The department of transportation shall prepare and submit a report of findings based on the state highway safety council's efforts to the appropriate policy and fiscal committees of the legislature on or before January 1, 2020.

(c) The state highway safety council shall submit to the legislature the following:

- (1) An interim progress report no later than twenty days prior to the convening of the regular session of 2020; and
- (2) A final report, including the state highway safety council's action plan detailing its findings, recommendations, and proposed legislation, no later than twenty days prior to the convening of the regular session of 2021.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval; provided that section 2 shall apply to any development for which planning or design commences on or after January 1, 2020.

(Approved June 25, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 135

S.B. NO. 216

A Bill for an Act Relating to Elections.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 11, Hawaii Revised Statutes, is amended by adding a new section to part X to be appropriately designated and to read as follows:

"§11- Mandatory recount of votes. (a) The chief election officer, or the clerk in the case of a county election, shall conduct a recount of all votes cast for any office or ballot question in any election if the official tabulation of all of the returns for that office or question reveals that the difference in:

- (1) The number of votes cast for a candidate apparently qualified for the general election ballot or elected to office and the number of votes cast for the closest apparently defeated opponent; or
- (2) The number of votes cast in the affirmative for the ballot question and the number of votes cast in the negative for the ballot question, including when applicable, the tabulation of blank votes,

is equal to or less than one hundred votes or one-quarter of one per cent of the total number of votes cast for the contest, whichever is greater.

(b) No candidate shall be charged for the cost of a mandatory recount under this section.

(c) All mandatory recounts of votes under this section shall be completed and the results publicly announced no later than seventy-two hours after the closing of polls on election day.

(d) The chief election officer may adopt rules pursuant to chapter 91 for the mandatory recount of votes under this section, including:

- (1) Authorizing candidates affected by the recount, or their designated representatives, to attend and witness the recount; and
- (2) Notifying the parties described in paragraph (1) of the time and place of the recount no later than one day prior to the date of the recount.
- (e) This section shall apply to votes counted pursuant to section 11-151.

(f) A recount conducted pursuant to this section shall not be considered a contest for cause subject to section 11-172."

SECTION 2. Section 11-155, Hawaii Revised Statutes, is amended to read as follows:

"§11-155 Certification of results of election. On receipt of certified tabulations from the election officials concerned, the chief election officer, or county clerk in <u>a</u> county [elections] election, shall compile, certify, and release the election results after the expiration of the time for bringing an election contest. The certification shall be based on a comparison and reconciliation of the following:

- (1) The results of the canvass of ballots conducted pursuant to chapter 16;
- (2) The audit of pollbooks (and related record books) and resultant overage and underage report;
- (3) The audit results of the manual audit team;
- (4) The results of the absentee ballot reconciliation report compiled by the clerks; [and]
- (5) The results of any mandatory recount of votes conducted pursuant to section 11- ; and
- [(5)] (6) All logs, tally sheets, and other documents generated during the election and in the canvass of the election results.

A certificate of election or a certificate of results declaring the results of the election as of election day shall be issued pursuant to section 11-156; provided that in the event of an overage or underage, a list of all precincts in which an overage or underage occurred shall be attached to the certificate. The number of candidates to be elected receiving the highest number of votes in any election district shall be declared to be elected. Unless otherwise provided, the term of office shall begin or end as of the close of polls on election day. The position on the question receiving the appropriate majority of the votes cast shall be reflected in a certificate of results issued pursuant to section 11-156."

SECTION 3. Section 11-173.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In <u>a</u> primary and special primary election [contests, and] contest, or <u>a</u> county election [contests] contest held concurrently with a regularly scheduled primary or special primary election, the complaint shall be filed in the office of the clerk of the supreme court not later than 4:30 p.m. on the sixth day after a primary or special primary election[₇] or <u>a</u> county election [contests] contest held concurrently with a regularly scheduled primary or special primary election, and shall be accompanied by a deposit for costs of court as established by <u>the</u> rules of the supreme court[-]; provided that a complaint for a contest for cause that arises from a mandatory recount pursuant to section 11- shall be filed no later than 4:30 p.m. on the third calendar day following the public announcement of the results of the mandatory recount pursuant to section 11- (c). The clerk shall issue to the defendants named in the complaint a summons to appear before the supreme court not later than 4:30 p.m. on the fifth day after service [thereof.] of the summons."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval. (Approved June 25, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 136

H.B. NO. 1248

A Bill for an Act Relating to Elections.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that an increasing number of Hawaii voters are submitting their votes by mail. The 2014 Hawaii primary election was the first election in which more ballots were submitted before primary election day than on that day. Fifty-six per cent of Hawaii voters chose to vote early during the 2014 primary, and approximately eighty-three per cent of those voters did so through a mail-in absentee ballot. In 2016, the number of votes cast before election day exceeded the number of votes cast at polling places on election day, except in one county.

The legislature further finds that Act 182, Session Laws of Hawaii 2018, established a pilot program for the 2020 primary and general elections in any

county with a population of less than one hundred thousand to be conducted by mail. Expanding this program throughout the State would significantly reduce the logistical issues related to conducting elections at polling places. It is the intent of the legislature that the resulting savings in state funds due to implementation of statewide mail-in absentee voting be directed, whenever practicable, into the Hawaii election campaign fund to be used for public financing of elections.

Accordingly, the purpose of this Act is to:

- (1) Require all elections statewide to be conducted by mail beginning with the 2020 primary election;
- (2) Establish a limited number of voter service centers that would remain open from the tenth business day preceding an election through the day of the election to receive personal delivery of mailin ballots, accommodate voters with special needs, offer same day registration and voting, and provide other election services;
- (3) Allow for additional places of deposit for personal delivery of mailin ballots;
- (4) Appropriate funds for the implementation and administration of the election by mail system; and
- (5) Require the office of elections to submit a report to the legislature before the convening of each regular session from 2020 through 2025, regarding the implementation of the election by mail system.

SECTION 2. Chapter 11, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . ELECTIONS BY MAIL

§11-A Elections eligible to be conducted by mail. Beginning with the 2020 primary election, all elections shall be conducted by mail in accordance with this title.

§11-B Procedures for conducting elections by mail. (a) Ballot packages for elections by mail shall include:

- (1) An official ballot;
- (2) A return identification envelope with postage prepaid;
- (3) A secrecy envelope or secrecy sleeve; and
- (4) Instructions.

(b) To the extent practicable, the clerk shall mail a ballot package by non-forwardable mail to each registered voter in the county so as to enable voters to receive the ballot package approximately eighteen days before the election. The clerk shall continue mailing ballot packages to voters who update their voter registration address no later than fourteen days before the date of the election. In determining the initial mailing date of the ballot packages, the clerk shall consider the mailing place of origin and the most recent postal service delivery standards. The clerk shall not mail a ballot package to any voter in the county register who is identified as having an outdated or non-deliverable mailing address. Nothing in this part shall be construed to change the responsibilities of the clerk or chief election officer under chapter 15D with respect to uniform military and overseas voters.

(c) The clerks shall determine and provide for voter service centers and places of deposit pursuant to this part and section 11-92.1.

§11-C Public notice of mailing. Public notice of the date or dates on which the initial ballot packages are to be mailed shall be given by the clerks before the ballot packages are made available to voters.

§11-D Ballot instructions; ballot return. (a) After a voter receives a ballot package, the voter shall comply with the instructions included in the ballot package in order to cast a valid vote. The instructions shall include directions for:

- (1) Marking the ballot;
- (2) Inserting the marked ballot in the secrecy envelope or secrecy sleeve;
- (3) Inserting the secrecy envelope or secrecy sleeve with the marked ballot in the return identification envelope; and
- (4) Signing the return identification envelope before mailing or delivering the return identification envelope containing the secrecy envelope or secrecy sleeve with the marked ballot.

(b) The instructions shall include information on election fraud and voter fraud, as provided in sections 19-3(5) and 19-3.5, and notice that violation of either section may subject the voter, upon conviction, to imprisonment, a fine, or both.

(c) To cast a valid ballot, the voter shall return the return identification envelope containing the secrecy envelope or secrecy sleeve with the marked ballot:

- (1) By mail so that the return identification envelope is received at the office of the clerk no later than the closing time provided in section 11-131 on the date of the election;
- (2) By personal delivery at any place of deposit no later than 7:00 p.m. on the date of the election; provided that any voter who is standing in line at a place of deposit at 7:00 p.m. on the date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote; or
- (3) By personal delivery to any voter service center no later than the closing time provided in section 11-131 on the date of the election; provided that any voter who is standing in line at a voter service center at the closing time provided in section 11-131 on the date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote.

(d) Once a voter has returned a return identification envelope containing the secrecy envelope or secrecy sleeve with the marked ballot, that voter's ballot shall be deemed cast and may not be recast in the election.

§11-E Replacement ballots. (a) A voter may obtain a replacement ballot if the ballot was destroyed, spoiled, or lost by contacting the clerk. The chief election officer may prescribe a replacement ballot application form that shall include information that allows the clerk to verify the registration of the voter and ensure that another ballot has not been returned by the voter.

(b) Upon receipt of a completed replacement ballot application form, the clerk shall:

- (1) Verify the registration of the voter and ensure that another ballot has not been returned by the voter;
- (2) Record that the voter has requested a replacement ballot;
- (3) Mark the return identification envelope as containing a replacement ballot; and
- (4) Issue the replacement ballot package by mail or make the ballot package available for pick-up by the voter.

(c) Voters who obtain a replacement ballot shall return the return identification envelope containing the secrecy envelope or secrecy sleeve with the marked replacement ballot:

- (1) By mail so that the return identification envelope is received at the office of the clerk no later than the closing time provided in section 11-131 on the date of the election;
- (2) By personal delivery to any place of deposit no later than 7:00 p.m. on the date of the election; provided that any voter who is standing in line at a place of deposit at 7:00 p.m. on the date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote; or
- (3) By personal delivery to any voter service center no later than the closing time provided in section 11-131 on the date of the election; provided that any voter who is standing in line at a voter service center at the closing time provided in section 11-131 on the date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote.

§11-F Deficient return identification envelopes. If:

- (1) A return identification envelope is returned with an unsigned affirmation;
- (2) The affirmation signature does not match a reference signature image; or
- (3) A return identification envelope contains another condition that would not allow the counting of the ballot,

the clerk shall make an attempt to notify the voter by first class mail, telephone, or electronic mail to inform the voter of the procedure to correct the deficiency. The voter shall have five business days after the date of the election to cure the deficiency. The chief election officer may adopt rules regarding requirements and procedures for correcting deficient return identification envelopes. The counting of ballots and disclosure of subsequent election results may continue during the time period permitted to cure a deficiency under this section. The clerk's inability to contact voters under this section shall not be grounds for a contest for cause under section 11-172.

§11-G Electronic transmission under certain circumstances. (a) If a ballot package is not received by a voter by the fifth day before the date of the election or a voter otherwise requires a replacement ballot within five days of an election, the voter may request that a ballot be forwarded by electronic transmission; provided that a voter with special needs may request that a ballot be forwarded by electronic transmission at any time. Upon receipt of such a request and confirmation that proper application was made, the clerk may transmit the appropriate ballot, together with a form containing the affirmations, information, and a waiver of the right to secrecy under section 11-137.

(b) The voter may return the completed replacement ballot and executed forms:

- (1) By electronic transmission so that the completed replacement ballot and executed forms are received at the office of the clerk no later than the closing time provided in section 11-131 on the date of the election;
- (2) By mail so that the completed replacement ballot and executed forms are received at the office of the clerk no later than the closing time provided in section 11-131 on the date of the election;

- (3) By personal delivery to any place of deposit no later than 7:00 p.m. on the date of the election; provided that any voter who is standing in line at a place of deposit at 7:00 p.m. on the date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote; or
- (4) By personal delivery to a voter service center no later than the closing time provided in section 11-131 on the date of the election; provided that any voter who is standing in line at a voter service center at the closing time provided in section 11-131 on the date of the election with the intent of returning a ballot and casting a vote shall be allowed to vote.

(c) Upon receipt, the clerk shall verify compliance with the requirements of this part; provided that if the voter returns multiple voted ballots for the same election, the clerk shall prepare only the first ballot returned that is not spoiled.

§11-H Counting of mail-in ballots; validity; ballots included in recounts; certification of final tabulation. (a) Ballot processing for tabulation may begin no sooner than the tenth day before the election. In the presence of official observers, counting center employees may open the return identification envelopes and count the ballots; provided that any tabulation of the number of votes cast for a candidate or question appearing on the ballot, including a counting center printout or other disclosure, shall be kept confidential and shall not be disclosed to the public until after 7:00 p.m. on the date of the election or after the last person in line at a voter service center desiring to vote at 7:00 p.m. on the date of the election has voted, as provided in section 11-131, whichever is later. All handling and counting of ballots shall be conducted in accordance with procedures established by the chief election officer.

(b) The initial tabulation of ballots shall be completed no later than 6:00 a.m. on the day following an election day.

(c) Any ballot the validity of which cannot be established upon receipt shall be retained by the clerk and shall not be commingled with ballots for which validity has been established until the validity of the ballot in question can be verified by the clerk. No ballot shall be included in an initial tabulation until the clerk has determined its validity. The clerk shall make reasonable efforts to determine the validity of ballots within seven days following an election day.

(d) Any initial recount provided by law shall include only ballots verified for the purpose of the initial tabulation. In no event shall a recount of an initial tabulation include ballots the validity of which could not be verified by 6:00 a.m. on the day following an election day.

(e) No election result shall be certified pursuant to section 11-155 unless all ballots verified as valid by the clerk within seven days following an election day have been added to the final tabulation. Recount of a final tabulation shall be as provided by law.

§11-I Voter service centers; places of deposit. (a) Voter service centers shall be established at the office of the clerk, and may be established at additional locations within a county as may be designated by a clerk to service the particular needs of a county's voters.

(b) Voter service centers shall be open from the tenth business day preceding the day of the election during regular business hours until the time provided in section 11-131 on the date of the election and at the same times statewide.

(c) Each voter service center shall provide the services specified in section 11-1 under the definition of "voter service center".

(d) The clerks may designate and provide for places of deposit to be open five business days before the election until 7:00 p.m. on the day of the election; provided that the locations and apparatus for receiving voted ballots can be securely maintained during the period of use for each election, and as may be permitted by the operational hours.

§11-J Election expenses and responsibilities for elections by mail. (a) Election expenses in an election by mail shall be as follows:

- (1) All expenses related to elections by mail involving both state and county offices, or involving both federal and county offices, unrelated to voter registration, shall be divided in half between the State and the counties. To the extent that a particular expense is shared statewide, each county shall pay a proration of expenses as a proportion of the registered voters at the time of the general election. The counties shall separately be responsible for expenses associated with voter registration;
- (2) All expenses for county elections by mail, which do not involve state or federal offices, shall be borne by the counties and paid out of appropriations as may be made by the county councils; and
- (3) All expenses for state or federal elections by mail, which do not involve county offices, shall be borne by the State and paid out of appropriations as may be made by the legislature. Expenses attributable to registration of voters by the clerk for state or federal elections that do not involve county offices shall be borne by the State and paid out of appropriations as may be made by the legislature.
- (b) Election responsibilities for elections by mail shall be as follows:
- (1) For elections by mail involving both state and county offices, or involving both federal and county offices:
 - (A) The counties shall be responsible for voter registration, absentee voting, voter service centers, places of deposit, and the mailing and receipt of ballots;
 - (B) The State shall be responsible for the printing and counting of ballots;
 - (C) The State and counties may otherwise agree to the delegation of these responsibilities to each other; and
 - (D) Any responsibilities not specified in this paragraph may be assigned to the counties or the State by the chief election officer;
- (2) For elections by mail involving only county offices, the respective county shall be solely responsible; and
- (3) For elections by mail involving only state or federal offices:
 - (A) The counties shall be responsible for voter registration, absentee voting, voter service centers, and places of deposit;
 - (B) The State shall be responsible for the printing, mailing, receipt, and counting of ballots; and
 - (C) Any responsibilities not specified in this paragraph may be assigned to the counties or the State by the chief election officer."

SECTION 3. Chapter 11, Hawaii Revised Statutes, is amended by amending the title of part VI to read as follows:

"PART VI. [PRECINCT OFFICIALS AND] VOTER SERVICE CENTER WATCHERS"

SECTION 4. Section 11-1, Hawaii Revised Statutes, is amended as follows:

By adding five new definitions to be appropriately inserted and to 1 read:

""Business day" means any day excluding Saturdays, Sundays, and state or federal holidays.

"District" means, unless otherwise specified, the district of political representation with the fewest eligible voters in a particular election.

<u>"Electronic transmission" means the transmission of a blank or voted</u> ballot by facsimile or electronic mail delivery, or the use of an online absentee ballot delivery and return system, which may include the ability to mark the ballot.

"Place of deposit" means a site within the county of the voter's registration address designated pursuant to section 11-I for the purpose of receiving return identification envelopes in an election conducted by mail pursuant to part .

"Voter service center" means a location within the county of the voter's registration address established pursuant to section 11-I to serve all of the following purposes:

- Receive return envelopes for absentee ballots pursuant to chapter (1)15:
- Receive return identification envelopes in an election by mail con-(2)ducted pursuant to part :
- Provide voting machine services for persons with disabilities pur-(3) suant to the Help America Vote Act of 2002, P.L. 107-252, as amended, and any other federal or state law relating to persons with disabilities:
- Provide any other voting services as provided by law; and (4)
- Any other purposes the chief election officer or clerk may deem (5) necessary if a natural disaster or other exigent circumstance occurs before an election."
- By amending the definition of "ballot" to read:

Ballot"[-] means a ballot, including an absentee ballot, that is a written or printed, or partly written and partly printed paper or papers containing the names of persons to be voted for, the office to be filled, and the questions or issues to be voted on. "Ballot" includes a ballot used in an election by mail pursuant to part , including a ballot approved for electronic transmission. A ballot may consist of one or more cards or pieces of paper, or one face of a card or piece of paper, or a portion of the face of a card or piece of paper, depending on the number of offices, candidates to be elected thereto, questions or issues to be voted on, and the voting system in use. [It shall also include the face of the mechanical voting machine when arranged with cardboard or other material within the ballot frames, containing the names of the candidates and questions to be voted on.]"

By amending the definition of "election officials" to read: 3.

"Election officials"[, precinct officials and other] means persons designated as officials by the chief election officer."

4. By amending the definition of "voting system" to read: ""Voting system"[₇] <u>means</u> the use of paper ballots, electronic [ballot eards,] transmission, voting machines, elections by mail pursuant to part, absentee voting pursuant to chapter 15, or any system by which votes are cast and counted."

5. By deleting the definition of "precinct".

[""Precinct", the smallest political subdivision established by law."]

SECTION 5. Section 11-4, Hawaii Revised Statutes, is amended to read as follows:

"§11-4 Rules [and regulations]. The chief election officer may make, amend, and repeal [such] rules [and regulations] governing elections held under this title, election procedures, and the selection, establishment, use, and operation of all voting systems now in use or to be adopted in the State, and all other similar matters relating thereto as in the chief election officer's judgment shall be necessary to carry out this title.

In making, amending, and repealing rules [and regulations] for voters who cannot vote [at the polls] in person or receive or return ballots by mail, and all other voters, the chief election officer shall provide for voting by [such] these persons in [such] a manner [as to insure] that ensures secrecy of the ballot and [to preclude] precludes tampering with the ballots of these voters and other election frauds. [Such] The rules [and regulations], when adopted in conformity with chapter 91 and upon approval by the governor, shall have the force and effect of law."

SECTION 6. Section 11-15.2, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (a), (b), and (c) to read:

"(a) Notwithstanding the closing of the general county register pursuant to section 11-24, a person who is eligible to vote but is not registered to vote may register by appearing in person[:

- (1) Prior to the day of the election, at any absentee polling place established pursuant to section 15-7 in the county associated with the person's residence; or
- (2) On the day of the election, at the polling place in the precinct associated with the person's residence.]

at any voter service center on or before election day.

(b) The [county] clerk shall designate a registration clerk, who may be an election official, at each [of the absentee polling places in the county established pursuant to section 15-7, prior to the day of the election and at each of the polling places in the county on the day of the election.] voter service center.

(c) The registration clerk shall process applications for any person not registered to vote who submits a signed affidavit in accordance with section 11-15, which shall include a sworn affirmation:

- (1) Of the person's qualification to vote;
- (2) Acknowledging that the person has not voted and will not <u>attempt</u> to vote [at any other polling place for] again in that election, and has not cast and will not cast any absentee ballot pursuant to chapter 15 [for] in that election; and
- (3) Acknowledging that providing false information may result in a class C felony, punishable by a fine not exceeding \$1,000 or imprisonment not exceeding five years, or both."
 - 2. By amending subsections (f) and (g) to read:

"(f) Notwithstanding subsection (a), registration pursuant to this section may also be used by a person who is registered to vote but whose name cannot be found on the [precinet list for the polling place associated with the person's residence.] county register.

(g) The clerk of each county shall add persons who properly register under this section to the respective general county register. Within thirty days of registration [at the polling place], the [county] clerk shall mail to the person a notice including the person's name, current street address, district [and precinct], and date of registration. A notice mailed pursuant to this subsection shall serve as prima facie evidence that the person is a registered voter as of the date of registration."

SECTION 7. Section 11-17, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) The clerk, [not] no later than 4:30 p.m. on the sixtieth day after every general election, shall remove the name of any registered voter who did not vote in that general election, and also did not vote in the primary election preceding that general election, and also did not vote in the previous general election, and also did not vote in the previous general election, and also did not vote in the previous general election, and also did not vote in the previous general election, and also did not vote in the regularly scheduled special elections held in conjunction with those primary and general elections, if any, with the exception of:

- (1) Those who submitted written requests for absentee ballots as provided in section 15-4; or
- (2) Anyone who preregistered pursuant to section 11-12(b).

If a person voted, at least once, in any of the above-mentioned elections, the person's name shall remain on the list of registered voters. For this purpose, "vote" means the depositing of the ballot in the ballot box <u>regardless of</u> whether the ballot is blank or later rejected for any reason. In the case of voting machines, "vote" means the voter has activated the proper mechanism and fed the [vote] ballot into the machine. In the case of an election by mail pursuant to part _____, "vote" means the voter has returned the ballot to the chief election officer or clerk by the United States Postal Service, by personal delivery of the ballot to a place of deposit or voter service center, or by electronic transmission under certain circumstances pursuant to part ____.

(b) The clerk shall also identify or remove the name of any registered voter[$_3$] if the clerk, after mailing a notice or other correspondence, properly addressed, with postage prepaid, receives the notice or other correspondence as return mail with a postal notation that the notice or other correspondence was not deliverable. On election day, any person identified or removed shall have the person's name corrected or restored in the register and shall be allowed to vote if the person completes an affidavit or other form prescribed by the chief election officer affirming that the person: [elaims]

- (1) <u>Claims</u> the person's legal residence at the address listed on the register; [ehanged]
- (2) <u>Changed</u> the person's legal residence after the closing of the register for that election; or[, moved]
- (3) <u>Moved</u> to a new residence within the same [precinct] <u>district</u> as the person's residence as listed on the register."

SECTION 8. Section 11-21, Hawaii Revised Statutes, is amended to read as follows:

"§11-21 Change of name, transfer on election day. (a) The [eounty] clerk may designate a registration clerk, who may be an election official, at [any of the polling places] a voter service center in the county on the day of the election.

(b) These registration clerks shall take applications for change of name from voters who have been married or who have had their names changed since the last election.

(c) Any person whose name appears on the registered voters list whose residence has changed since the last election, and whom the [county] clerk has

not transferred under section 11-20, may apply on a form prescribed by the chief [elections] election officer [at the person's new polling place] on the day of the election for transfer of registration to the [precinet] district of the new residence. Any person so transferring voter registration shall be immediately added to the register of the new [precinet and may vote only at the new precinet.] district.

(d) Where a person was incorrectly placed on a list of voters of a [precinet] district in which the person does not actually reside, the person may correct the registration.

[(e) No person shall be prevented from voting at the election in the precinct in which the person's name appears on the voters list due to a change of name, or other correction made under this section. However, any voter registered in the wrong precinct who shall refuse to make the correction of registration may be challenged in accordance with section 11-25.

(f) Any person changing name or transferring shall receive a copy of the change or transfer form.]"

SECTION 9. Section 11-22, Hawaii Revised Statutes, is amended to read as follows:

"§11-22 Changing register; correction of errors. (a) The clerk shall correct the register if at any time it shall be manifest to the clerk that the name of a person registered has been accidentally misspelled, or that the person has been misnamed therein, or that the person has been accidentally registered under the wrong [precinet,] district, or that the person was accidentally removed pursuant to section 11-17(a), or that the name of the person should be corrected or restored pursuant to section 11-17(b).

(b) In any case where the clerk refuses to correct the register, the person may appeal to the board of registration and the register shall be changed upon a written order of the board of registration, setting forth the reasons for the change. The order shall be directed to the clerk [or to the precinct officials of the election precinct where the voter is entitled to vote if the register has been elosed. The precinct officials shall thereupon correct the list of voters furnished them according to the terms of the order, noting on the list the reasons for the correction, and shall send the original order to the clerk as soon as may be possible after the close of the polls]. The clerk, upon receipt of any order from the board of registration [or from the precinct officials, as the case may be], shall correct the register according to the terms of the order, making on the register a reference to the order."

SECTION 10. Section 11-25, Hawaii Revised Statutes, is amended to read as follows:

"§11-25 Challenge by voters; grounds; procedure. (a) Any registered voter may challenge the right of a person to be or to remain registered as a voter [in any precinct] for any cause not previously decided by the board of registration or the supreme court in respect to the same person[; provided that in an election of members of the board of trustees of the office of Hawaiian affairs the voter making the challenge must be registered to vote in that election]. The challenge shall be in writing, setting forth the grounds upon which it is based, and be signed by the person making the challenge. The challenge shall be delivered to the clerk who shall [forthwith] immediately serve notice thereof on the person challenged. The clerk shall, as soon as possible, investigate and rule on the challenge.

(b) Any voter rightfully in [the polling place, including absentee polling places established pursuant to section 15-7,] a voter service center may challenge the right to vote of any person who comes to the [precinct officials] voter service

<u>center</u> for voting purposes. The challenge shall be on the grounds that the voter is not the person the voter alleges to be, or that the voter is not entitled to vote [in that precinet; provided that only in an election of members of the board of trustees of the office of Hawaiian affairs, a person registered to vote in that election may also challenge on the grounds that the voter is not Hawaiian]. No other or further challenge shall be allowed. Any person [thus] challenged <u>pursuant to</u> this subsection shall first be given the opportunity to make the relevant correction pursuant to section 11-21. The challenge shall be considered and decided immediately by the [precinet officials] clerk, and the ruling shall be announced.

(c) If neither the challenger nor the challenged voter [shall appeal] appeals the ruling of the clerk [or the precinct officials], then the voter shall either be allowed to vote or be prevented from voting in accordance with the ruling. If an appeal is taken to the board of registration, the challenged voter shall be allowed to vote; provided that the ballot is placed in a sealed envelope to be later counted or rejected in accordance with the ruling on appeal. The chief election officer shall adopt rules in accordance with chapter 91 to safeguard the secrecy of the challenged voter's ballot."

SECTION 11. Section 11-76, Hawaii Revised Statutes, is amended to read as follows:

"§11-76 Compensation. [(a) Electronic ballot and voting machine elections. Precinct officials and related election day nonprofit groups or employees] Election officials under the supervision and control of the office of elections on election day shall be compensated pursuant to a schedule established by the chief election officer. The schedule shall be contained in rules adopted pursuant to chapter 91.

[(b) Paper ballot elections. The chairperson of the precinct officials and the precinct officials shall receive the same base amounts as in subsection (a). In addition, all precinct officials shall be paid \$5 for each three hundred ballots or portion thereof cast at that precinct.]"

SECTION 12. Section 11-77, Hawaii Revised Statutes, is amended to read as follows:

***\$11-77** Appointment of watchers; service. (a) Each qualified political party shall be entitled to appoint no more than one watcher who may be present at any time [in each precinct and absentee polling place in which the candidates of that political party are on the ballot.] at a voter service center. Each party shall submit its list of watchers [not] no later than 4:30 p.m. on the [tenth] twentieth day [prior to] before any election [to the chief election officer or] to the clerk [in county elections]. All watchers shall serve without expense to the [State or] county. All watchers so appointed shall be registered voters. [No person shall serve as a watcher who could not qualify to serve as a precinct official under section [11-72(b)(3)].]

(b) Each watcher shall be provided with identification from [the chief election officer, or by] the clerk [in the case of county elections,] stating the watcher's name and the name of the party the watcher represents. [On election day the watcher shall present identification to the chairperson of precinct officials of the precinct or precincts where the watcher is to serve.

(c) All watchers for precincts shall be permitted to observe the conduct of the election in the precinct. The watchers may remain in the precinct as long as the precinct is in operation subject to section 19-6. Watchers may review the polling book pursuant to section 11-97.

(d)] (c) The watcher shall call the attention of the [chairperson] clerk to any violations of the election laws that the watcher observes. After the [chair-

person's] <u>clerk's</u> attention is called to the violation, the [ehairperson] <u>clerk</u> shall make an attempt to correct [such] <u>the</u> violation. If the [ehairperson] <u>clerk</u> fails to correct the violation, the watcher may appeal to the [elerk of the county.] <u>chief</u> election officer.

[(e) The watchers shall be permitted to observe the operations of the absentee polling place. Any violation of the election laws shall be reported to the clerk.]"

SECTION 13. Section 11-92.1, Hawaii Revised Statutes, is amended to read as follows:

****§11-92.1** Election proclamation; [establishment of a new precinct.] voter service centers and places of deposit; changes to district boundaries. (a) The chief election officer shall issue a proclamation [whenever a new precinct is established in any representative district. The chief election officer shall provide a suitable polling place for each precinct. Schools, recreational halls, park facilities, and other publicly owned or controlled buildings, whenever possible and convenient, shall be used as polling places.] listing all voter service centers and places of deposit as may have been determined by the clerk as of the proclamation date. The [chief election officer] clerk shall make arrangements for the rental or erection of suitable shelter for [this purpose] the establishment of a voter service center whenever public buildings are not available and shall cause these [polling places] voter service centers to be equipped with the necessary facilities for lighting, ventilation, and equipment needed for elections on any island. This proclamation may be issued jointly with the proclamation required in section 11-91.

(b) No change shall be made in the boundaries of any [precinct] district later than 4:30 p.m. on the tenth day [prior to] before the close of filing for an election.

(c) Notwithstanding subsection (a), and pursuant to section 15-2.5, the [chief election officer] clerk is not required to establish [polling places] voter service centers for [precincts] districts affected by natural disasters, as provided in section 15-2.5."

SECTION 14. Section 11-92.3, Hawaii Revised Statutes, is amended to read as follows:

"§11-92.3 [Consolidated precincts; natural] Natural disasters; postponement; [absentee voting required;] consolidation of districts; special elec-(a) In the event of a flood, tsunami, earthquake, volcanic eruption, tions. high wind, or other natural disaster, occurring [prior to] before an election[, that makes a precinct inaccessible, the chief election officer or county clerk in the case of county elections may consolidate precincts within a representative district. If where the extent of damage caused [by any natural disaster] is such that the ability of voters, in any [precinct.] district[.] or county, to exercise their right to vote is substantially impaired, the chief election officer or [county] clerk in the case of county elections may [require the registered voters of the affected precinct to vote by absentee ballot pursuant to section 15-2.5 and may] postpone the conducting of an election in the affected [precinct] area for no more than twenty-one days; provided that any [such] postponement shall not affect the conduct of the election, tabulation, or distribution of results for those [precinets] districts[] or counties not designated for postponement. The chief election officer or [county] clerk in the case of county elections shall give notice of the [consolidation,] postponement[, or requirement to vote by absentee ballot, in the affected county or precinct prior to the opening of the precinct polling place by whatever possible

news or broadcast media are available. [Precinct officials and workers affected by any consolidation shall not forfeit their pay.]

(b) In the event the chief election officer or the [county] clerk in a county election determines that the number of candidates or issues on the ballot in a special, special primary, or special general election does not require the full number of established [precinets,] districts, the [precinets] districts may be consolidated for the purposes of the special, special primary, or special general election into a small number of special, special primary, or special general election [precinets.] districts.

A special, special primary, or special general election [precinct] district shall be considered the same as an established [precinct] district for all purposes[, including precinct official requirements provided in section 11-71]. [Not] No later than 4:30 p.m. on the tenth day [prior to] before the special, special primary, or special general election, the chief election officer or the [county] clerk shall give public notice, in the area in which the special, special primary, or special general election is to be held, of the special, special primary, or special general election [precincts and their polling places. Notices of the consolidation also shall be posted on election day at the established precinct polling places, giving the location of the special, special primary, or special general election is the special, special primary, or special precinct polling place.] districts."

SECTION 15. Section 11-111, Hawaii Revised Statutes, is amended to read as follows:

"§11-111 Official and facsimile ballots. Ballots issued by the chief election officer in state elections and by the clerk in county elections are official ballots. In elections using the paper ballot and electronic voting systems, the chief election officer or clerk in the case of county elections shall have printed informational posters containing facsimile ballots [which] that depict the official ballots to be used in the election. [The precinct official shall post the informational posters containing the facsimiles of the official ballots near the entrance to the polling place where they may be easily seen by the voters prior to voting.]"

SECTION 16. Section 11-119, Hawaii Revised Statutes, is amended to read as follows:

"§11-119 Printing; quantity. (a) The ballots shall be printed by order of the chief election officer or the clerk in the case of county elections. In any state or county election, the chief election officer [on agreement with the] and clerk [may] shall endeavor to consolidate the printing and ballot package mailing contracts [for similar types of ballots] where [such] the consolidation will result in lower costs.

(b) Whenever the chief election officer is responsible for the printing of ballots, unless provided otherwise, the exact wording to appear thereon, including questions and issues, shall be submitted to the chief election officer [not] no later than 4:30 p.m. on the seventy-fifth calendar day [prior to] before the applicable election.

(c) Based upon clarity and available space, the chief election officer or the clerk in the case of county elections shall determine the style and size of type to be used in printing the ballots. The color, size, weight, shape, and thickness of the ballot shall be determined by the chief election officer.

[(d) Each precinct shall receive a sufficient number of ballots based on the number of registered voters and the expected spoilage in the election concerned. A sufficient number of absentee ballots shall be delivered to each clerk not later than 4:30 p.m. on the fifteenth day prior to the date of any election.]" SECTION 17. Section 11-131, Hawaii Revised Statutes, is amended to read as follows:

"§11-131 [Hours of voting.] <u>Voter service center hours.</u> The [polls shall be opened by the precinct officials at] hours of voting at voter service centers shall be:

- (1) Regular business hours as prescribed in section 11-I and by the clerk; and
- (2) On an election day, from 7:00 a.m. [of the election day and shall be kept open continuously] until [6:00] 7:00 p.m. of that day.

If, at [the closing hour of voting,] 7:00 p.m. on an election day, any voter [desiring to vote] is standing in line [outside the entrance of the polls] at a voter service center with the desire of entering and voting, but due to the [polling place] voter service center being overcrowded has been unable to do so, the voter shall be allowed to vote [irrespective of the closing hour of voting]. No voter shall be permitted to enter or join the line after the prescribed [hour for closing the polls. If all of the registered voters of the precinct have cast their votes prior to the closing time, the polls may be closed earlier but the votes shall not be counted until after closing time unless allowed by the chief election officer.] hours of voting specified in this section."

SECTION 18. Section 11-132, Hawaii Revised Statutes, is amended to read as follows:

(3) [The precinct] Election officials shall post in a conspicuous place, [prior to the opening of the polls,] before operation of voting service centers or places of deposit, a map designating an area of two hundred feet from the perimeter of [the polling place] any voter service center, place of deposit, and its appurtenances. Any person who remains or loiters within [an] this specified area [of two hundred feet from the perimeter of the purpose of campaigning shall be guilty of a misdemeanor. For the purposes of this section, a [polling place] voter service center, place of deposit, and its appurtenances shall include:

- (1) The building in which [the polling place is] a voter service center, place of deposit, or its appurtenances are located;
- (2) Any parking lot adjacent to the building and routinely used for parking at that building;
- (3) The routes of access between the building and any parking lot; and
- (4) Any route of access between any public thoroughfare (right of way) and the [polling place] voter service center, place of deposit, or its <u>appurtenances</u>, to ensure an open and accessible ingress and egress to and from the [polling place] voter service center, place of deposit, <u>or appurtenances</u> for voters.

(b) The chief election officer may regulate other activities within the area specified in subsection (a) pursuant to rules adopted by the chief election officer under chapter 91 in order to ensure the safe and orderly conduct of elections.

(c) Admission within the [polling place] voter service center, place of deposit, or appurtenances shall be limited to the following:

- (1) Election officials;
- (2) Watchers, if any, pursuant to section 11-77;
- (3) Candidates;
- (4) Any voters actually engaged in voting, going to vote or returning from voting;

- (5) Any person, designated by a voter who is physically disabled, while the person is assisting the voter;
- (6) Any person or nonvoter group authorized by the [ehief election officer or the] clerk [in county elections] to observe the election [at designated precinets] for educational purposes; provided that [they] these persons conduct themselves so that they do not interfere with the election process; and
- (7) A child for the purpose of observing the voting process when accompanied by an adult who is voting; provided that this activity does not disrupt or interfere with normal voting procedures.

(d) Within the appropriate boundary as established in subsection (a), [and the building in which the polling place is located,] the display or distribution of campaign posters, signs, or other campaign materials for the purpose of soliciting votes for or against any person or political party or position on a <u>ballot</u> question is prohibited. Any voter who displays campaign material in the [polling place] voter service center, place of deposit, or its appurtenances shall remove or cover that material before entering the [polling place.] voter service center, <u>place of deposit, or its appurtenances</u>. The chief election officer may adopt rules pursuant to chapter 91 to address special circumstances regarding the display of campaign materials."

SECTION 19. Section 11-137, Hawaii Revised Statutes, is amended to read as follows:

"§11-137 Secrecy; removal or exhibition of ballot. No person shall look at or ask to see the contents of the ballot or the choice of party or nonpartisan ballot of any voter, except as provided in [section] sections 11-139 and 11-132, nor shall any person [within the polling place] attempt to influence a voter in regard to whom the voter shall vote for. When a voter is in the voting booth for the purpose of voting, no other person, except as provided in [section] sections 11-139 and 11-132, shall be allowed to enter the booth or to be in a position from which the person can observe how the voter votes.

No person shall take a ballot out of the [polling place except as provided in sections 11-135 and 11-139. After voting the voter shall leave the voting booth and deliver the voter's ballot to the precinct official in charge of the ballot boxes. The precinct official shall make certain that the precinct official has received the correct ballot and no other and then shall deposit the ballot into the ballot box. No person shall look at or ask to see the contents of the unvoted ballots. If any person having received a ballot leaves the polling place without first delivering the ballot to the precinct official as provided above, or wilfully exhibits the person's ballot or the person's unvoted ballots in a special primary or primary election, except as provided in section 11-139 and 11-132, after the ballot has been marked, the person shall forfeit the person's right to vote, and the chairperson of the precinct officials shall cause a record to be made of the proceeding.] voter service center unless authorized by the chief election officer or a designee of the chief election officer."

SECTION 20. Section 11-139, Hawaii Revised Statutes, is amended to read as follows:

"§11-139 Voting assistance. (a) Except as otherwise provided, any voter who requires assistance [to vote at a polling place or by absentee ballot] may be given assistance by a person of the voter's choice. [If the voter requires assistance at a polling place, the voter may choose to receive the assistance of two precinct officials who are not of the same political party. Additionally, a voter needing assistance at a polling place may choose to be handed a ballot

outside the polling place but within one hundred feet thereof or within the polling place parking lot by the precinct officials and in their presence but in a secret manner, mark and return the same to the precinct officials.] A person with disabilities may be provided assistance at a voter service center pursuant to any state or federal law relating to persons with disabilities. The voter's employer or agent of that employer, agent of the voter's labor union, or a candidate for any office that is listed on the ballot shall not provide assistance. Written or oral instructions delivered via telephone, electronic means, or mail shall not be deemed assistance prohibited by this section; provided <u>that</u> the voter's employer or agent of that employer, agent of the voter's labor union, or a candidate for any office listed on the ballot is not physically present with the voter when the instructions are delivered.

[(b) If assistance is provided pursuant to subsection (a), the precinct officials providing assistance shall enter in writing in the record book the following:

- (1) The voter's name;
- (2) The fact that the voter cannot read the names on the ballot, if that is the reason for requiring assistance, and otherwise, the specific physical disability which requires the voter to receive assistance; and
- (3) The name or names of the person or persons furnishing the assistance.

(c)] (b) Violation of this section by an employer or agent of that employer, agent of the voter's labor union, or a candidate shall constitute election fraud as provided under section 19-3."

SECTION 21. Section 11-152, Hawaii Revised Statutes, is amended to read as follows:

"§11-152 Method of counting. [(a) In an election using the paper ballot voting system, immediately after the close of the polls, the chairperson of the precinct officials shall open the ballot box. The precinct officials at the precinct shall proceed to count the votes as follows:

- (1) The whole number of ballots shall first be counted to see if their number corresponds with the number of ballots cast as recorded by the precinct officials;
- (2) If the number of ballots corresponds with the number of persons recorded by the precinct officials as having voted, the precinct officials shall then proceed to count the vote cast for each candidate;
- (3) If there are more ballots or less ballots than the record calls for the precinct officials shall proceed as directed in section 11-153.

(b) In those precincts] For votes cast using the electronic voting system, the ballots shall be taken in the sealed ballot [boxes] containers to the counting center according to the procedure and schedule [promulgated] adopted by the chief election officer to promote the security of the ballots. [In] For all votes cast in an election, in the presence of official observers, counting center employees may start to count the ballots [prior to the closing of the polls provided there shall be no printout by the computer or other disclosure of the number of votes cast for a candidate or on a question prior to the closing of the polls. For the purposes of this section, the closing of the polls is that time identified in section 11-131 as the closing hour of voting.] before election day, as specified in section 11-H."

SECTION 22. Section 11-153, Hawaii Revised Statutes, is amended to read as follows:

"§11-153 More or [less] <u>fewer</u> ballots than recorded. (a) If there are more ballots than [the poll book] <u>documented usage</u> indicates, this shall be an overage and if [less] <u>fewer</u> ballots, it shall be an underage. The election officials or counting center employees responsible for the tabulation of ballots shall make a note of this fact on a form to be provided by the chief election officer. The form recording the overage or underage shall be sent directly to the chief election officer or the clerk in county elections separate and apart from the other election records.

(b) If the electronic voting system is being used in an election, the overage or underage shall be recorded after the tabulation of the ballots. In an election using the paper ballot voting system, the [precinct officials] chief election officer or the chief election officer's designee shall proceed to count the votes cast for each candidate or on a question after recording the overage or underage.

(c) The chief election officer or the clerk shall make a list of all [preeinets] <u>districts</u> in which an overage or underage occurred and the amount of the overage or underage. This list shall be filed and kept as a public record in the office of the chief election officer or the clerk in county elections [and the clerk's office in counties other than the city and county of Honolulu in elections involving state candidates].

An election contest may be brought under part XI, if the overage or underage in any district could affect the outcome of an election."

SECTION 23. Section 11-154, Hawaii Revised Statutes, is amended to read as follows:

"§11-154 Records, etc.; disposition. [The final duty of the precinct officials in the operation of the precinct shall be to gather all records and supplies delivered to them and return them to the sending official, either the chief election officer or the county clerk.]

The voted ballots shall be kept secure and handled only in the presence of representatives not of the same political party <u>or official observers</u> in accordance with [regulations promulgated] rules adopted for the various voting systems. After all the ballots have been tabulated they shall be sealed in containers. Thereafter, these containers shall be unsealed and resealed only as prescribed by rules [and regulations] governing [the] elections.

The ballots and other election records may be destroyed by the chief election officer or [eounty] clerk when all elected candidates have been certified by the chief election officer, or in the case of candidates for county offices, by the [eounty] clerk[-] and after compliance with retention schedules of applicable federal law."

SECTION 24. Section 11-157, Hawaii Revised Statutes, is amended to read as follows:

***§11-157** In case of tie. In case of the failure of an election by reason of the equality of vote between two or more candidates, the tie shall be decided by the chief election officer or [eounty] clerk in the case of county elections [in accordance with the following procedure:

- (1) In the case of an election involving a seat for the senate, house of representatives, or county council where only voters within a specified district are allowed to cast a vote, the winner shall be declared as follows:
 - (A) For each precinct in the affected district, an election rate point shall be calculated by dividing the total voter turnout in that precinct by the total voter turnout in the district. For the purpose of this subparagraph, the absentee votes cast for the af-

fected district shall be treated as a precinet. The election rate point shall be calculated by dividing the total absentee votes cast for the affected district by the total voter turnout in that district. All election rate points shall be expressed as decimal fractions rounded to the nearest hundred thousandth;

- (B) The candidate with the highest number of votes in a precinct shall be allocated the election rate point calculated under subparagraph (A) for that precinct. In the event that two or more persons are tied in receiving the highest number of votes for that precinct, the election rate point shall be equally apportioned among those candidates involved in that precinct tie;
- (C) After the election rate points calculated under subparagraph (A) for all the precincts have been allocated as provided under subparagraph (B), the election rate points allocated to each candidate shall be tallied and the candidate with the highest election rate point total shall be declared the winner; and
- (D) If there is a tie between two or more candidates in the election rate point total, the candidate who is allocated the highest election rate points from the precinct with the largest voter turnout shall be declared the winner;
- (2) In the case of an election involving a federal office or an elective office where the voters in the entire State or in an entire county are allowed to cast a vote, the winner shall be declared as follows:
 - (A) For each representative district in the State or county, as the ease may be, an election rate point shall be calculated by dividing the total voter turnout in that representative district by the total voter turnout in the state, county, or federal office district, as the case may be; provided that for purposes of this subparagraph:
 - (i) The absentee votes cast for a statewide, countywide, or federal office shall be treated as a separate representative district and the election rate point shall be calculated by dividing the total absentee votes cast for the statewide, countywide, or federal office by the total voter turnout in the state, county, or federal office district, as the case may be; and
 - (ii) The overseas votes cast for any election in the State for a federal office shall be treated as a separate representative district and the election rate point shall be calculated by dividing the total number of overseas votes cast for the affected federal office by the total voter turnout in the affected federal office district. The term "overseas votes" means those votes cast by absentee ballots for a presidential election as provided in section 15-3.

All election rate points shall be expressed as decimal fractions rounded to the nearest hundred thousandth;

(B) The candidate with the highest number of votes in a representative district shall be allocated the election rate point calculated under subparagraph (A) for that district. In the event that two or more persons are tied in receiving the highest number of votes for that district, the election rate point shall be equally apportioned among those candidates involved in that district tie;

- (C) After the election rate points calculated under subparagraph (A) for all the precincts have been allocated as prescribed under subparagraph (B), the election rate points allocated to each candidate shall be tallied and the candidate with the highest election rate point total shall be declared the winner; and
- (D) If there is a tie between two or more candidates in the election rate point total, the candidate who is allocated the highest election rate points from the representative district with the largest voter turnout shall be declared the winner.] by lot."

SECTION 25. Section 11-173.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In primary and special primary election contests, and county election contests held concurrently with a regularly scheduled primary or special primary election, the complaint shall be filed in the office of the clerk of the supreme court [not] <u>no</u> later than 4:30 p.m. on the [sixth] thirteenth day after a primary or special primary election, or county election contests held concurrently with a regularly scheduled primary or special primary election, and shall be accompanied by a deposit for costs of court as established by rules of the supreme court. The clerk shall issue to the defendants named in the complaint a summons to appear before the supreme court [not] <u>no</u> later than 4:30 p.m. on the fifth day after service thereof."

SECTION 26. Section 15-1, Hawaii Revised Statutes, is amended by deleting the definition of "absentee polling place".

[""Absentee polling place" means an office or other suitable facility designated by the respective clerks for the conduct of absentee voting and the processing of absentee ballots."]

SECTION 27. Section 15-2.5, Hawaii Revised Statutes, is amended to read as follows:

"[[]§15-2.5[] Absentee voting] Voting by mail in [precinet] district affected by natural disasters. (a) If the chief election officer and clerk of a county affected as a result of a natural disaster determine that the opening of a designated [polling place] voter service center will adversely affect the health and safety of voters or precinct officials, the chief election officer and county clerk, by written order, may require the registered voters of any [precinet] district to vote by [absentee ballot; provided that if there are not enough absentee ballots for all voters of the precinct, the chief election officer or the clerk shall use other official ballots to make up the difference.] mail as provided in part of chapter 11.

(b) Within thirty days after the issuance of such an order, the chief election officer and county clerk shall notify all registered voters in the affected [precinet] district of the issuance of the order.

[(c) Within ten days after the printed official absentee ballots are available for the designated precinct affected by this section, the clerk shall deliver, or cause to be delivered, by hand or mail, an absentee ballot, a return envelope, and any other appropriate material to each registered voter in the affected precinct.

(d) (c) The chief election officer shall adopt rules pursuant to chapter 91 to implement this section."

SECTION 28. Section 15-4, Hawaii Revised Statutes, is amended to read as follows:

"§15-4 Request for absentee ballot. [(a)] Any person registered to vote who is unable to receive a ballot at the person's voter registration address of record may request an absentee ballot [or permanent absentee ballot in person σr] in writing from the clerk at any time but [$n \sigma t$] no later than 4:30 p.m. on the seventh day [prior to] before the election. Any mailed requests for an absentee ballot [or permanent absentee ballot] shall be mailed by the person directly to the clerk. The clerk may waive any or all of the foregoing requirements in special cases as provided in the rules adopted by the chief election officer.

The request shall include information such as the <u>last four digits of the</u> person's social security number[-] <u>or the person's driver's license number</u>, date of birth, and the address under which the person is registered to vote. The request shall also include the <u>temporary</u> address to which the person wishes the requested ballot to be forwarded. The request, when made for any primary or special primary election, may include an additional request for an absentee ballot to be voted at any election immediately following the primary or special primary; provided <u>that</u> the person so indicates in the person's request.

[Subsequent to the closing of registration for each election, the clerk may mail a request form for an absentee ballot and permanent absentee ballot to each voter in a remote area who has not already made such a request. The request form shall be accompanied by:

- (1) A stamped, self-addressed envelope; and
- (2) Instructions regarding the manner of completing and returning the request form.

(b) Notwithstanding subsection (a), the respective clerk shall be allowed to conduct an absentee ballot-only election and may mail an absentee ballot for each primary, special primary, special, general, and special general election to each registered voter who resides in the county of Kalawao or on any island of a county with a population of less than one hundred eighty thousand, except for the island where the county seat of government is located. The chief election officer may adopt rules to carry out this subsection.

(c) Notwithstanding any law to the contrary, in the event there are fewer than five hundred registered voters as of the preceding general election in an area covered by a unique ballot type, the clerk shall mail an absentee ballot to each registered voter who resides in such an area, if the chief election officer, or the clerk in a county only election, determines that an election day polling place will not be established for such voters.

(d) For the purposes of this section, "ballot type" means the unique ballot containing the contests, questions, or issues that will be used by the voters of a specific area.

(c) When a registered voter requests an absentee ballot, the voter also may include an additional request to receive absentee ballots permanently. After receiving a request for permanent absentee voter status, the clerk shall mail to the voter who requested permanent absentee voter status an absentee ballot for all subsequent elections conducted in that precinct. The forwarding address for absentee ballots to be permanently mailed shall be the in-state mailing address contained in the voter's registration record. Subject to the conditions of subsection (a), a permanent absentee voter may also request from the clerk that the voter's ballot be forwarded temporarily to an address other than the permanent absentee mailing address originally requested, either in or outside of the State, for a single election or for a primary or special primary election. A permanent absentee voter's request for a ballot to be forwarded temporarily shall not serve as a cancellation of the voter's permanent absentee status or as a change to the voter's permanent absentee mailing address. Upon the completion of the elec-

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tion or elections covered by the permanent absentee voter's temporary request under this subsection, the clerk shall resume mailing the voter's ballots to the permanent absentee mailing address originally requested under subsection (a).

(f) The chief election officer shall inform voters of the option of applying for permanent absentee voter status and shall provide any necessary form to request the permanent absentee ballot option to any registered voter requesting an absentee ballot and any person applying to register to vote.

(g) A permanent absentee voter shall be responsible for informing the elerk of any changes to personal information, including changes to the voter's forwarding address.

(h) Except as provided in subsection (c), a voter's permanent absentee voter status shall be terminated if any of the following conditions apply:

- (1) The voter requests in writing that such status be terminated;
- (2) The voter dies, loses voting rights, registers to vote in another jurisdiction, or is otherwise disqualified from voting;
- (3) The voter's absentee ballot, voter notification postcard, or any other election mail is returned to the clerk as undeliverable for any reason; or
- (4) The voter does not return a voter ballot by 6:00 p.m. on election day in both the primary and general election of an election year.

(i) If a voter's permanent absentee voter status has been terminated due to one or more of the conditions specified in subsection (h), the voter shall be responsible for again requesting permanent absentee status as specified in subsection (e).] Upon the completion of the election or elections covered by the voter's temporary request under this section, the clerk shall resume mailing the voter's ballot package to the mailing address noted within the voter's registration record."

SECTION 29. Section 15-6.5, Hawaii Revised Statutes, is amended to read as follows:

"[[]§15-6.5[]] Absentee postage. The mailed distribution and return of absentee ballots shall be at no cost to the voter. The State and counties shall share in the cost of all postage associated with the distribution and return of absentee ballots pursuant to sections 11-182[;] and 11-183, [and 11-184,] if the costs are not covered by the federal government."

SECTION 30. Section 15-9, Hawaii Revised Statutes, is amended to read as follows:

"§15-9 Return and receipt of absentee ballots. (a) The return envelope shall be:

- Mailed and must be received by the clerk issuing the absentee ballot [not] no later than the closing [of the polls on any] hour on election day[;] in accordance with section 11-131; or
- (2) Delivered other than by mail to the clerk issuing the absentee ballot, or [another election official designated by the clerk to act on the clerk's behalf, not] to a voter service center no later than the closing [of polls on any] hour on election day[; or
- (3) Delivered other than by mail to any polling place within the county in which the voter is registered and deposited by a precinct official in the ballot box before the closing of the polls on any election day.] in accordance with section 11-131.

(b) Upon receipt of the return envelope from any person voting under this chapter, the clerk may prepare the ballots for counting pursuant to this section and section 15-10.

(c) [Prior to] Before opening the return and ballot envelopes and counting the ballots, the return envelopes shall be checked for the following:

- (1) Signature on the affirmation statement;
- (2) Whether the signature corresponds with the absentee request or register as prescribed in the rules adopted by the chief election officer; and
- (3) Whether the person is a registered voter and has complied with the requirements of sections 11-15 and 11-16.

(d) If any [of the above requirements] requirement listed in subsection (c) is not met or if the return or ballot envelope appears to be tampered with, the clerk or the absentee ballot team official shall mark across the face of the envelope "invalid" and it shall be kept in the custody of the clerk and disposed of as prescribed for ballots in section 11-154.

[(e) If an absentee polling place is established at the clerk's office prior to election day, the officials of the absentee polling place shall check the return or ballot envelopes for the above requirements prior to depositing them in the correct absentee ballot box.]"

SECTION 31. Section 15-10, Hawaii Revised Statutes, is amended to read as follows:

***§15-10** Counting of absentee ballots. If the requirements in section 15-9 are met, the return and ballot envelopes may be opened and the ballot counted as prescribed by law for the voting system in use.

[In those absentee polling places using paper ballots, counting of the absentee ballots may begin after noon of election day.

In those absentee polling places using the electronic voting system, the absentee ballots shall be transported to the counting center in a manner and by a schedule as provided in the rules promulgated by the chief election officer. In no case, however, shall the results of the absentee count become publicly known before the polls have officially closed.

Any person violating this section shall be guilty of an election offense under section 19-6.]"

SECTION 32. Section 15-14, Hawaii Revised Statutes, is amended to read as follows:

"§15-14 Ballots; where voting machines are used. In all [precincts] districts in which voting machines are used, sections 15-1 to 15-13 shall apply; provided that the number and type of [absentee] ballots to be printed shall be determined at the discretion of the officer charged with printing and furnishing them. The officer may use reasonable facsimiles of the sample ballot used in voting machine precincts."

SECTION 33. Section 15D-3, Hawaii Revised Statutes, is amended to read as follows:

"[[]§15D-3[]] Elections covered. The voting procedures in this chapter apply to:

- (1) A general, special, or primary election for federal office;
- (2) A general, special, or primary election for statewide or state legislative office or state ballot measure; and
- (3) A general, special, recall, primary, or runoff election for local government office or local ballot measure conducted under [section 11-91.5] part of chapter 11 for which absentee voting or voting by mail is available for other voters."

SECTION 34. Section 16-25, Hawaii Revised Statutes, is amended to read as follows:

***§16-25** Order and method of counting. Each ballot shall be counted and finished as to all the candidates thereon before counting a second and subsequent ballots. [Except as provided in section 11-71, the] The ballots shall be counted by teams in the following manner only: by one [precinet] election official announcing the vote in a loud clear voice, one [precinet] election official tallying the vote, one [precinet] election official watching the [preeinet] election official tallying the vote. The [precinet] election official doing the announcing or tallying and the [precinet] election official watching that official shall not be of the same political party."

SECTION 35. Section 16-43, Hawaii Revised Statutes, is amended to read as follows:

***§16-43 Ballot handling.** In every case where the ballots are handled by election officials or election employees[, from the time the ballots are delivered to the several precincts to the time they are returned to the chief election officer or elerk in county elections] for disposition upon completion of the tabulation, they shall be handled in the presence of not less than two officials assigned in accordance with [sections 11-71 and 11-72 or] section 16-45."

SECTION 36. Section 16-46, Hawaii Revised Statutes, is amended to read as follows:

"§16-46 Counting defective ballots. Counting center employees [in the presence of at least two official observers] shall prepare a new ballot to replace each defective ballot[-]; provided that the replacement ballot may not be counted until reviewed by at least two official observers. The defective ballots shall be segregated and the replacement ballots counted pursuant to rules [promulgated] adopted by the chief election officer."

SECTION 37. Section 19-6, Hawaii Revised Statutes, is amended to read as follows:

"§19-6 Misdemeanors. The following persons shall be guilty of a misdemeanor:

- (1) Any person who offers any bribe or makes any promise of gain, or with knowledge of the same, permits any person to offer any bribe or make any promise of gain for the person's benefit to any voter to induce the voter to sign a nomination paper, and any person who accepts any bribe or promise of gain of any kind as consideration for signing the same, whether the bribe or promise of gain be offered or accepted before or after the signing;
- (2) Any person who wilfully tears down [ΘF], destroys, or defaces any election proclamation [Θr any], poster [ΘF], notice [ΘF], list of voters [ΘF], visual aids, or facsimile ballot, issued or posted by authority of law;
- (3) Any person printing or duplicating or causing to be printed or duplicated any ballot, conforming as to the size, weight, shape, thickness, or color to the official ballot so that it could be cast or counted as an official ballot in an election;
- (4) Every person who is disorderly or creates a disturbance whereby any meeting of the [precinct officials or the] board of registration of voters during an election is disturbed or interfered with; or whereby any person who intends to be lawfully present at any meeting or

election is prevented from attending; or who causes any disturbance at any election; and every person assisting or aiding or abetting any disturbance;

- (5) Every person who, either in person or through another, in any manner breaks up or prevents, or endeavors to break up or prevent, the holding of any meeting of the board of registration of voters, or in any manner breaks up or prevents, or endeavors to break up or prevent, the holding of any election;
- (6) Any person, other than those designated by section 11-132, who remains or loiters within the area set aside for voting as set forth in section 11-132 during the time appointed for voting;
- (7) Any person, including candidates carrying on any campaign activities within the area described in section 11-132 during the period of time starting one hour before [the polling place] voting opens and ending when [the polling place] voting closes for the purpose of influencing votes. Campaign activities shall include the following:
 - (A) Any distribution, circulation, carrying, holding, posting, or staking of campaign cards, pamphlets, posters, and other literature;
 - (B) The use of public address systems and other public communication media;
 - (C) The use of motor caravans or parades; and
 - (D) The use of entertainment troupes or the free distribution of goods and services;
- (8) Any person who opens a return envelope containing [an]:
 - (A) An absentee ballot voted under chapter 15 other than those persons authorized to do so under chapter 15; or
 - (B) A ballot voted by mail under part of chapter 11 other than those persons authorized to do so under part of chapter 11;
- (9) Any unauthorized person found in possession of any voting machine or keys thereof; and
- (10) Every person who wilfully violates or fails to obey any of the provisions of law, punishment for which is not otherwise <u>specified</u> in this chapter [specially provided for]."
 - SECTION 38. Section 11-71, Hawaii Revised Statutes, is repealed.
 - SECTION 39. Section 11-72, Hawaii Revised Statutes, is repealed.
 - SECTION 40. Section 11-73, Hawaii Revised Statutes, is repealed.
 - SECTION 41. Section 11-74, Hawaii Revised Statutes, is repealed.
 - SECTION 42. Section 11-75, Hawaii Revised Statutes, is repealed.
 - SECTION 43. Section 11-91.5, Hawaii Revised Statutes, is repealed.
 - SECTION 44. Section 11-92.2, Hawaii Revised Statutes, is repealed.
 - SECTION 45. Section 11-93, Hawaii Revised Statutes, is repealed.
 - SECTION 46. Section 11-94, Hawaii Revised Statutes, is repealed.
 - SECTION 47. Section 11-95, Hawaii Revised Statutes, is repealed.

SECTION 48.	Section 11-120, Hawaii Revised Statutes, is repealed.
SECTION 49.	Section 11-133, Hawaii Revised Statutes, is repealed.
SECTION 50.	Section 11-134, Hawaii Revised Statutes, is repealed.
SECTION 51.	Section 11-135, Hawaii Revised Statutes, is repealed.
SECTION 52.	Section 11-136, Hawaii Revised Statutes, is repealed.
SECTION 53.	Section 11-184, Hawaii Revised Statutes, is repealed.
SECTION 54.	Section 15-7, Hawaii Revised Statutes, is repealed.
SECTION 55.	Section 15-8, Hawaii Revised Statutes, is repealed.

SECTION 56. Act 182, Session Laws of Hawaii 2018, is amended by amending section 23 to read as follows:

"SECTION 23. This Act shall take effect on July 1, 2018 and shall be repealed on June 30, [2021.] 2019."

SECTION 57. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the purpose of preparing for, implementing, and administering elections by mail, including voter education and public awareness programs.

The sums appropriated shall be expended by the office of elections for the purposes of this Act.

SECTION 58. There is appropriated out of the general revenues of the State of Hawaii the sum of \$830,731 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to be made available to the counties in the form of grants to cover the startup and transition costs for the voting by mail implementation; provided that the amount available to each county shall be in proportion to its respective percentage of registered voters.

The sums appropriated shall be expended by the department of budget and finance for the purposes of this Act.

SECTION 59. No later than sixty days before the convening of each of the regular sessions of 2020, 2021, 2022, 2023, 2024, and 2025, the office of elections shall submit a report to the legislature that includes:

- (1) The office's progress in implementing this Act;
- (2) A summary of the office's discussions with the county clerks to determine areas of joint implementation of this Act;
- (3) A summary of the expenditures required to implement this Act and a comparison of those expenditures with the expenditures required to conduct elections or election-related activities before the enactment of this Act;
- (4) Any additional resources the county clerks or the office may require to implement this Act;

- (5) Any developments in assistive technology that may be implemented by the State, the counties, or nonprofit associations to ensure that persons with disabilities are not, on the whole, disadvantaged by implementation of this Act, including the costs associated with such technology;
- (6) Any difficulties encountered in the implementation of this Act;
- (7) Specific steps taken and recommendations necessary to prevent fraud and ensure the integrity of the election process; and
- (8) Any other findings and recommendations, including any proposed legislation necessary to clarify and make consistent chapters 11, 12, 15, 15D, 16, and 19, Hawaii Revised Statutes, in light of the transition to statewide elections by mail.

The counties shall coordinate with the office of elections in providing information necessary for the preparation of the reports required by this section.

SECTION 60. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 61. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 62. Statutory material to be repealed is bracketed and stricken.¹ New statutory material is underscored.

SECTION 63. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 137

H.B. NO. 168

A Bill for an Act Relating to the Electronic Transmission of Ballots.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 15-5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) If absentee ballots requested under section 15-4 are not received by a voter within five days of an election, if a voter requires a replacement ballot within five days of an election, or if a voter would otherwise not be able to return a properly issued ballot by the close of polls, then a voter may request that absentee ballots be forwarded by electronic transmission[-]; provided that a voter with special needs, including a disability, may request that a ballot be forwarded by electronic transmission at any time. Upon receipt of such a request and confirmation that proper application was made, the clerk may transmit appropriate ballots, together with a form requiring the affirmations and information required by section 15-6, and a form containing a waiver of the right to secrecy, as provided by section 11-137. The voter may return the voted ballots and executed forms by electronic transmission or mail; provided that they are received by the issuing clerk no later than the close of polls on election day. Upon receipt, the clerk shall verify compliance with the requirements of section 15-9(c) and prepare the ballots for counting pursuant to section 15-10; provided that if the voter returns multiple voted absentee ballots for the same election, the clerk shall, for purposes of counting ballots, prepare only the first absentee ballot returned that is not spoiled."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved June 25, 2019.)

ACT 138

S.B. NO. 549

A Bill for an Act Relating to Healthy Beverages for Children.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that over the past thirty years, Hawaii has experienced an unprecedented increase in obesity and chronic conditions like type 2 diabetes, heart disease, liver disease, and tooth decay. The legislature also finds that obesity-related health conditions have serious economic costs. In 2013, Hawaii spent an estimated \$470,000,000 on obesity-related medical costs.

The legislature further finds that soda and other sugary drinks are the single largest source of excess sugar in the American diet, accounting for nearly half of the added sugars consumed. A top source of calories in children's diets, sugary beverages contribute to the obesity epidemic and typically do not provide any nutritional benefit.

The purpose of this Act is to promote healthy meal options for children and support parents' efforts to feed their children nutritious food by ensuring that healthy beverages are the default option in children's meals purchased at restaurants in the State.

SECTION 2. Chapter 321, Hawaii Revised Statutes, is amended by adding a new section to Part I, to be appropriately designated and to read as follows:

"§321- Default beverages offered with children's meals. (a) A restaurant that offers for sale a children's meal that includes a beverage shall offer with the children's meal as a default beverage one or more of the following:

- (1) Water, sparkling water, or flavored water, with no added sugar, corn syrup, or other natural or artificial sweeteners;
- (2) Unflavored nonfat or low-fat (one per cent) dairy milk or non-dairy beverage that is nutritionally equivalent to fluid milk in a serving size of eight ounces or less; or
- (3) One hundred per cent fruit juice or vegetable juice, or fruit juice or vegetable juice combined with water or carbonated water, with no added natural or artificial sweetener, in a serving size of eight ounces or less.

(b) Nothing in this section shall prohibit a restaurant from selling, or a customer from purchasing, an alternative to the default beverage if requested by the purchaser of the children's meal.

(c) The department of health shall adopt rules pursuant to chapter 91 to implement this section.

(d) As used in this section, unless the context clearly indicates otherwise:

"Children's meal" means a combination of food and a beverage, sold together at a single price by a restaurant, primarily intended for consumption by children.

"Default beverage" means a beverage automatically included or offered as part of a children's meal, absent a specific request for a substitute or alternate beverage by the purchaser of the children's meal.

"One hundred per cent fruit juice or vegetable juice" means any liquid consisting of one hundred per cent fruit juice or vegetable juice with no added sugar, corn syrup, or caloric sweetener.

"Restaurant" means a food establishment that serves food to customers for consumption on or off the premises, including fast-food and full-service dining establishments. "Restaurant" includes but is not limited to drive-through or walk-up counters, coffee shops, cafes, pizza parlors, food stands, movie theater concession stands, and dine-in establishments. For purposes of this definition, a restaurant may provide alcoholic beverage sales for drinking on premises; provided that such sales are ancillary to food service."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on January 1, 2020. (Approved June 25, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 139

S.B. NO. 1246

A Bill for an Act Relating to Telehealth.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that telehealth adoption in Hawaii is increasing. The report of findings from the 2017 Hawaii Physician Workforce Assessment Project estimates that approximately fifteen per cent of providers report a telehealth experience, which is an increase from 2014 of less than five per cent. This rate increase coincides with the enactment of Act 159, Session Laws of Hawaii 2014, and Act 226, Session Laws of Hawaii 2016, both of which increased telehealth adoption such as reimbursement parity with face-to-face visits and malpractice coverage reform.

However, despite this favorable policy environment, telehealth utilization remains frustratingly low. A continuum of issues across multiple sectors must be addressed, such as incentives for provider adoption, patient comfort with new technology, health care workforce training, technology and telecommunications infrastructure, and administrative simplification between health systems.

The purpose of this Act is to establish resources to achieve Hawaii's goal of establishing telehealth as a community standard for health care access.

SECTION 2. Definitions. As used in this Act, unless the context requires otherwise:

"Telehealth" means the use of telecommunications services, as defined in section 269-1, Hawaii Revised Statutes, to encompass four modalities: store and forward technologies, remote monitoring, live consultation, and mobile health; and which shall include real-time video conferencing-based communication, secure interactive and non-interactive web-based communication, and secure asynchronous information exchange, to transmit patient medical information, including diagnostic-quality digital images and laboratory results for medical interpretation and diagnosis, for the purpose of delivering enhanced health care services and information while a patient is at an originating site and the health care provider is at a distant site. Standard telephone contacts, facsimile transmissions, or e-mail text, in combination or by itself, does not constitute a telehealth service for the purposes of this Act.

SECTION 3. State telehealth policy, roles, and responsibilities. (a) It shall be the policy of the State to promote telehealth to deliver health care from a distance as an effective way of overcoming certain barriers to accessing care, particularly for communities located in rural and remote areas.

(b) The department of health is authorized to lead statewide efforts to ensure consumer choice, reduce disparities in access to care, enhance health care provider availability, and improve quality of care through telehealth.

SECTION 4. State strategic telehealth advisory council. (a) There is established within the department of health for administrative purposes the state strategic telehealth advisory council. The advisory council shall advise the governor in the development and implementation of a comprehensive plan to establish telehealth as high quality, cost-effective, and reliable means of health care access.

(b) The membership of the state strategic telehealth advisory council shall be appointed by the governor without regard to section 26-34, Hawaii Revised Statutes. The director of health or a designee shall serve as an ex officio nonvoting member of the advisory council.

(c) In establishing the advisory council, the governor shall appoint at least:

- (1) Two members of organizations that represent health care facilities, one of whom shall be a representative of a hospital;
- (2) Two members of organizations that represent health insurers, one of whom shall be a representative of an organization that primarily serves medicaid beneficiaries;
- (3) One member of an organization that represents broadband infrastructure or telecommunications services;
- (4) One member from the office of the governor;
- (5) Two members of long-term care service providers, one of whom shall be a representative of a nursing home and one of whom shall be a representative of a home health agency or community-based health services program;
- (6) Two health care practitioners, each of whom practices primarily in a rural county; and
- (7) One member of an organization that represents mental health service providers;

provided that there shall be at least one state strategic telehealth advisory council member from each county in the State. The advisory council shall select a chairperson from among its members.

The members shall serve without compensation but shall be reimbursed for actual expenses, including travel expenses, that are necessary for the performance of their duties.

(d) The number of members necessary to constitute a quorum to do business shall consist of a majority of all members who have accepted the nomination to the advisory council. When a quorum is in attendance, the concurrence of a majority of the members in attendance shall make any action of the council valid.

(e) Two or more members of the council, but less than the number of members which would constitute a quorum for the council, may discuss between themselves matters relating to official business of the council to enable them to faithfully perform their duties to the council and the organizations they represent, as long as no commitment to vote is made or sought. Such discussions shall be a permitted interaction under section 92-2.5, Hawaii Revised Statutes.

(f) The state strategic telehealth advisory council shall be dissolved on July 1, 2022.

SECTION 5. State telehealth and health care access coordinator. (a) There is established a full-time state telehealth and health care access coordinator to support the state strategic telehealth advisory council. The state telehealth and health care access coordinator shall facilitate the establishment of infrastructure and policies across all agencies of the State and private sector to promote the expansion of telehealth in the State, including:

- (1) Providing administrative support to the state strategic telehealth advisory council;
- (2) Coordinating with the department of commerce and consumer affairs on issues relating to professional and vocational licensing and insurance regulation as related to telehealth;
- (3) Coordinating with the department of commerce and consumer affairs and department of business, economic development, and tourism on broadband connectivity;
- (4) Coordinating with the department of education, department of public safety, department of human services, Hawaii employer-union health benefits trust fund, and other state agencies that finance or provide health care services to promote the use of telehealth;
- (5) Coordinating with the University of Hawaii and other agencies on telehealth research to ensure quality, cost-effectiveness, and efficacy;
- (6) Coordinating with the department of labor and industrial relations, University of Hawaii, department of education, and other agencies to encourage a telehealth-capable workforce;
- (7) Coordinating with the office of enterprise technology services on matters related to cybersecurity; and
- (8) Coordinating with the private sector to ensure alignment and consistency with state goals.

(b) The state telehealth and health care access coordinator shall be selected by the director of health.

SECTION 6. Telehealth administrative simplification working group. The department of health shall establish and convene a telehealth administrative simplification working group to research and make recommendations to reduce administrative barriers to telehealth, which may include health care system credentialing, privileging, and other processes that contribute to delays and inefficiencies for health care providers delivering care to patients. The telehealth administrative simplification working group shall be exempt from part I of chapter 92, Hawaii Revised Statutes.

The telehealth administrative simplification working group shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days before the convening of the regular session of 2020.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$110,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the establishment of one full-time equivalent (1.0 FTE) permanent state telehealth and health care access coordinator position within the department of health.

The sums appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

ACT 140

H.B. NO. 1453

A Bill for an Act Relating to Emergency Medical Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 321, Hawaii Revised Statutes, is amended by adding two new sections to part XVIII to be appropriately designated and to read as follows:

"§321-A Enhanced and expanded emergency medical services; fees. (a) The department shall establish reasonable fees to be collected from individuals who are:

- (1) Transported by emergency ground ambulance services to a health care facility designated by the department for the care of the individual; or
- (2) Provided health care by emergency medical services personnel but not transported by ground ambulance to a health care facility.

(b) The department may adopt rules pursuant to chapter 91 necessary to effectuate the purposes of this section.

(c) No later than July 1, 2020, the department shall adopt interim rules, which shall be exempt from chapter 91 and chapter 201M, to effectuate the purposes of this section; provided that the interim rules shall remain in effect until July 1, 2023, or until rules are adopted pursuant to subsection (b), whichever occurs sooner.

§321-B Community paramedicine program; established. (a) The department of health shall establish and administer the community paramedicine program.

- (b) The department shall:
- (1) Develop guidelines for community paramedicine;
- (2) Explore and develop partnerships with public and private health care entities, insurers, and community organizations; and
- (3) Employ telehealth to enhance access and improve the patient experience.

(c) For purposes of this part, "community paramedicine program" means an enhanced and expanded service in the state comprehensive emergency medical services system that allows state-licensed health care professionals, and community health workers, to assist with public health, primary care, and prevention services, including services through telehealth.

(d) The department of health shall submit a report on the status of the community paramedicine program, including an accounting of expenses and source of funds, to the legislature no later than twenty days prior to the convening of each regular session of the legislature.

(e) The department shall adopt rules pursuant to chapter 91 to effectuate the purposes of this section.

(f) The department may adopt interim rules, which shall be exempt from chapter 91 and chapter 201M, to effectuate the purposes of this section; provided that the interim rules shall remain in effect until July 1, 2023, or until rules are adopted pursuant to subsection (e), whichever occurs sooner."

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§346- Coverage of ground ambulance services. Beginning on January 1, 2020, the State's medicaid programs:

- (1) May provide coverage for ground ambulance services pursuant to part XVIII of chapter 321; and
- (2) May provide coverage for health care provided by emergency medical services personnel, pursuant to part XVIII of chapter 321;

provided that implementation of this section is dependent on approval by the United States Centers for Medicare and Medicaid Services."

SECTION 3. The department of health shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020, 2021, 2022, and 2023. The report shall include:

- (1) The status of any rules adopted pursuant to this Act;
- (2) A report on community stakeholders engaged in developing the community paramedicine program;
- (3) The progress of the establishment of reasonable fees for individuals who are transported to health care facilities via ground ambulance or provided with health care by emergency services personnel but are not transported; and
- (4) Recommendations as to a private insurance mandate for coverage of ground ambulance services.

SECTION 4. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 25, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 141

A Bill for an Act Relating to Energy Efficiency.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the high cost of living in Hawaii adds to the importance of adopting policies that promote and encourage energy efficiency, which can provide relief for families and businesses faced with high utility bills. Without state appliance efficiency standards to provide consumer protection, appliance manufacturers may unload less efficient appliances in Hawaii that they cannot sell in other states with heightened standards and as a result, Hawaii residents risk losing as much as \$1,000,000,000 in unnecessary energy waste due to inefficient appliances. Multiple states, including California, Colorado, Connecticut, Oregon, Rhode Island, Vermont, and Washington, have adopted state appliance efficiency standards.

The legislature further finds that new appliance efficiency standards have the potential to save Hawaii families and businesses billions of dollars while conserving energy and water resources. According to a 2017 national study from the American Council for an Energy-Efficient Economy, Hawaii has the best opportunity in the nation to save money through the implementation of appliance efficiency standards. The study found that by adopting appliance efficiency standards, Hawaii could save up to \$1,000,000,000 in electricity costs over twenty years, which is the equivalent of about \$215 annually for each Hawaii household. Although many appliances, such as refrigerators, dishwashers, and commercial air conditioners, are regulated by national appliance efficiency standards, the study found that states can save billions of dollars by adopting state-level appliance efficiency standards for appliances that are not regulated by national standards.

The legislature further finds that by adopting state appliance efficiency standards, the State, among other positive results, can:

- (1) Provide a boost to the local economy, which occurs when consumers and businesses spend their economic savings on other goods and services;
- (2) Protect consumers against manufacturers who would otherwise unload less efficient appliances that they cannot sell in states with heightened standards;
- (3) Ensure that Hawaii residents do not miss out on potential savings while progress on standards at the national level is uncertain;
- (4) Improve electric system reliability and potentially reduce the need for new energy and water infrastructures based on the resulting energy and water savings;
- (5) Lower electricity bills for residents and businesses; and
- (6) Reduce air pollutants and greenhouse gas emissions, which can result in public health benefits and help the State meet its clean energy and climate change mitigation targets.

Furthermore, the legislature finds that the cost of most appliances specifically listed in this Act are equal to the cost of non-compliant appliances, or available at a minimal cost premium.

The legislature recognizes the state of California as a leader in establishing state-level appliance efficiency standards that protect consumers and finds that the California appliance efficiency standards should be used as a model for Hawaii's standards. For non-federally regulated appliances without state-level appliance efficiency standards in California, Hawaii should look to other existing standards of efficiency specifications, such as the ENERGY STAR or the U.S. Environmental Protection Agency's WaterSense program standards.

The purpose of this Act is to establish minimum appliance efficiency standards for certain products sold or installed in the State.

SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . APPLIANCE EFFICIENCY STANDARDS

§196-A Definitions. As used in this part:

²⁷Compensation" means money or any other valuable thing, regardless of form, received or to be received by a person for services rendered.

"Computer" has the same meaning as in California Code of Regulations, Title 20, Section 1602(v), as amended.

"Computer monitor" has the same meaning as in California Code of Regulations, Title 20, Section 1602(v), as amended.

"Department" means the department of business, economic development, and tourism.

"Director" means the director of business, economic development, and tourism.

"Faucet" means a lavatory faucet, kitchen faucet, metering faucet, or replacement aerator for a lavatory or kitchen faucet.

"High color rendering index fluorescent lamp" means a fluorescent lamp with a color rendering index of eighty-seven or greater that is not a compact fluorescent lamp.

"Showerhead" means a device through which water is discharged for a shower bath. Showerhead includes any showerhead, including a handheld showerhead, except a safety showerhead.

"Spray sprinkler body" means the exterior case or shell of a sprinkler incorporating a means of connection to the piping system designed to convey water to a nozzle or orifice.

§196-B Purpose. The purpose of this part is to establish minimum appliance efficiency standards for certain products sold or installed in the State.

§196-C Rules. The director may adopt rules pursuant to chapter 91 to enforce minimum efficiency standards for the types of new products set forth in section 196-D.

§196-D Scope. (a) Appliance efficiency standards are established under this part for the following appliances, if standards for these appliances are not preempted by federal law:

- (1) Computers and computer monitors;
- (2) Faucets;
- (3) High color rendering index fluorescent lamps;
- (4) Showerheads; and
- (5) Spray sprinkler bodies.

(b) This section shall apply to the sale and offering for sale, lease, or rent of appliances under subsection (a) in the State.

- (c) This section shall not apply to:
- (1) New products manufactured in the State and sold outside the State;
- (2) New products manufactured outside the State and sold at wholesale inside the State for final retail sale and installation outside the State;

- (3) Products installed in mobile manufactured homes at the time of construction; or
- (4) Products designed expressly for installation and use in recreational vehicles.

If any standard established under this part is subsequently preempted by federal law, all other state appliance efficiency standards not preempted shall remain in effect.

§196-E Appliance efficiency standards. (a) The following minimum efficiency standards shall apply to products listed or incorporated in section 196-D:

- (1) Computers and computer monitors shall meet the requirements set forth in California Code of Regulations, Title 20, Section 1605.3, as amended;
- (2) Faucets shall meet the minimum efficiency standards set forth in California Code of Regulations, Title 20, Section 1605.1, as amended;
- (3) High color rendering index fluorescent lamps shall meet the minimum efficacy requirements contained in Section 430.32(n)(4) of Title 10 of the Code of Federal Regulations as in effect on January 3, 2017, as measured in accordance with Appendix R to Subpart B of Part 430 of Title 10 of the Code of Federal Regulations—"Uniform Test Method for Measuring Average Lamp Efficacy (LE), Color Rendering Index (CRI), and Correlated Color Temperature (CCT) of Electric Lamps"—as amended;
- (4) Showerheads shall meet the minimum efficiency standards set forth in California Code of Regulations, Title 20, Section 1605.1, as amended; and
- (5) Spray sprinkler bodies that are not specifically excluded from the scope of the Environmental Protection Agency's WaterSense Specification for Spray Sprinkler Bodies, Version 1.0, shall include an integral pressure regulator and shall meet the water efficiency and performance criteria and other requirements of that specification, as amended.

(b) When adopting standards for appliances pursuant to section 196-D(a), the director shall set appliance efficiency standards upon a determination that increased efficiency standards would serve to promote energy or water conservation in the State and would be cost effective for consumers who purchase and use such new products.

§196-F Implementation. (a) On or after January 1, 2021, no new computer or computer monitor, faucet, high color rendering index fluorescent lamp, showerhead, or spray sprinkler body may be sold or offered for sale, lease, or rent in the State unless the efficiency of the new product meets or exceeds the efficiency standards provided in section 196-E.

(b) One year after the date upon which the sale or offering for sale of certain products becomes subject to the requirements of subsection (a), no such products may be installed for compensation in the state unless the efficiency of the new product meets or exceeds the efficiency standards provided in section 196-E.

§196-G Protection against repeal of federal standards. (a) If any of the energy or water conservation standards issued or approved for publication by the Office of the United States Secretary of Energy as of January 19, 2017, pursuant to the Energy Policy and Conservation Act (Parts 430-431 of Title 10 of

the Code of Federal Regulations), are withdrawn, repealed, or otherwise voided, the minimum energy or water efficiency level permitted for products previously subject to federal energy or water conservation standards shall be the previously applicable federal standards, and no such new product may be sold or offered for sale, lease, or rent in the State unless it meets or exceeds such standards.

(b) This section shall not apply to any federal energy or water conservation standard set aside by a court upon the petition of a person who will be adversely affected, as provided in Section 6306(b) of Title 42 of the United States Code.

§196-H Testing, certification, and labeling. Manufacturers shall test, certify, and label products meeting the standards set forth in section 196-E and may utilize testing, certification, and labeling programs of other states and federal agencies with similar standards for purposes of compliance under this part. Products listed in California's Modernized Appliance Efficiency Database System shall be deemed to be in compliance with this part."

SECTION 3. Section 269-123, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The public benefits fee administrator's duties and responsibilities shall be established by the public utilities commission by rule or order, and may include:

- (1) Identifying, developing, administering, promoting, implementing, and evaluating programs, methods, and technologies that support energy-efficiency and demand-side management programs;
- (2) Encouraging the continuance or improvement of efficiencies made in the production, delivery, and use of energy-efficiency and demand-side management programs and services;
- (3) Using the energy-efficiency expertise and capabilities that have developed or may develop in the State and consulting with state agency experts;
- (4) Promoting program initiatives, incentives, and market strategies that address the needs of persons facing the most significant barriers to participation;
- (5) Promoting coordinated program delivery, including coordination with electric public utilities regarding the delivery of low-income home energy assistance, other demand-side management or energyefficiency programs, and any utility programs;
- (6) Consideration of innovative approaches to delivering demand-side management and energy-efficiency services, including strategies to encourage third-party financing and customer contributions to the cost of demand-side management and energy-efficiency services; [and]
- (7) Submitting, to the public utilities commission for review and approval, a multi-year budget and planning cycle that promotes program improvement, program stability, and maturation of programs and delivery resources[-]; and
- (8) Educating and training appliance manufacturers, distributors, and retailers of appliances covered under part of chapter 196 about the appliance efficiency standards established under that part to improve compliance."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect upon its approval. (Approved June 26, 2019.)

ACT 142

H.B. NO. 1585

A Bill for an Act Relating to the Environment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State of Hawaii has made significant progress in implementing policy to reduce the use of fossil fuels for energy generation. However, more than two-thirds of the fossil fuel imported into the State is used for transportation, which is not included in Hawaii's one hundred per cent renewable energy policy. Therefore, the legislature finds that the State must accelerate a transition to cleaner transportation to reach its carbon emissions reduction goals.

Although the cost of electric vehicles has decreased and continues to drop, the lack of electric vehicle charging systems remains a barrier to the more widespread adoption of electric vehicles. Creating incentives to build out a more robust electric vehicle infrastructure will make electric vehicles a viable option for more consumers, especially those who may not have a rooftop solar system that allows them to charge their electric vehicles at home at a lower cost.

The purpose of this Act is to create a program to be administered by the public utilities commission that offers rebates for the installation of new electric vehicle charging systems or the upgrade of existing electric vehicle charging systems.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

"§269-A Electric vehicle charging system; rebate program. (a) The public utilities commission, in consultation with electric vehicle stakeholders and the state energy office, shall administer a rebate program that incentivizes the installation or upgrade of an electric vehicle charging system, as provided in this section, and may contract with a third-party administrator pursuant to section 269-B to operate and manage the rebate program.

(b) An applicant may be eligible for a rebate under the rebate program if the applicant:

- (1) Installs a new electric vehicle charging system where none previously existed to either:
 - (A) An alternating current Level 2 station with two or more ports that provide electricity to two or more electric vehicles; or
 - (B) A direct current fast charging system; or
- (2) Upgrades an existing electric vehicle charging system to either:
 - (A) An alternating current Level 2 station with two or more ports that provide electricity to two or more electric vehicles; or
 - (B) A direct current fast charging system.
- (c) Subject to subsection (d), rebates shall be distributed as follows:
- (1) Each eligible installation of an electric vehicle charging system shall receive:
 - (A) \$4,500 for the installation of an alternating current Level 2 station with two or more ports; and
 - (B) \$35,000 for the installation of a direct current fast charging system; and
- (2) Each eligible upgrade of an electric vehicle charging system shall receive:
 - (A) \$3,000 for the upgrade to an alternating current Level 2 station with two or more ports; and
 - (B) \$28,000 for the upgrade to a direct current fast charging system.

(d) The public utilities commission shall not issue more than \$500,000 in total rebates under this section each fiscal year.

- (e) The public utilities commission shall:
- (1) Prepare any forms that may be necessary for an applicant to claim a rebate pursuant to this section; and
- (2) Require each applicant to furnish reasonable information to ascertain the validity of the claim, including but not limited to documentation necessary to demonstrate that the installation or upgrade for which the rebate is claimed is eligible.

(f) This section shall apply to electric vehicle charging systems that are installed or upgraded after December 31, 2019.

(g) Applicants shall submit applications to the public utilities commission within twelve months of the date that the newly installed or upgraded charging system is placed into service to claim a rebate from the electric vehicle charging system rebate program. Failure to apply to the commission within twelve months of the date that the newly installed or upgraded charging system is placed into service shall constitute a waiver of the right to claim the rebate.

(h) Nothing in this section shall alter taxes due on the original purchase or upgrade price of an electric vehicle charging system prior to the application of the rebate. Any rebate received pursuant to the electric vehicle charging system rebate program shall not be considered income for the purposes of state or county taxes.

(i) In administering the electric vehicle charging system rebate program, the public utilities commission shall give consideration to the following guidelines:

- (1) Priority should be given to electric vehicle charging systems that are publicly available, serve multiple tenants, employees, or customers, or serve electric vehicle fleets;
- (2) Electric vehicle charging system rebates should enhance broader public clean energy and grid resiliency goals by supporting deployment of electric vehicle charging systems that can regulate their time of use, be networked and co-optimized with other electric vehicle

charging systems, and otherwise provide grid services or other benefits to the utility and electric grid; and

- (3) Electric vehicle charging systems that serve a single person, such as a reserved parking stall or a single-family residence, shall not be eligible for rebates.
- (j) As used in this section:

"Alternating current Level 2 charging station", commonly referred to as "Level 2 charging station", means an electric vehicle charging system that utilizes alternating current electricity providing at least three kilowatts and means a system that:

- (1) Is capable of providing electricity from a non-vehicle source to charge the batteries of one or more electric vehicles;
- (2) Meets recognized standards and protocols including, but not limited to, Society of Automotive Engineers (SAE) J1772[™] of SAE International and Tesla protocol; and
- (3) Is designed and installed in compliance with article 625 of the National Electrical Code to appropriate Nationally Recognized Testing Laboratories' standards.

"Applicant" means an individual; non-profit or for-profit corporation; local, state, or federal government agency; homeowner association; or any other eligible entity as defined under rules adopted for the electric vehicle charging system rebate program.

"Direct current fast charging system", commonly referred to as "DC fast charging system", means an electric vehicle charging system that utilizes direct current electricity providing forty kilowatts or greater and:

- (1) Is capable of providing electricity from a non-vehicle source to charge the batteries of one or more electric vehicles;
- (2) Meets recognized standards and protocols, including, but not limited to, Society of Automotive Engineers (SAE) J1772[™] of SAE International, Tesla protocol, and CHAdeMO protocol; and
- (3) Is designed and installed in compliance with article 625 of the National Electrical Code to appropriate Nationally Recognized Testing Laboratories' standards.

"Electric vehicle charging system" has the same meaning as Electric Vehicle Supply Equipment as defined in article 625.2 of the National Electrical Code, as amended.

§269-B Electric vehicle charging system; rebate program; administrator; establishment. (a) The public utilities commission may contract with a thirdparty administrator to operate and manage any programs established under section 269-A. The administrator shall not be deemed to be a "governmental body" as defined in section 103D-104; provided that all moneys transferred to the thirdparty administrator shall have been appropriated by the legislature or shall be from funds provided by the federal government or private funding sources. The administrator shall not expend more than ten per cent of the amounts appropriated for the rebate program or other reasonable percentage determined by the public utilities commission for administration of the programs established under section 269-A.

(b) The electric vehicle charging system rebate program administrator shall be subject to regulation by the public utilities commission under any provision applicable to a public utility in sections 269-7, 269-8, 269-8, 269-8, 269-10, 269-13, 269-15, 269-19.5, and 269-28, and shall report to the public utilities commission on a regular basis. Notwithstanding any other provision of

law to the contrary, the electric vehicle charging system rebate program administrator shall not be an electric public utility or an electric public utility affiliate."

SECTION 3. There is appropriated out of the energy security special fund the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2020-2021 for deposit into the public utilities commission special fund.

SECTION 4. There is appropriated out of the public utilities commission special fund the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2020-2021 for the purposes authorized in section 2 of this Act.

The sums appropriated shall be expended by the public utilities commission for the purposes of this Act.

SECTION 5. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 6. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 143

S.B. NO. 661

A Bill for an Act Relating to Fuel Cell Electric Vehicles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 103D-412, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) Beginning January 1, 2010, all state and county entities, when purchasing new vehicles, shall seek vehicles with reduced dependence on petroleumbased fuels that meet the needs of the agency. Priority for selecting vehicles shall be as follows:

- (1) Electric or plug-in hybrid electric vehicles[;] and fuel cell electric vehicles;
- [(2) Hydrogen or fuel cell vehicles;
- (3)] (2) Other alternative fuel vehicles;
- [(4)] (3) Hybrid electric vehicles; and
- (5) (4) Vehicles that are identified by the United States Environmental Protection Agency in its annual "Fuel Economy Leaders" report as being among the top performers for fuel economy in their class.
 - (c) For the purposes of this section:

"Agency" means a state agency, office, or department.

ACT 143

"Alternative fuel" means alcohol fuels, mixtures containing eighty-five per cent or more by volume of alcohols with gasoline or other fuels, natural gas, liquefied petroleum gas, hydrogen, biodiesel, mixtures containing twenty per cent or more by volume of biodiesel with diesel or other fuels, other fuels derived from biological materials, and electricity provided by off-board energy sources.

"Covered fleet" has the same meaning as contained in 10 Code of Federal Regulations Part 490 Subpart C.

"Excluded vehicles" has the same meaning as provided in 10 Code of Federal Regulations section 490.3.

<u>"Fuel cell electric vehicle" means a zero-emission electric vehicle that uses a fuel cell to convert hydrogen gas and oxygen into electricity that is used in a vehicle powertrain for propulsion.</u> "Light-duty motor vehicle" has the same meaning as contained in 10

"Light-duty motor vehicle" has the same meaning as contained in 10 Code of Federal Regulations Part 490, not including any vehicle incapable of traveling on highways or any vehicle with a gross vehicle weight rating greater than eight thousand five hundred pounds."

SECTION 2. Section 291-71, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) For the purposes of this section:

"Electric vehicle" means:

- (1) A neighborhood electric vehicle as defined in section 286-2; [or]
- (2) A vehicle, with four or more wheels, that draws propulsion energy from a battery with at least four kilowatt hours of energy storage capacity that can be recharged from an external source of electricity[-]; or
- (3) A fuel cell electric vehicle.

"Electric vehicle charging system" means a system that:

- (1) Is capable of providing electricity from a non-vehicle source to charge the batteries of one or more electric vehicles;
- (2) Meets recognized standards, including standard SAE J1772 of SAE International; and
- (3) Is designed and installed in compliance with article 625 of the National Electrical Code[-]:

provided that the term shall not include facilities or systems for refueling the hydrogen storage tank of a fuel cell electric vehicle.

<u>"Fuel cell electric vehicle" means a zero-emission electric vehicle that uses a fuel cell to convert hydrogen gas and oxygen into electricity that is used in a vehicle powertrain for propulsion.</u>

"Place of public accommodation" has the same meaning as that provided in section 489-2."

SECTION 3. Act 168, Session Laws of Hawaii 2012, is amended by amending subsection (d) of section 2 to read as follows:

"(d) For the purposes of this Act:

"Electric vehicle" means:

- (1) A neighborhood electric vehicle; $[\Theta r]$
- (2) A vehicle, with four or more wheels, that draws propulsion energy from a battery with at least four kilowatt hours of energy storage capacity that can be recharged from an external source of electricity[-]; or
- (3) <u>A fuel cell electric vehicle.</u>

"Fuel cell electric vehicle" means a zero-emission electric vehicle that uses a fuel cell to convert hydrogen gas and oxygen into electricity that is used in a vehicle powertrain for propulsion."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved June 26, 2019.)

ACT 144

H.B. NO. 401

A Bill for an Act Relating to Contracting for Public Facilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that energy performance contracting for energy efficiency retrofits at public facilities has saved taxpayers in the State hundreds of millions of dollars over the last decade. Energy performance contracts allow public agencies to leverage private sector partnerships and provide financing to implement capital-intensive projects that offer guaranteed energy savings over the term of a contract.

In addition to promoting public sector energy efficiency, the State has established ambitious goals to adopt renewable energy and clean transportation technologies and is actively developing opportunities for public agencies and facilities to contribute to these goals.

The legislature also finds that allowing public agencies to use innovative public-private partnership tools, such as energy performance contracting, to procure and use additional distributed energy resources, including solar, batteries, electric vehicles, and electric vehicle charging stations, will enhance the public sector's ability to support state energy goals while saving taxpayer dollars on energy and fuel costs.

The legislature notes that both the United States armed forces and Colorado have already expanded the use of energy performance contracting to support their energy and transportation goals. Furthermore, the legislature finds that public facilities will increasingly incorporate electric vehicle charging infrastructure to support public vehicle fleets. The legislature further finds that this infrastructure will interact with the public facilities' electrical systems. Accordingly, the legislature believes that the procurement of electric vehicles and facility infrastructure should be coordinated to maximize synergies and energy savings.

SECTION 2. Chapter 36, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§36- Vehicle fleet performance contracts for vehicle fleet energy efficiency programs. (a) All agencies shall identify and evaluate vehicle fleet energy efficiency programs that the agency may implement using vehicle fleet performance contracts.

(b) Any agency may enter into a multi-year vehicle fleet performance contract for the purpose of undertaking or implementing a vehicle fleet energy efficiency program and acquiring vehicles, vehicle fleets, necessary vehicle charging or fueling infrastructure, and renewable energy systems that supply charging or fueling infrastructure. (c) Any agency evaluating and implementing an energy performance contract under section 36-41 may incorporate vehicle fleet operational and fuel cost-savings measures into that energy performance contract; provided that these measures comply with the contracting provisions for vehicle fleet performance contracts provided for in subsection (e)(6), (7), and (8).

(d) A vehicle fleet performance contract for vehicle fleet energy efficiency may include financing options, including leasing, lease-purchase, financing agreements, third-party joint ventures, guaranteed-savings plans, vehicle or vehicle fleet service contracts, or any combination thereof. Except as otherwise provided by law, the agency that is responsible for a particular vehicle fleet shall review and approve vehicle fleet performance contract arrangements.

(e) Notwithstanding any law relating to the award of public contracts to the contrary, any agency desiring to enter into a vehicle fleet performance contract, pursuant to this section, shall comply with the following:

- (1) The agency shall issue a public request for proposals, advertised in the same manner as provided in chapter 103D, concerning the provision of the vehicle fleet or the design, operation, and maintenance of a vehicle fleet energy efficiency program, fleet vehicles, necessary charging or fueling infrastructure, or renewable energy systems that supply charging or fueling infrastructure; provided that the request for proposals shall contain terms and conditions relating to the submission of proposals, evaluation and selection of proposals, financial terms, legal responsibilities, and any other matters as may be required by law or determined by the agency to be appropriate;
- (2) Upon receiving responses to the request for proposals pursuant to paragraph (1), the agency may select the most qualified proposal or proposals on the basis of the experience and qualifications of the proposers, technical approach, financial arrangements, overall benefits to the agency, and any other factors determined by the agency to be relevant and appropriate;
- (3) The agency may negotiate and enter into a vehicle fleet performance contract with the person or company whose proposal is selected as the most qualified based on the criteria established by the agency pursuant to paragraph (2);
- pursuant to paragraph (2);
 (4) The term of the vehicle fleet performance contract shall not exceed twenty years;
- (5) The vehicle fleet performance contract shall contain the following annual allocation dependency clause: "The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the applicable funding authority. If that authority fails to appropriate sufficient funds to provide for the continuation of the contract, the contract shall terminate on the last day of the fiscal year for which allocations were made";
- (6) The agency may include in the vehicle fleet performance contract a requirement that the agency shall ultimately receive title to the vehicles, vehicle charging and fueling infrastructure, and renewable energy systems that supply charging or fueling infrastructure being financed under the contract;
- (7) The agency shall include in the vehicle fleet performance contract a requirement that the total annual payments for vehicle fleet operational and fuel cost-savings measures shall not exceed total vehicle fleet operational and fuel cost savings achieved by the implementation of the measures;

- (8) For any guaranteed-savings plan, the payment obligation for each year of the contract, including the year of acquisition, shall be guaranteed by the private sector person or company to be less than the annual vehicle fleet operational and fuel cost savings attributable under the contract to the vehicles and necessary charging or fueling infrastructure; provided that this guarantee, at the option of the agency, shall be a bond or insurance policy, or other type of guarantee determined by the agency to be sufficient to provide a similar level of assurance to that of a bond or insurance policy; and provided further that, if the actual annual verified savings are less than the annual amount guaranteed by the vehicle fleet company, the vehicle fleet company, within thirty days of being invoiced, shall pay the agency, or cause the agency to be paid, the difference between the guaranteed amount and the actual verified amount; and
- (9) No vehicle, vehicle fleet, vehicle charging or fueling infrastructure, or renewable energy system contracted for or procured under a vehicle fleet performance contract shall qualify for or claim a state tax credit, state rebate, or other state financial incentive of any kind.
- (f) For the purposes of this section:

"Agency" means any executive department, independent commission, board, bureau, office, or other establishment of the State or any county government, the judiciary, the University of Hawaii, or any quasi-public institution that is supported in whole or in part by state or county funds.

"Energy performance contract" shall have the same meaning as in section 36-41.

"Financing agreement" shall have the same meaning as in section 37D-2.

"Guaranteed-savings plan" means an agreement under which a private sector person or company undertakes to design, operate, and maintain a vehicle fleet energy efficiency program and related vehicle fleet operational and fuel costsavings measures for an agency and the agency agrees to pay a contractually specified amount of verified vehicle fleet operational and fuel cost savings.

"Vehicle" means every device in, upon, or by which any person or property is or may be transported or drawn upon a highway.

"Vehicle fleet operational and fuel cost savings" means a measurable decrease in the operational and maintenance costs of vehicles that is associated with fuel or maintenance based on higher efficiency ratings or alternative fueling methods, including but not limited to savings from the reduction in maintenance requirements and a reduction in or the elimination of projected fuel purchase expenses as a direct result of investment in electric or alternative fuel vehicles, vehicle charging or fueling infrastructure, and renewable energy systems that supply vehicle charging or fueling infrastructure.

"Vehicle fleet operational and fuel cost-savings measure" means any acquisition, installation, modification, or service that is designed to reduce energy consumption and related operating costs in vehicles and includes the following:

- (1) Vehicle purchase or lease costs, either in full or in part; and
- (2) Charging or fueling infrastructure, including renewable energy systems that supply this infrastructure, necessary to charge or fuel alternative fuel vehicles included in a vehicle fleet performance contract.

"Vehicle fleet performance contract" means an energy performance contract, shared-savings contract, or any other agreement in which vehicle fleet operational and fuel cost savings are used to pay for the cost of vehicles or associated capital investments in charging or fueling infrastructure.

"Verified" means the technique used in the determination of baseline vehicle fleet operational and fuel costs, post-vehicle fleet energy efficiency program vehicle fleet operational and fuel costs, and vehicle fleet operational and fuel cost savings, including engineering calculations, metering and monitoring, meter analysis, computer simulations, mathematical models, and agreed-upon stipulations by the customer and the vehicle fleet company."

SECTION 3. Section 36-41, Hawaii Revised Statutes, is amended by amending subsections (c) and (d) to read as follows:

"(c) Notwithstanding any law to the contrary relating to the award of public contracts, any agency desiring to enter into an energy performance contract shall do so in accordance with the following provisions:

- (1) The agency shall issue a public request for proposals, advertised in the same manner as provided in chapter 103D, concerning the provision of energy efficiency services or the design, installation, operation, and maintenance of energy equipment or both. The request for proposals shall contain terms and conditions relating to submission of proposals, evaluation and selection of proposals, financial terms, legal responsibilities, and other matters as may be required by law and as the agency determines appropriate;
- (2) Upon receiving responses to the request for proposals, the agency may select the most qualified proposal or proposals on the basis of the experience and qualifications of the proposers, the technical approach, the financial arrangements, the overall benefits to the agency, and other factors determined by the agency to be relevant and appropriate;
- (3) The agency thereafter may negotiate and enter into an energy performance contract with the person or company whose proposal is selected as the most qualified based on the criteria established by the agency;
- (4) The term of any energy performance contract entered into pursuant to this section shall not exceed twenty years;
- (5) Any contract entered into shall contain the following annual allocation dependency clause: "The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the applicable funding authority. If that authority fails to appropriate sufficient funds to provide for the continuation of the contract, the contract shall terminate on the last day of the fiscal year for which allocations were made":
- (6) Any energy performance contract may provide that the agency shall ultimately receive title to the energy system, vehicles, fleet vehicles, and fueling and charging infrastructure being financed under the contract;
- (7) Any energy performance contract shall provide that total payments shall not exceed total savings; and
- (8) For any guaranteed-savings plan:
 - (A) The payment obligation for each year of the contract, including the year of installation, shall be guaranteed by the private sector person or company to be less than the annual energy cost savings attributable under the contract to the energy equipment and services. Such guarantee, at the option of the agency, shall be a bond or insurance policy, or some other guarantee determined sufficient by the agency to provide a level of assurance similar to the level provided by a bond or insurance policy; and

- (B) In the event that the actual annual verified savings are less than the annual amount guaranteed by the energy service company, the energy service company, within thirty days of being invoiced, shall pay the agency, or cause the agency to be paid, the difference between the guaranteed amount and the actual verified amount.
- (d) For purposes of this section:

"Agency" means any executive department, independent commission, board, bureau, office, or other establishment of the State or any county government, the judiciary, the University of Hawaii, or any quasi-public institution that is supported in whole or in part by state or county funds.

"Energy performance contract" means an agreement for the provision of energy services and equipment, including but not limited to building or facility energy conservation enhancing retrofits, water saving technology retrofits, <u>electric vehicle charging infrastructure</u>, and alternate energy technologies, in which a private sector person or company agrees to finance, design, construct, install, maintain, operate, or manage energy systems or equipment to improve the energy efficiency of, or produce energy in connection with, a facility <u>or electric vehicle charging system</u> in exchange for a portion of the cost savings, lease payments, or specified revenues, and the level of payments is made contingent upon the verified energy savings, energy production, avoided maintenance, avoided energy equipment replacement, <u>avoided vehicle maintenance or fuel costs as-</u> sociated with the implementation of a vehicle fleet energy efficiency program <u>pursuant to section 36-</u>, or any combination of the foregoing bases. Energy conservation retrofits also include energy saved off-site by water or other utility conservation enhancing retrofits.

"Facility" means a building [or], buildings, infrastructure, or similar structure, including [the] any site owned or leased by, or otherwise under the jurisdiction or control of, the agency.

"Financing agreement" shall have the same meaning as in section 37D-2.

"Guaranteed-savings plan" means an agreement under which a private sector person or company undertakes to design, install, operate, and maintain improvements to an agency's facility or facilities and the agency agrees to pay a contractually specified amount of verified energy cost savings.

"Verified" means the technique used in the determination of baseline energy use, post-installation energy use, and energy and cost savings by the following measurement and verification techniques: engineering calculations, metering and monitoring, utility meter billing analysis, computer simulations, mathematical models, and agreed-upon stipulations by the customer and the energy service company."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval. (Approved June 26, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 145

A Bill for an Act Relating to Energy Training.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The State's ambitious clean energy goals, along with advances in energy technology, have created incentives for the adoption of new energy systems technologies and equipment, including distributed electrical systems such as solar panels and energy storage.

Installation of these modern energy systems has been an economic driver, reduced the State's dependence on imported oil, and helped to protect the environment. However, the increase in construction has placed additional burdens on some county officers and employees. County officers and employees responsible for permitting, inspecting, licensing, and approving projects, including officers and employees at county public works departments, planning and permitting departments, and fire departments, must now remain constantly informed about new technology in the energy sector. The legislature finds, though, that many of these county officers and employees are not provided with the proper training and must either research the standards themselves or pay for their own training. In addition, the lack of training can lead to unnecessary delays in the approval or implementation of a project.

The purpose of this Act is to create a program to provide training to county officers and employees responsible for permitting, inspecting, licensing, and approving energy systems and related technology.

SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§196- Energy systems and technology training. (a) Energy systems and technology training courses shall be established as needed to educate relevant officers and employees of the counties on the various standards and requirements for renewable energy systems and related distributed electricity technologies, including energy storage. The courses, including any materials necessary to implement the courses, shall be developed, designed, prepared, and conducted by the University of Hawaii community colleges, or by a public or private entity contracted by the University of Hawaii community colleges.

(b) The energy systems and technology training courses may include information on:

- (1) New innovations in energy systems and technology, such as recent advancements in distributed electricity technologies and related interaction of these systems and technologies with the electrical grid;
- (2) The implementation of new and existing energy systems and technology in compliance with international, national, state, and county standards, including building and fire codes; and
- (3) Any other relevant topic pertaining to the various standards and requirements for renewable energy systems and related technology.
- (c) The University of Hawaii community colleges shall:
- (1) Administer the energy systems and technology training courses;
- (2) Provide notifications or advertisements of the courses to relevant county officers and employees, including employees at county public works departments, planning and permitting departments, fire departments, and others involved in the permitting, inspection, licensing, and approval of construction projects; and

(3) Provide the courses at no cost to the participants or for a fee, which may be refunded; provided that funds are available for that purpose.

(d) The University of Hawaii community colleges may designate its staff to conduct the energy systems and technology training courses or contract with a public or private entity to conduct the courses.

(e) Either the University of Hawaii community colleges or an entity designated by the University of Hawaii community colleges shall establish a committee composed of stakeholders, including local and national industry representatives from distributed energy systems providers, including solar and energy storage systems, and county representatives from each county who are familiar with the job duties performed by county officers and employees who permit, inspect, license, approve, or otherwise work with energy systems and technology. The committee shall work closely with the staff of the University of Hawaii community colleges and subject-matter experts to:

- Provide input and guidance on identifying the necessary training areas in which to provide practical training relevant to the range of duties performed by county officers and employees in order to help to eliminate unnecessary delays in permitting, inspection, licensing, or approvals caused by a lack of knowledge and training about energy systems and technology;
- (2) Provide input and guidance on identifying the related and required training equipment to be incorporated into the training program; and
- (3) Assist with outreach and buy-in from county officers and employees and constituents to enhance participation in the training."

SECTION 3. The University of Hawaii community colleges shall submit a report to the legislature describing the progress made in establishing energy systems and technology training courses for county officers and employees as provided in this Act no later than twenty days prior to the convening of the regular session of 2020.

SECTION 4. There is appropriated out of the energy security special fund the sum of \$130,000 or so much thereof as may be necessary for fiscal year 2019-2020 to be deposited in the community colleges special fund for energy systems and technology training as provided for in this Act.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 146

H.B. NO. 1558

A Bill for an Act Relating to Sustainability.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that not only is climate change real, but it is the overriding challenge of the twenty-first century and one of the pri-

ority issues of the legislature. Climate change poses immediate and long-term threats to the State's economy, sustainability, security, and way of life.

The legislature recognized in Act 8, Special Session Laws of Hawaii 2005, that many quality-of-life issues, including water quality, air quality, land use, energy, and ocean resources, are important to the people of Hawaii and should be the focus for planning Hawaii's future and created the Hawaii 2050 sustainability task force and Hawaii 2050 sustainability plan to coordinate the actions needed to sustain a growing and vibrant economy, while maintaining a high quality of life for all residents and visitors.

The legislature recognized in Act 181, Session Laws of Hawaii 2011, that the creation of the Hawaii 2050 sustainability plan comes as the State faces a growing number of pressing issues, including the steady deterioration of public infrastructure, the lack of affordable housing, a continued reliance on a servicebased economy, the vulnerability of Hawaii in a volatile global energy market, possible interruptions in travel and to critical food supplies, threats to fragile island ecosystems, ever-increasing numbers of residents, and an increasing number of visitors over the long-term. These issues all raise questions about the longterm limits of growth in the State and highlight the need to begin planning and acting to assure Hawaii's sustainable future.

A ten-year measurement update of the Hawaii 2050 sustainability plan (2008-2017) was published in March 2018 by the office of the auditor with the assistance of the office of planning, which evaluated the metrics and indicators established in the Hawaii 2050 sustainability plan. The measurement update identified the need for funding to perform a formal ten-year update of the Hawaii 2050 sustainability plan.

The purpose of this Act is to establish a stronger policy framework for Hawaii sustainability efforts by incorporating sustainability coordination and planning into the duties and responsibilities of the office of planning.

SECTION 2. Chapter 226, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

"§226- Hawaii 2050 sustainability plan. (a) The Hawaii 2050 sustainability plan shall serve as the State's climate and sustainability action plan to determine future actions guiding the coordination and implementation of Hawaii's sustainability and climate adaptation goals, principles, and policies, and to define and implement state goals, objectives, policies, and priority guidelines using sections 226-3 to 226-27 and 226-103 to 226-109, and chapter 225P, as guiding principles.

(b) The office of planning shall update the sustainability plan to determine future actions guiding the coordination and implementation of Hawaii's sustainability and climate adaptation goals, principles, and policies, and to define and implement state goals, objectives, policies, and priority guidelines using sections 226-3 to 226-27 and 226-103 to 226-109, and chapter 225P, as guiding principles.

(c) The office of planning shall submit the sustainability plan updated pursuant to subsection (b) to the legislature no later than twenty days prior to the convening of the regular session of 2021 and every tenth regular session thereafter."

SECTION 3. Act 8, Special Session Laws of Hawaii 2005, as amended by Act 210, Session Laws of Hawaii 2006, is amended by amending section 4 to read as follows:

"SECTION 4. Hawaii 2050 sustainability plan. (a) After receipt of the task force's report, the office of the auditor shall prepare the Hawaii 2050 sustainability plan. The plan shall be prepared to define and implement state goals, objectives, policies, and priority guidelines using sections 226-3 to 226-27, Hawaii Revised Statutes, as guiding principles. The auditor shall seek input from all state departments. The auditor shall also solicit public views and concerns in preparation of the plan and shall incorporate all or a portion of the recommendations reported by the Hawaii 2050 task force.

The plan shall serve as a guideline for funding and implementation by state and county agencies. The office of planning shall assist the auditor in reviewing the plan.

(b) The auditor shall submit the sustainability plan to the legislature no later than twenty days before the convening of the regular session of 2008.

[(c) The auditor, with the assistance of the office of planning, shall update the plan every ten years and report to the legislature.]"

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for updating the Hawaii 2050 sustainability plan.

The sum appropriated shall be expended by the office of planning for the purposes of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 147

H.B. NO. 1548

A Bill for an Act Relating to Rapid Ohia Death.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that rapid ohia death has killed hundreds of thousands of native ohia trees and affected more than 135,000 acres of forest on Hawaii island. Ohia is the State's most common tree, comprising eighty per cent of its native forests. Ohia trees provide important habitats for other plants and animals and gather precipitation to recharge island aquifers. Ohia forests have been treasured by native Hawaiians for centuries for both practical uses and art, including hula, where the tree is the kinolau of important Hawaiian gods. The widespread loss of ohia would be catastrophic for Hawaii's culture and native ecosystems. It would reduce the municipal and agricultural water supplies and eliminate important cultural ties to the forest.

The legislature further finds that rapid ohia death is caused by two recently arrived fungi, *Ceratocystis lukuohia* and *Ceratocystis huliohia*. Ceratocystis lukuohia has caused more than ninety per cent of the rapid ohia death on Hawaii island. Both species have been found on Kauai. The legislature finds that these two fungi are released into the environment by boring beetles who are attracted to dead ohia trees. The non-native beetles bore into the wood, releasing dust and spreading disease. Rapid ohia death attacks trees where they have wounds, which may be caused by hooved animals. Additional research is needed to better understand the role of beetles and hooved animals in spreading the disease.

The purpose of this Act is to appropriate funds to the department of land and natural resources to study and combat rapid ohia death.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$750,000 or so much thereof as may be necessary for fiscal year 2019-2020 to study and combat rapid ohia death in the State.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

ACT 148

H.B. NO. 1165

A Bill for an Act Relating to Gender Identification.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that according to a 2016 report by the Williams Institute, Hawai'i has the highest percentage of transgender-identifying individuals in the United States, and that overall transgender-identifying individuals experience high levels of discrimination in every area of life. Hawai'i has been at the forefront of policies offering protection to transgender people and should continue to take proactive measures. A 2013 University of Hawai'i report found that gender-stereotypical policies and norms continue to stigmatize and exclude transgender people in the State. According to the 2018 sexual and gender minority health report by the department of health, the stigmatized minority status of transgender individuals is causing negative and disproportionate health outcomes, economic opportunities, and sociopolitical power.

Currently, driver's licenses are sex-marked. The legislature finds that sex markers on identification documents enable sex-identity and gender-identity discrimination and are not rationally related to a legitimate policy goal. Mandatory binary classification does not accommodate the wide range of natural biological variations or gender expressions. Additionally, it is overly burdensome for transgender individuals to obtain a new sex or gender marker on a driver's license.

The purpose of this Act is to allow transgender and gender-nonconforming individuals to avoid invasive questioning and discriminatory treatment by expanding gender options applicable to driver's licenses and state identification cards.

SECTION 2. Section 286-109, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Upon payment of the required fee and upon demonstrating the ability to operate a certain category or categories of motor vehicles to the satisfaction of the examiner of drivers, an applicant for a driver's license shall be issued a single license of a design approved by the director of transportation upon which is made a notation of:

- (1) The person's full legal name, date of birth, gender designation, residence address, and license number;
- [(1)] (2) The category or categories of motor vehicles the applicant may operate;
- [(2)] (3) Any restrictive provisions to which the license is subject;
- (3) (4) Veteran status, if desired by the applicant; provided that the notation shall be on the front of the license and shall not include any designation other than the term "veteran"; and
- [(4)] (5) When the license is issued to a person under twenty-one years of age, a statement, in clearly legible print that shall contrast with the other information appearing on the license, which indicates the date on which the person will attain the age of twenty-one years.

As used in this subsection [,]:

"Gender designation" includes the options of F, M, or X.

[<u>"veteran"</u>] <u>"Veteran"</u> means any person who served in any of the uniformed services of the United States, including veterans of the Korean conflict and persons who served in the armed forces of the Republic of Korea, who fought under the command of the United Nations led by the United States, during the Korean conflict and are currently United States citizens, and was discharged under conditions other than dishonorable."

SECTION 3. Section 286-111, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) Every application shall state the full name, date of birth, [sex,] gender designation, occupation, veteran status if applicable (including veterans of the Korean conflict and persons who served in the armed forces of the Republic of Korea, who fought under the command of the United Nations led by the United States, during the Korean conflict and are currently United States citizens) and desired by the applicant, social security number if the applicant is eligible for a social security number, the residence address, and business address, if any, of the applicant, shall briefly describe the applicant, and shall state whether the applicant has theretofore been licensed as a driver, and, if so, when and in what state or country, and whether any such license has ever been suspended or revoked, or whether an application has ever been refused, and if so, the date of and reason for the suspension, revocation, or refusal.

The examiner of drivers shall not require documentation for an applicant's selection of gender designation or an applicant's request for an amendment to a gender designation other than the applicant's self-certification of their chosen gender designation; provided that the examiner of drivers shall not be prohibited from requiring documentation that may incidentally show an applicant's birth sex category if such documentation is necessary to establish that the applicant is legally entitled to a license.

For purpose of this subsection, "gender designation" shall have the same meaning as in section 286-109(a)."

SECTION 4. Section 286-303, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Every application for an identification card or duplicate of an identification card shall be made on a form developed by the director and furnished by the examiner of drivers, signed by the applicant, and signed by the applicant's parent or guardian if the applicant is under eighteen years of age. The application shall contain the following information:

(1) Name and complete address, including the number and street name, of the applicant's permanent residence;

- (2) The applicant's occupation and any pertinent data relating thereto;
- (3) The applicant's citizenship status;
- (4) The applicant's veteran status if applicable and desired by the applicant;
- (5) The applicant's date and place of birth;
- (6) General description of the applicant, including the applicant's gender[,] designation, height, weight, hair color, and eye color;
- (7) The applicant's left and right index fingerprints or, if clear impressions cannot be obtained, other identifying imprints as specified by rules of the director;
- (8) The social security number of the applicant; and
- (9) A digitized frontal photograph of the applicant's full face.

Each applicant shall present documentary evidence as required by the examiner of drivers of the applicant's age and identity, and the applicant shall swear or affirm that all information given is true and correct[-]; provided that an applicant shall not be required to provide documentation to prove the applicant's gender designation other than the applicant's self-certification of their chosen gender designation; provided further that documentation that may incidentally show an applicant's birth gender may be required if necessary to establish that the applicant is legally entitled to an identification card.

For purposes of this subsection, "gender designation" shall have the same meaning as in section 286-109(a)."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2020. (Approved June 26, 2019.)

ACT 149

H.B. NO. 711

A Bill for an Act Relating to Criminal Defense.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 707-702, Hawaii Revised Statutes, is amended by amending subsection (2) to read as follows:

"(2) In a prosecution for murder or attempted murder in the first and second degrees it is an affirmative defense, which reduces the offense to manslaughter or attempted manslaughter, that the defendant was, at the time the defendant caused the death of the other person, under the influence of extreme mental or emotional disturbance for which there is a reasonable explanation. The reasonableness of the explanation shall be determined from the viewpoint of a reasonable person in the circumstances as the defendant believed them to be[-]; provided that an explanation that is not otherwise reasonable shall not be determined to be reasonable because of the defendant's discovery, defendant's knowledge, or the disclosure of the other person's actual or perceived gender, gender identity, gender expression, or sexual orientation, including under circumstances in which the other person made an unwanted nonforcible romantic or sexual advance toward the defendant, or in which the defendant and the other person dated or had a romantic relationship. If the defendant's explanation includes the discovery, knowledge, or disclosure of the other person's actual or perceived gender, gender identity, gender expression, or sexual orientation, the

court shall instruct the jury to disregard biases or prejudices regarding the other person's actual or perceived gender, gender identity, gender expression, or sexual orientation in reaching a verdict."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved June 26, 2019.)

ACT 150

S.B. NO. 1466

A Bill for an Act Relating to Gun Violence Protective Orders.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State has some of the strongest gun safety laws in the nation and in 2016 received an A-minus rating from the Law Center to Prevent Gun Violence. According to the Centers for Disease Control and Prevention, Hawaii had the second-lowest number of gun deaths per capita among the states in 2015.

However, the legislature also finds that an area in which the State can improve its gun safety laws is gun violence protective orders. Nationwide, active shooters have inflicted great harm by killing and injuring innocent persons, sometimes in tragic mass shootings such as the 2016 Orlando nightclub shooting and the 2017 Las Vegas and Sutherland Springs church shootings. In such cases, law enforcement or a member of the shooter's family or household may have observed warning signs before the shooting, but depending on the jurisdiction, they may not have had the ability to petition a court to confiscate the shooter's firearms and ammunition.

The legislature also finds that California, Oregon, Washington, and numerous other states have already implemented gun violence protection laws, allowing for a family or household member to file a petition for the temporary removal of guns from an individual who shows clear and convincing signs of planning to use these guns to commit violent acts.

The legislature further finds that section 134-7(f), Hawaii Revised Statutes, already authorizes police to take custody of a person's firearms and ammunition upon issuance of a restraining order or order of protection by any court if the court finds the person may use a firearm to threaten, injure, or abuse any person. However, the statute does not address preventative actions that may be taken by law enforcement or a family or household member of an individual who shows articulable signs of planning to use these guns to commit violent acts. Accordingly, the legislature believes that a more comprehensive law is needed.

The purpose of this Act is to reduce gun deaths and injuries in the State by establishing a detailed process that allows a law enforcement officer, family or household member, medical professional, educator, or colleague to obtain a court order to prevent a person from accessing firearms and ammunition if the person poses a danger of causing bodily injury to the person or another.

SECTION 2. Chapter 134, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . GUN VIOLENCE PROTECTIVE ORDERS

§134-A Definitions. For the purposes of this part:

"Bodily injury" has the same meaning as in section 707-700. "Business day" has the same meaning as in section 709-906.

"Colleague" means a person employed or working at the same place of business or employment as the respondent.

"Educator" means a person employed at an institution of learning at which the respondent may have a connection.

"Ex parte gun violence protective order" means an order issued by the family court, pursuant to section 134-D, prohibiting the respondent from owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition until the court-scheduled hearing for a oneyear gun violence protective order.

"Family or household member" means any spouse or reciprocal beneficiary, former spouse or former reciprocal beneficiary, person with whom the respondent has a child in common, parent, child, person related by consanguinity, person related by adoption, person jointly residing or who formerly jointly resided with a respondent in the same dwelling unit as the respondent, person who has or has had a dating relationship, or person who is or has acted as the respondent's legal guardian. "Family or household member" includes a person who is an adult roommate or a co-habitant of a respondent.

"Medical professional" means a licensed physician, advanced practice registered nurse, psychologist, or psychiatrist who has examined the respondent.

"One-year gun violence protective order" means an order issued by the family court, pursuant to section 134-E, prohibiting the respondent from owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition for a period of one year.

"Petitioner" means a law enforcement officer, family or household member of the respondent, medical professional, educator, or colleague, who files a petition pursuant to section 134-D or section 134-E.

"Respondent" means the person identified in the petition filed pursuant to section 134-D or section 134-E.

§134-B Court jurisdiction. A petition for relief under this part may be filed in any family court in the circuit in which the petitioner resides. A petition under this part shall be given docket priority by the court.

§134-C Commencement of action; forms. (a) In order to seek an ex parte gun violence protective order or a one-year gun violence protective order, the petitioner shall file a written petition for relief on forms provided by the court. The court shall designate an employee or appropriate non-judicial agency to assist the petitioner in completing the petition.

(b) The petition shall allege, under penalty of perjury, the grounds for issuance of the order and shall be accompanied by an affidavit made under oath or a statement made under penalty of perjury containing detailed allegations based on personal knowledge that the respondent poses a danger of causing bodily injury to the respondent's self or another person by owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition, and specific facts and circumstances in support thereof, as well as the number, types, and locations of any firearms or ammunition presently believed by the petitioner to be possessed or controlled by the respondent. The petition shall also state, if known to the petitioner, whether there is an existing restraining order or protective order in effect governing the respondent and

whether there is any pending lawsuit, complaint, petition, or other action between the parties under the laws of this State. The judiciary shall verify the terms of any existing order governing the parties. The court shall not delay granting relief because of the existence of a pending action between the parties or the necessity of verifying the terms of an existing order. A petition for an ex parte gun violence protective order or a one-year gun violence protective order may be granted regardless of whether there is a pending action between the parties.

(c) All health records and other health information provided in a petition or considered as evidence in a proceeding under this part shall be sealed by the court, except that the identities of the petitioner and respondent may be provided to law enforcement agencies as set forth in section 134-I. Aggregate statistical data about the numbers of ex parte gun violence protective orders and one-year gun violence protective orders issued, renewed, denied, dissolved, or terminated shall be made available to the public upon request.

(d) Upon receipt of the petition, the court shall set a date for hearing on the petition within fourteen days, regardless of whether the court issues an ex parte gun violence protective order pursuant to section 134-D. If the court issues an ex parte gun violence protective order pursuant to section 134-D, notice of the hearing shall be served on the respondent with the ex parte order. Notice of the hearing shall be personally served on the respondent by an officer of the appropriate county police department.

§134-D Ex parte gun violence protective order. (a) A petitioner may request that an ex parte gun violence protective order be issued before a hearing for a one-year gun violence protective order, without notice to the respondent.

(b) The court shall issue or deny an ex parte gun violence protective order on the same day that the petition is submitted to the court, unless the petition is filed too late in the day to permit effective adjudication, in which case the order shall be issued or denied on the next business day.

(c) Before issuing an ex parte gun violence protective order, the court may examine under oath the petitioner and any witnesses the petitioner may produce.

(d) In determining whether sufficient grounds for an ex parte gun violence protective order exist, the court shall consider all relevant evidence presented by the petitioner, and may also consider other relevant evidence, including evidence of facts relating to the respondent's:

- (1) Unlawful, reckless, or negligent use, display, storage, possession, or brandishing of a firearm;
- (2) Act or threat of violence against the respondent's self or another person, regardless of whether the violence involves a firearm;
- (3) Violation of a protective order or restraining order issued pursuant to chapter 586 or section 604-10.5, or a similar law in another state;
- (4) Abuse of controlled substances or alcohol or commission of any criminal offense that involves controlled substances or alcohol; and
- (5) Recent acquisition of any firearms, ammunition, or other deadly weapons.

(e) The court shall also consider the time that has elapsed since the events described in subsection (d).

(f) If the court finds probable cause to believe that the respondent poses an imminent danger of causing bodily injury to the respondent's self or another person by owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition, the court shall issue an ex parte gun violence protective order.

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(g) An ex parte gun violence protective order issued pursuant to this section shall include:

- (1) A statement that the respondent shall not own, purchase, possess, receive, transfer ownership of, or have in the respondent's custody or control, or attempt to purchase, receive, or transfer ownership of, any firearm or ammunition while the order is in effect;
- (2) A description of the requirements for relinquishment of firearms and ammunition under section 134-G;
- (3) A statement of the grounds asserted for the order;
- (4) A notice of the hearing under section 134-C(d) to determine whether to issue a one-year gun violence protective order, including the address of the court and the date and time when the hearing is scheduled;
- (5) A statement that at the hearing, the court may extend the order for one year; and
- (6) A statement that the respondent may seek the advice of an attorney as to any matter connected with the order, and that the attorney should be consulted promptly so that the attorney may assist the respondent in any matter connected with the order.

(h) An exparte gun violence protective order issued pursuant to this section shall be personally served on the respondent by an officer of the appropriate county police department. The officer shall file the proof of service with the court within one business day of service.

(i) In accordance with section 134-C(d), the court shall schedule a hearing within fourteen days of the granting of the petition for an ex parte gun violence protective order to determine if a one-year gun violence protective order shall be issued. A respondent may seek an extension of time before the hearing. The court shall dissolve any ex parte gun violence protective order in effect against the respondent if the court subsequently holds the hearing and issues or denies a one-year gun violence protective order.

§134-E One-year gun violence protective order issued after notice and hearing. (a) A petitioner requesting a one-year gun violence protective order shall include in the petition detailed allegations based on personal knowledge that the respondent poses a significant danger of causing a self-inflicted bodily injury or an injury to another person by owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition.

(b) In determining whether to issue a one-year gun violence protective order under this section, the court shall consider all relevant evidence presented by the petitioner and the respondent, and may also consider other relevant evidence, including but not limited to evidence of the facts identified in section 134-D(d).

(c) If the court finds by a preponderance of the evidence at the hearing that the respondent poses a significant danger of causing bodily injury to the respondent's self or another person by owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition, the court shall issue a one-year gun violence protective order.

(d) A one-year gun violence protective order issued pursuant to this section shall include all of the following:

(1) A statement that the respondent shall not own, purchase, possess, receive, transfer ownership of, or have in the respondent's custody or control, or attempt to purchase, receive, or transfer ownership of, any firearm or ammunition while the order is in effect;

- (2) A description of the requirements for relinquishment of firearms and ammunition under section 134-G;
- (3) A statement of the grounds supporting the issuance of the order;
- (4) The date and time the order expires;
- (5) The address of the court that issued the order;
- (6) A statement that the respondent may request a hearing to terminate the order at any time during its effective period;
- (7) A statement that the respondent may seek the advice of an attorney as to any matter connected to the order;
- (8) A statement of whether the respondent was present in court to be advised of the contents of the order or whether the respondent failed to appear; and
- (9) A statement that if the respondent was present in court, the respondent's presence shall constitute proof of service of notice of the terms of the order.

(e) If the respondent fails to appear at the hearing, a one-year gun violence protective order issued pursuant to this section shall be personally served on the respondent by an officer of the appropriate county police department. The officer shall file the proof of service with the court within one business day of service.

§134-F Termination and renewal. (a) The respondent named in a one-year gun violence protective order issued under section 134-E may submit a written request at any time during the effective period of the order for a hearing to terminate the order. Upon receipt of the written request for termination:

- (1) The court shall set a date for a hearing. Notice of the request shall be personally served on the petitioner by any person authorized by section 634-21. The hearing shall occur no sooner than fourteen days from the date of service of the request upon the petitioner; and
- (2) The respondent seeking termination of the order shall have the burden of proving by a preponderance of the evidence that the respondent does not pose a significant danger of causing bodily injury to the respondent's self or another person by owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition.

If the court finds after the hearing that the respondent has met the respondent's burden, the court shall terminate the order.

(b) A petitioner may submit a written request for a renewal of a oneyear gun violence protective order within three months prior to the expiration of the order. Upon receipt of the written request for renewal, the court:

- (1) In determining whether to renew a one-year gun violence protective order, after notice to the respondent, shall consider all relevant evidence presented by the petitioner and the respondent and may also consider other relevant evidence, including evidence of the facts identified in section 134-D(d); and
- (2) May renew a one-year gun violence protective order if the court finds by a preponderance of the evidence that the respondent continues to pose a significant danger of causing bodily injury to the respondent's self or another person by owning, purchasing, possessing, receiving, or having in the respondent's custody or control any firearm or ammunition.

A one-year gun violence protective order renewed pursuant to this section shall expire after one year, subject to termination by further order of the court at a hearing held pursuant to subsection (a) and further renewal by order of the court pursuant to this subsection.

§134-G Relinquishment of firearms and ammunition. (a) Upon issuance of an ex parte gun violence protective order, a one-year gun violence protective order, or a domestic abuse protective order, the court shall order the respondent to voluntarily surrender or dispose of all firearms and ammunition that the respondent owns or possesses, or has in the respondent's custody or control, in accordance with section 134-7.3(b).

(b) At the time of serving notice of a petition, an ex parte gun violence protective order, a one-year gun violence protective order, or a domestic abuse protective order, a police officer shall take custody of any and all firearms and ammunition in accordance with the procedure described in section 134-7(f). Alternatively, if personal service by a police officer is not possible, the respondent shall surrender the firearms and ammunition in a safe manner to the control of the chief of police where the respondent resides within forty-eight hours of being served with the order.

(c) At the time of surrender or removal, a police officer taking possession of a firearm or ammunition pursuant to an ex parte gun violence protective order, a one-year gun violence protective order, or domestic abuse protective order shall issue a receipt identifying all firearms and ammunition that have been surrendered or removed and provide a copy of the receipt to the respondent. Within seventy-two hours after being served with the order, the officer serving the order shall file the original receipt with the court that issued the ex parte gun violence protective order or one-year gun violence protective order, and shall ensure that the appropriate county police department retains a copy of the receipt.

(d) A court that has probable cause to believe a respondent to a protective order owns, possesses, or has in the respondent's custody or control any firearms or ammunition that the respondent has failed to surrender pursuant to this section, or has received or purchased a firearm or ammunition while subject to the order, shall issue a warrant describing the firearm or ammunition and authorizing a search of any location where the firearm or ammunition is reasonably believed to be and the seizure of any firearm or ammunition discovered pursuant to the search.

(e) The appropriate county police department may charge the respondent a fee not to exceed the reasonable and actual costs incurred by the department for storing a firearm or ammunition surrendered or removed pursuant to this section for the duration of the ex parte gun violence protective order, oneyear gun violence protective order, or domestic abuse protective order and any additional periods necessary under section 134-H.

§134-H Return and disposal of firearms or ammunition. (a) A county police department shall return any surrendered or removed firearm or ammunition requested by a respondent only after confirming, through a criminal history background check, that the respondent is currently eligible to own or possess firearms and ammunition.

(b) A respondent who has surrendered or had removed any firearm or ammunition to or by a county police department pursuant to section 134-G and who does not wish to have the firearm or ammunition returned, or who is no longer eligible to own or possess firearms or ammunition, may sell or transfer title of the firearm or ammunition to a firearms dealer licensed under section 134-31. The department shall transfer possession of the firearm or ammunition to a firearms dealer licensed under section 134-31 only after the dealer has provided written proof of transfer of the firearm or ammunition from the respondent to the dealer and the department has verified the transfer with the respondent.

(c) If a person other than the respondent claims title to any firearm or ammunition surrendered or removed pursuant to section 134-G, and that person is determined by the appropriate county police department to be the lawful owner of the firearm or ammunition, the firearm or ammunition shall be returned to the lawful owner.

(d) A county police department holding any firearm or ammunition that was surrendered by or removed from a respondent pursuant to section 134-G may dispose of the firearm or ammunition only after six months from the date of proper notice to the respondent of the department's intent to dispose of the firearm or ammunition, unless the firearm or ammunition has been claimed by the lawful owner. If the firearm or ammunition remain unclaimed after six months from the date of notice, then no party shall thereafter have the right to assert ownership thereof and the department may dispose of the firearm or ammunition.

(e) For the purposes of this section, "dispose" means selling the firearm or ammunition to a firearms dealer licensed under section 134-31, or destroying the firearm or ammunition.

§134-I Reporting of order to Hawaii criminal justice data center. (a) The court shall notify the Hawaii criminal justice data center no later than one business day after issuing, serving, renewing, dissolving, or terminating an ex parte gun violence protective order or a one-year gun violence protective order under this part and after receiving notice of such an order.

(b) The information required to be submitted to the Hawaii criminal justice data center pursuant to this section shall include identifying information about the petitioner and respondent and the date the order was issued, served, renewed, dissolved, or terminated. In the case of a one-year gun violence protective order, the court shall include the date the order is set to expire.

(c) The Hawaii criminal justice data center shall maintain a searchable database of the information it receives under this section and make the information available to law enforcement agencies upon request.

(d) The Hawaii criminal justice data center shall within one business day make information about an ex parte gun violence protective order or a one-year gun violence protective order issued, served, renewed, dissolved, or terminated pursuant to this part available to the National Instant Criminal Background Check System for the purposes of firearm purchaser background checks.

§134-J Penalties. A person who files a petition for an ex parte gun violence protective order or a one-year gun violence protective order under this part, knowing the information in the petition to be materially false or with an intent to harass the respondent, is guilty of a misdemeanor.

§134-K Law enforcement to retain other authority. The provisions of this part shall not affect the ability of a law enforcement officer to remove firearms or ammunition from any person pursuant to other lawful authority.

§134-L Lack of liability for failure to seek order. This part shall not be construed to impose criminal or civil liability on any person who chooses not to seek an ex parte gun violence protective order or a one-year gun violence protective order pursuant to this part."

SECTION 3. Section 134-7, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) No person who has been restrained pursuant to an order of any court, including [an ex parte order as provided in this subsection,] a gun violence protective order issued pursuant to part, from contacting, threatening, or physically abusing any person, shall possess, control, or transfer ownership of any firearm or ammunition therefor, so long as the protective order, restraining order, or any extension is in effect, unless the order, for good cause shown, specifically permits the possession of a firearm and ammunition. The protective order or restraining order [or order of protection] shall specifically include a statement that possession, control, or transfer of ownership of a firearm or ammunition by the person named in the order is prohibited. [Such] The person shall relinquish possession and control of any firearm and ammunition owned by that person to the police department of the appropriate county for safekeeping for the duration of the order or extension thereof. [In the case of an ex parte order, the affidavit or statement under oath that forms the basis for the order shall contain a statement of the facts that support a finding that the person to be restrained owns, intends to obtain or to transfer ownership of, or possesses a firearm, and that the firearm may be used to threaten, injure, or abuse any person. The ex parte order shall be effective upon service pursuant to section 586-6.] At the time of service of a protective order or restraining order involving firearms and ammunition issued by any court, [the] a police officer may take custody of any and all firearms and ammunition in plain sight, those discovered pursuant to a consensual search, and those firearms surrendered by the person restrained. If the person restrained is the registered owner of a firearm and knows the location of the firearm, but refuses to surrender the firearm or refuses to disclose the location of the firearm, the person restrained shall be guilty of a misdemeanor. In any case, when a police officer is unable to locate the firearms and ammunition either registered under this chapter or known to the person granted protection by the court, the police officer shall apply to the court for a search warrant pursuant to chapter 803 for the limited purpose of seizing the firearm and ammunition.

For the purposes of this subsection, good cause shall not be based solely upon the consideration that the person subject to restraint pursuant to an order of any court[, including an ex parte order as provided for in this subsection,] is required to possess or carry firearms or ammunition during the course of the person's employment. Good cause consideration may include but not be limited to the protection and safety of the person to whom a restraining order is granted."

SECTION 4. Section 134-7.3, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (b) to read:

"(b) Any person disqualified from ownership, possession, or control of firearms and ammunition under section 134-7[-] or part _____, within [seven days] forty-eight hours of disqualification, shall voluntarily surrender all firearms and ammunition to the chief of police where the person resides or dispose of all firearms and ammunition. If any person fails to voluntarily surrender or dispose of all firearms and ammunition within [seven days] forty-eight hours from the date of disqualification, the chief of police may seize all firearms and ammunition."

2. By amending subsection (d) to read:

"(d) For the purposes of this section, "dispose" means selling the firearms to a gun dealer licensed under section 134-31, transferring ownership of the firearms to any person who meets the requirements of section 134-2, or surrendering all firearms to the chief of police where the person resides for storage or disposal; provided[,] that, for a person subject to section 134-7(f)[,] or part, "dispose" shall not include transferring ownership of the firearms to any person who meets the requirements of section 134-2."

SECTION 5. The judiciary shall adopt any rules of court necessary to implement this Act.

SECTION 6. The department of the attorney general shall adopt any rules, pursuant to chapter 91, Hawaii Revised Statutes, necessary to implement this Act.

SECTION 7. The chief of police of the respective counties shall adopt any procedures necessary to implement this Act.

SECTION 8. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 9. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect on January 1, 2020. (Approved June 26, 2019.)

ACT 151

S.B. NO. 375

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii has not developed a plan to transition its agriculture industry, once dominated by sugar and pineapple, to an industry that is beneficial for diversified food crops. While diversified agriculture has increased, industry experts estimate that Hawaii imports approximately eighty-five to ninety per cent of the food that it consumes.

According to a report issued in October 2012 by the office of planning in cooperation with the department of agriculture, entitled "Increased Food Security and Food Self-Sufficiency Strategy: A State Strategic/Functional Plan Prepared in Accordance with HRS Chapter 226 Hawaii State Plan and the Hawaii Comprehensive Economic Development Strategy", replacing just ten per cent of the food that Hawaii currently imports would retain approximately \$313,000,000 in the State and generate more than two thousand three hundred jobs. Investing in farmland and irrigation infrastructure will bring Hawaii closer to self-sufficiency, and local investments will benefit local residents.

The legislature further finds that the governor has set the policy goal of doubling Hawaii's food production by 2020. However, details on how to achieve this objective have yet to be identified. Issues such as preserving agricultural land, identifying food crops for local production, and improving irrigation and agricultural infrastructure need immediate attention so that doubling food production can become a realistic objective. Implications of the federal FDA Food Safety Modernization Act, which will have significant effects on local agriculture, must also be addressed. Due to the need to address multiple issues in order

to double local food production and with 2020 less than one year away, this Act sets the goal of doubling local food production by 2030.

The purpose of this Act is to require the department of agriculture, in cooperation with the office of the governor, to develop a strategic plan to achieve the governor's goal of doubling food production and increasing food exports by 2030.

SECTION 2. (a) The department of agriculture, in cooperation with the office of the governor, shall establish a strategic plan that identifies benchmarks for increased food production in Hawaii and increased exports of food crops and value-added agricultural products from Hawaii.

(b) The strategic plan shall identify benchmarks that are quantitatively and qualitatively measurable and the metrics to determine progress toward the following goals:

- (1) Doubling local food production and exports by 2030;
- (2) Identifying food crops that may be grown locally to replace imports and increase exports of food crops and value-added agricultural products from Hawaii;
- (3) Identifying lands for:
 - (A) Producing food crops that may be grown locally to replace imports;
 - (B) Raising livestock; and
 - (C) Developing value-added agricultural products;
- (4) Developing guidance for decisions regarding land acquisition, irrigation, and agricultural infrastructure; and
- (5) Identifying implications and effects of the federal FDA Food Safety and Modernization Act on local food production and export.

(c) The department of agriculture shall submit the strategic plan, including proposed strategies, benchmarks, metrics, and any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 3. There is appropriated out of the agricultural development and food security special fund the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the purpose of developing a strategic plan outlining strategies, benchmarks, and metrics to achieve the goal of doubling food production in, and increasing food exports out of the State by 2030.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

ACT 152

S.B. NO. 1148

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 to be deposited into the agricultural loan revolving fund.

SECTION 2. There is appropriated out of the agricultural loan revolving fund the sum of \$2,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 to provide loans pursuant to chapter 155, part I, Hawaii Revised Statutes, to support local ranchers and farmers.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

ACT 153

S.B. NO. 390

A Bill for an Act Relating to Supplemental Nutrition Assistance Program Incentives.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that consumption of fresh fruits and vegetables is an integral part of a healthy diet and central to the prevention of obesity and chronic disease. The legislature also finds that every community should have access to fresh and healthy dietary options, but the high cost of fresh produce often makes that difficult. This challenge is felt acutely by participants in the federal supplemental nutrition assistance program, a low-income population that struggles to afford healthy food.

The legislature further finds that through the national double up food bucks program, Hawaii has the opportunity to expand access to healthy foods for low-income residents who are eligible for supplemental nutrition assistance program benefits. Currently implemented in more than twenty states, the double up food bucks program provides matching federal grant moneys to state programs that incentivize the use of supplemental nutrition assistance program benefits for the purchase of fresh produce. Provided by both the United States Department of Agriculture National Institute of Food and the United States Department of Agriculture's food insecurity nutrition incentive grant program, these federal matching funds increase access to healthy dietary options while also invigorating local economies and addressing food insecurity.

The purpose of this Act is to require the department of agriculture to develop and administer a Hawaii healthy food incentive program promoting the purchase of Hawaii-grown fruits and vegetables by beneficiaries of the supplemental nutrition assistance program.

SECTION 2. Chapter 141, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§141- Hawaii healthy food incentive program; rules. (a) There is established a Hawaii healthy food incentive program for beneficiaries of the supplemental nutrition assistance program, to be developed and administered by the department of agriculture.

(b) Participants in the Hawaii healthy food incentive program who are beneficiaries of the supplemental nutrition assistance program shall receive a dollar-for-dollar match of up to \$10 per visit, per day, to be used exclusively for the purchase of Hawaii-grown fresh fruits and vegetables at a farmers' market, farm stand, mobile market, community-supported agriculture site, grocery store, or other direct food retailer that participates in the supplemental nutrition assistance program.

(c) The department of agriculture may consult and cooperate with private organizations to develop and implement rules to administer the Hawaii healthy food incentive program.

(d) For the purposes of this section, "farmers' market" shall have the same meaning as in section 205-2(d)(15)(D)."

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for administration of the Hawaii healthy food incentive program and to provide matching funds to beneficiaries who participate in the supplemental nutrition assistance program.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

Note

ACT 154

1. Edited pursuant to HRS §23G-16.5.

H.B. NO. 1009

A Bill for an Act Relating to Movie Theaters.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 489-9, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) A public accommodation that owns, leases, leases to, or operates a motion picture theater in more than two locations in the State shall provide[:

- (1) Open] open movie captioning during at least [one showing] two showings per week of each motion picture that is produced and offered with open movie captioning[; or
- (2) A personal closed captioning system by means of lightweight evewear for a motion picture that is produced and offered with closed captioning content]."

SECTION 2. Act 39, Session Laws of Hawaii 2015, as amended by section 2 of Act 211, Session Laws of Hawaii 2017, is amended by amending section 3 to read as follows:

"SECTION 3. This Act shall take effect on January 1, 2016[, and shall be repealed on January 1, 2020]."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019.

(Approved June 26, 2019.)

ACT 155

A Bill for an Act Relating to an Earned Income Disregard Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act shall be known and may be cited as "Kal's Law". This Act is named after Kal Warrington Silvert, who was born with spinal muscular atrophy type 2, which weakens the signal that is sent from an individual's brain to their muscles and results in minimal use of the individual's body. Kal required full time nurses under the medicaid waiver program and would not be able to gain employment. Kal dreamed of becoming a professor and writer but knew that was unobtainable because, in order to live, Kal had to financially remain below the poverty level to retain his medicaid benefits. This Act serves as an intermediate step before the implementation of a full medicaid buy-in program and will be able to assist individuals like Kal in earning a comfortable living wage while still retaining their medicaid benefits.

SECTION 2. The legislature finds that Act 200, Session Laws of Hawaii 2012, established a joint legislative task force to explore the possibility of implementing a medicaid buy-in program for individuals with disabilities who either are not working or are currently working and would like to earn more income, based upon Hawaii's current medicaid income and asset limits, subject to approval of the federal Centers for Medicare and Medicaid Services. Medicaid buy-in task force meetings have been convened by the legislature on a regular basis since 2012, and several bills have been introduced to implement a medicaid buy-in program. The medicaid buy-in task force has supported the medicaid buy-in program as a means to enable workers with disabilities to be employed while protecting their medical benefits and supports.

The legislature also finds that the medicaid buy-in task force has recommended an alternate approach as an interim step to a medicaid buy-in program. The alternative will allow individuals with disabilities to earn income and not lose their medicaid benefits, which is a risk given current medicaid eligibility rules. While this interim program will not provide the full benefits of a medicaid buy-in program, such as disregarding the individual's assets, it will increase the amount of income that an individual may earn while retaining medicaid eligibility.

According to the medicaid buy-in task force, Hawaii is one of four remaining states in the United States that has not adopted this group coverage for working people with disabilities; the other three states are Alabama, Florida, and Tennessee. Persons with disabilities regularly report to case workers that they cannot accept work opportunities because they would lose their benefits. A medicaid buy-in program would allow working people with disabilities to retain the medical coverage they need, as primary or secondary coverage, by paying premiums on a sliding scale, as defined by the state and federal government. While the Hawaii Prepaid Health Care Act guarantees private health insurance to employees who work twenty hours or more a week for four consecutive weeks, the Prepaid Health Care Act may not meet the needs of working people with disabilities who are unable to work the minimum required twenty hours per week. Of those who do work the minimum hours to qualify for the Prepaid Health Care Act, many still need to retain their medicaid coverage as secondary coverage to access home and community-based services.

The legislature concludes that it is advantageous for economic development in the State and in the best interests of Hawaii's citizens with disabilities to establish programs and policies that encourage their employment. The purpose of this Act is to require the department of human services to implement an earned income disregard program as an intermediate step to implementing a full medicaid buy-in program.

SECTION 3. (a) The department of human services shall allow an earned income disregard of one hundred thirty-eight per cent of the federal poverty level for people with disabilities who are between the ages of sixteen and sixty-four years, or a method of similar intent, when determining eligibility for medicaid.

(b) The department may adopt or amend its administrative rules in accordance with chapter 91, Hawaii Revised Statutes, as necessary to implement this Act.

(c) The department shall evaluate the earned income disregard program at least annually and assess whether, when, and how a full medicaid buy-in program may be implemented.

(d) The department shall submit a report to the legislature no later than twenty days prior to the convening of the regular sessions of 2020, 2021, and 2022, providing an update on the earned income disregard program and the viability of implementing a full medicaid buy-in program. The report shall include the department's findings, recommendations, and any proposed legislation, and the report shall identify resources needed to implement a full medicaid buy-in program.

(e) The department is encouraged to collaborate with the university of Hawaii center on disability studies for technical assistance and program evaluation.

SECTION 4. This Act shall take effect upon approval; provided that the earned income disregard program established in section 3 of this Act shall take effect upon approval by the Centers for Medicare and Medicaid Services.

(Approved June 26, 2019.)

ACT 156

S.B. NO. 50

A Bill for an Act Relating to Human Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The supplemental nutrition assistance program serves as the foundation of America's national nutrition safety net. It is the nation's first line of defense against hunger and offers a powerful tool to improve nutrition among low-income people. The University of Hawaii community colleges and the department of human services have collaborated to leverage their resources and strengths to enroll Hawaii's supplemental nutrition assistance program benefit recipients in college and career training programs. The University of Hawaii community colleges and the department of human services have customized policies and processes to codify an innovative inter-agency program, the Hawaii nutrition employment and training program, designed to recruit and support Hawaii's supplemental nutrition assistance program recipients through over two hundred fifty college and career programs.

The Hawaii nutrition employment and training program is offered to students who receive or are eligible to receive supplemental nutrition assistance program benefits. The Hawaii nutrition employment and training program offers benefits in addition to a student's supplemental nutrition assistance program benefits, including reimbursement for gas, books, supplies, and uniforms. Students participating in the Hawaii nutrition employment and training program are exempt from the twenty hours per week work requirement and are considered compliant with Hawaii's supplemental nutrition assistance program requirements.

The purpose of this Act is to appropriate funds for the Hawaii nutrition employment and training program.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$455,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the Hawaii nutrition employment and training program, to include materials and supplies, and the hiring of seven full-time equivalent (7.0 FTE) instructional and student support positions.

The sums appropriated shall be expended by the University of Hawaii for the purposes of this Act; provided that:

- (1) The University of Hawaii shall comply with all federal and state requirements; and
- (2) The reimbursements shall be used to expand the Hawaii nutrition employment and training program.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

ACT 157

H.B. NO. 664

A Bill for an Act Relating to Gender Identity.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 453J, Hawaii Revised Statutes, is amended by amending its title to read as follows:

"[[]CHAPTER 453J[]] <u>CONVERSION THERAPY PROHIBITED FOR</u> SEXUAL ORIENTATION [CHANGE EFFORTS] <u>AND GENDER IDENTITY</u>"

SECTION 2. Section 453J-1, Hawaii Revised Statutes, is amended to read as follows:

"[[]§453J-1[] Sexual orientation change efforts] <u>Conversion therapy</u> prohibited; advertising prohibited. (a) No person who is licensed to provide professional counseling shall:

- (1) Engage in or attempt to engage in [sexual orientation change efforts] conversion therapy on a person under eighteen years of age; or
- (2) Advertise the offering of [sexual orientation change efforts] <u>conver</u><u>sion therapy</u> on a person under eighteen years of age.

(b) Any person who is licensed to provide professional counseling who engages in or attempts to engage in the offering of [sexual orientation change efforts] conversion therapy on a person under eighteen years of age shall be subject to disciplinary action by the appropriate professional licensing authority.

(c) For purposes of this section:

"Advertise" means a communication made by or on behalf of a person who is licensed to provide professional counseling, made for the purpose of inducing or promoting a professional counseling relationship in which [sexual orientation change efforts] conversion therapy will be undertaken on a person under the age of eighteen. "Advertise" includes oral, written, graphic, or pictorial statements or representations, including those made through any electronic or print medium.

"Conversion therapy" means any practices or treatments that seek to change an individual's sexual orientation or gender identity, including efforts to change behaviors or gender expressions or to eliminate or reduce sexual or romantic attractions or feelings toward individuals of the same gender.

"Conversion therapy" shall not include counseling that provides assistance to a person undergoing gender transition, or counseling that provides acceptance, support, and understanding of a person or facilitates a person's coping, social support, and identity exploration and development, including sexual orientation-neutral interventions to prevent or address unlawful conduct or unsafe sexual practices, as long as such counseling does not seek to change an individual's sexual orientation or gender identity.

"Person who is licensed to provide professional counseling" means a person who performs counseling as part of the person's professional training, including a physician, especially one practicing psychiatry, licensed pursuant to chapter 453; psychologist licensed pursuant to chapter 465; nurse licensed pursuant to chapter 457; social worker licensed pursuant to chapter 467E; licensed mental health counselor licensed pursuant to chapter 453D; or licensed marriage and family therapist licensed pursuant to chapter 451J.

["Šexual orientation change efforts" means the practice of attempting to change a person's sexual orientation, including but not limited to efforts to change gender identity or gender expressions and behaviors; or to reduce or eliminate sexual or romantic attractions or feelings toward a person of the same gender.

"Sexual orientation change efforts" shall not include counseling supporting a person seeking to transition from one gender to another or counseling that:

- (1) Provides acceptance, support, and understanding of a person or facilitates a person's coping, social support, and identity exploration and development, including sexual orientation-neutral interventions to prevent or address unlawful conduct or unsafe sexual practices; and
- (2) Does not seek to change sexual orientation, gender identity, or gender expression.]"

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 26, 2019.)

ACT 158

S.B. NO. 1525

A Bill for an Act Relating to Home Care Agencies.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that home care agencies provide an important service to independent but elderly or vulnerable persons by provid-

ing home-based non-health care services that enable those persons to remain in their homes, rather than be admitted into costly residential care homes or institutional care facilities. The legislature further finds that in order to safeguard the health, safety, and welfare of those persons, the current licensure requirements for home care agencies by the department of health should be retained. Existing licensure requirements include background checks on home care operators and workers and provide minimum standards on the provision of home care services.

The legislature finds that Act 21, Special Session Laws of Hawaii 2009, codified as section 321-14.8, Hawaii Revised Statutes, requires that "each home care agency shall be licensed by the department of health to ensure the health, safety, and welfare of clients." The legislature notes that this statutory licensure requirement for home care agencies is set to be repealed on June 30, 2019.

Accordingly, the purpose of this Act is to permanently require home care agencies in Hawaii to be licensed by the department of health.

SECTION 2. Act 21, Special Session Laws of Hawaii 2009, as amended by Act 125, Session Laws of Hawaii 2014, section 2, is amended by amending section 8 to read as follows:

"SECTION 8. This Act shall take effect on July 1, 2009[, and shall be repealed on June 30, 2019; provided that sections 321-11 and 321-11.5(b), Hawaii Revised Statutes, and the definition of "healthcare facility" in section 321-15.2, Hawaii Revised Statutes, shall be reenacted in the form in which they read on June 30, 2009]."

SECTION 3. Nothing in this Act shall be construed to diminish or abrogate the requirements to obtain or maintain a home care agency license or certification.

SECTION 4. Statutory material to be repealed is bracketed and stricken.

SECTION 5. This Act shall take effect on June 29, 2019. (Approved June 27, 2019.)

ACT 159

S.B. NO. 1091

A Bill for an Act Relating to the Department of Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. On February 18, 2019, ongoing heavy rains triggered landslides on the slopes adjacent to the Pali highway in the city and county of Honolulu. On February 23, 2019, the same weather system triggered landslides in the county of Maui, causing extensive damage to the Honoapiilani highway, route 30. Funding is critically needed to address both sites and remove debris, inspect damage, scale slopes, remove additional materials that are at risk of falling, and construct rockfall protection structures for the public's safety.

The purpose of this Act is to make an emergency appropriation to the department of transportation to mitigate damages from the recent landslides on the Pali highway and Honoapiilani highway and to prevent future landslides in both locations, ensuring the safe mobility of people and goods.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$7,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to fund landslide recovery efforts for the Pali highway, including maintenance of contraflow lanes, and the Honoapiilani highway, including maintenance of limited access restrictions from mile marker thirty-six to mile marker forty-two; and the construction of landslide protective structures for both sites.

The sum appropriated shall be expended by the department of transportation for the purposes of this Act.

SECTION 4. If the emergency relief projects funded by this Act qualify for federal relief funds, for which the Federal Highway Administration may reimburse up to eighty per cent of the projects' cost upon their completion, then any amounts received by the department of transportation from the Federal Highway Administration as reimbursement for qualified federal highway relief for the projects funded by this Act shall be deposited into the general fund.

SECTION 5. The appropriation made for the emergency relief projects authorized by this Act shall not lapse at the end of the fiscal year for which the appropriation is made; provided that all moneys from the appropriation unencumbered as of June 30, 2020, shall lapse as of that date.

SECTION 6. This Act shall take effect upon its approval. (Approved June 27, 2019.)

ACT 160

S.B. NO. 988

A Bill for an Act Authorizing the Issuance of Special Purpose Revenue Bonds for Mele Associates, Inc., a Renewable Energy Developer Serving the General Public in Providing Electric Energy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that climate change and its severe effects and shoreline erosion impact the lives and livelihoods of Hawaii's people. There is currently an increasing focus on reducing harmful air emissions from fossil fuels, such as oil and coal, as a possible cause of greenhouse gases, which impact climate change.

The legislature further finds that global fossil fuel prices and concerns about energy security in Hawaii are the impetus locally to acquire renewable resources as a source of energy. Hawaii is extremely well-situated to harness strong trade winds and abundant sunlight to provide renewable energy. Mele Associates, Inc., has considerable experience in installing renewable energy projects using special purpose revenue bonds as a financing instrument.

The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare. SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$50,000,000, in one or more series, for the purpose of assisting Mele Associates, Inc., a renewable energy developer, in serving the general public by providing renewable electric energy and installing renewable energy projects in Hawaii. The legislature hereby finds and determines that the renewable energy projects constitute a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

ACT 161 S.B. NO. 981

A Bill for an Act Relating to the Hawaii Teacher Standards Board Special Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302A-803, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In addition to establishing standards for the issuance and renewal of licenses and any other powers and duties authorized by law, the board's powers shall also include:

- (1) Setting and administering its own budget;
- (2) Adopting, amending, or repealing the rules of the board in accordance with chapter 91;
- (3) Receiving grants or donations from private foundations, and state and federal funds;
- (4) Submitting an annual report to the governor, the legislature, and the board of education on the board's operations and expenditures, and from the 2007-2008 school year, submitting a summary report

every five years of the board's accomplishment of objectives, efforts to improve or maintain teacher quality, and efforts to keep its operations responsive and efficient;

- (5) Conducting a cyclical review of standards and suggesting revisions for their improvement;
- (6) Establishing licensing fees in accordance with chapter 91 and determining the manner by which fees are collected and subsequently deposited into the state treasury and credited to the [Hawaii teacher standards board special fund;] general fund;
- (7) Establishing penalties in accordance with chapter 91;
- (8) Issuing, renewing, forfeiting, restoring, conditioning, revoking, suspending, and reinstating licenses;
- (9) Developing criteria for a full career and technical education license, limited to career and technical education teaching assignments, allowing qualified individuals with at least an associate's degree, coursework, industry experience, and content expertise to teach;
- (10) Reviewing reports from the department and commission on individuals hired on an emergency basis;
- (11) Applying licensing standards on a case-by-case basis and conducting licensing evaluations;
- (12) Preparing and disseminating teacher licensing information to schools and operational personnel;
- (13) Approving teacher preparation programs;
- (14) Establishing policies and procedures for approving alternative pathways to teaching;
- (15) Administering reciprocity agreements with other states relative to licensing;
- (16) Conducting research and development on teacher licensure systems, beginning teacher programs, the assessment of teaching skills, and other related topics;
- (17) Participating in efforts relating to teacher quality issues, professional development related to the board's standards, and promotion of high teacher standards and accomplished teaching;
- (18) Adopting applicable rules and procedures; and
- (19) Adopting, amending, repealing, or suspending the policies and standards of the board."

SECTION 2. Section 302A-808, Hawaii Revised Statutes, is amended to read as follows:

"§302A-808 Penalty. Any person who engages in the profession of teaching in a public school without first being issued a license or hired on an emergency basis as defined in this chapter shall be fined not more than \$500. Any person who knowingly or intentionally violates this subpart by employing an individual as a public school teacher who does not possess a valid license or is not a department of education or charter school emergency hire as defined in this chapter may be fined not more than \$500. All fines shall be deposited into the [Hawaii teacher standards board special fund.] general fund."

SECTION 3. Section 302A-806, Hawaii Revised Statutes, is repealed.

SECTION 4. On July 1, 2019, all unencumbered balances remaining in the Hawaii teacher standards board special fund repealed by this Act shall lapse to the credit of the general fund.

SECTION 5. Statutory material to be repealed is bracketed and stricken.¹ New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 162

S.B. NO. 398

A Bill for an Act Relating to Homelessness.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in order for nonprofit organizations to effectively work in concert with state and county governments, these organizations require a clear understanding of the state procurement system, including the proposal and bid processes, to most effectively offer homeless outreach services or manage homeless housing programs. The legislature further finds that while these types of programs are robust in urban areas, homeless outreach services and homeless housing programs are lacking in rural areas of the State.

Accordingly, the purpose of this Act is to require the department of human services and state procurement office to establish and implement a program to provide training on government procurement and other relevant procedures to nonprofit organizations that offer homeless outreach services or manage homeless housing programs in rural areas of the State.

SECTION 2. The department of human services, in partnership with the state procurement office, shall establish and implement a training program on government procurement and other relevant procedures for nonprofit organizations that offer homeless outreach services or manage homeless housing programs in rural areas of the State.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$120,000 or so much thereof as may be necessary for fiscal year 2019-2020 to establish and implement a training program for non-profit organizations that offer homeless outreach services or manage homeless housing programs in rural areas of the State.

The sums appropriated shall be expended by the state procurement office for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

ACT 163

H.B. NO. 1449

A Bill for an Act Relating to the Nursing Facility Sustainability Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the nursing facility sustainability program was established in 2012 and has served a critical role in strengthening the long-term care system in Hawaii. In the seven years since its inception, the nursing facility sustainability program has helped long-term care facilities treat the most vulnerable patients in the State, especially low-income individuals who require these services. The program has been carried out in a public-private partnership to ensure that patients in Hawaii can access quality, affordable care.

The legislature further finds that, even with this program, nursing facilities in the State face major financial challenges. These challenges are due in part to inadequate payments from the medicaid program that do not cover the actual costs of care. Medicaid is jointly financed by the federal and state governments by statutory formula; the federal government pays between fifty per cent and seventy-four per cent, with assistance levels determined by each state's per capita income. States with the lowest per capita income receive higher federal matching rates. Under federal rules, the state share must be public funds that are not federal funds. The legislature finds that public funding to help sustain Hawaii's nursing facilities financially may be accessed through a provider fee.

The legislature further finds that provider fees exist in forty-nine states and the District of Columbia as a means of drawing down federal funds to sustain their medicaid programs due to rising state budget deficits, increasing health care costs, and expanding medicaid enrollment. Provider fees, which are collected from specific categories of health care providers that agree to the fee, may be imposed on nineteen different classes of health care services, including inpatient and outpatient hospital and nursing facility services.

The legislature therefore finds that, in Hawaii, a provider fee on nursing facilities has resulted in a substantial increase in medicaid payments, without putting additional constraints on the State's budget. The additional federal funds obtained via the fee program authorized by the nursing facility sustainability program have helped to reduce the amount of losses incurred by long-term care facilities and maintain access to care for medicaid recipients. This allows nursing facilities in the State to continue to serve under- or uninsured patients in a timely, effective matter. This helps to ensure the overall sustainability of the health care system in the State.

The purpose of this Act is to preserve access to health care for medicaid recipients by extending the nursing facility sustainability fee program.

SECTION 2. Section 346F-4, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Revenue from the nursing facility sustainability fee shall be used exclusively as follows:

- No less than eighty-eight per cent of the revenue from the nursing facility sustainability fee shall be used [to match] for one or more of the following:
 - (A) To match federal medicaid funds, with the combined total to be used to enhance capitated rates to medicaid managed care health plans for the purpose of increasing medicaid payments to private nursing facilities[;] to support the availability of services and ensure access to care for the medicaid managed care health plan enrollees; or
 - (B) To match federal medicaid funds, with the combined total to enhance capitated rates for the purpose of paying quality incentives:
- (2) Twelve per cent of the revenue from the nursing facility sustainability fee may be used by the department for other departmental purposes; and

(3) All moneys remaining in the special fund on December 30, [2019,] 2021, shall be distributed to nursing facilities within thirty days in the same proportions as received from the nursing facilities."

SECTION 3. Section 346F-5, Hawaii Revised Statutes, is amended by amending subsections (c) and (d) to read as follows:

"(c) The nursing facility sustainability fee shall not exceed [four] 5.5 per cent of net patient service revenue and shall be calculated and paid on a per resident day basis, unless the facility qualifies for an exemption identified in subsection (d)(1). The per resident daily fee shall [be \$13.46] not exceed \$20.00 for each affected facility, except for facilities described in subsection (d)(2), which instead shall pay a per resident <u>reduced</u> daily fee [of \$5.85.] not to exceed \$9.00.

(d) In accordance with the redistribution method set forth in title 42 Code of Federal Regulations section 433.68(e)(1) and (2), the department shall seek a waiver of the broad-based and uniformity provider fee requirements under federal law from which to exclude certain nursing facilities and to permit certain high volume medicaid nursing facilities or facilities with a high number of total annual patient days to pay the sustainability fee at a lesser amount per resident day, as follows:

- (1) The department shall exempt the following nursing facility providers from the nursing facility sustainability fee subject to federal approval under title 42 Code of Federal Regulations section 433.68(e)(2):
 - (A) Nursing facilities with twenty-eight or fewer licensed beds;
 - (B) Nursing facilities owned [or], operated by, or affiliated with the Hawaii health systems corporation; and
 - (C) Continuing care retirement communities.
- (2) The department shall reduce the fee for high volume medicaid nursing facilities or facilities with high patient volumes in order to meet the redistributive tests of title 42 Code of Federal Regulations section 433.68(e)(2).
- (3) The department, with agreement by the nursing facility trade associations located in Hawaii, may modify, add to, or reduce the categories of facilities exempt from the assessment if necessary to obtain and maintain approval of the waiver by the Centers for Medicare and Medicaid Services, if the modification is consistent with the purposes of this chapter."

SECTION 4. Section 346F-10, Hawaii Revised Statutes, is amended to read as follows:

***\$346F-10** Enhanced rates to medicaid managed care health plans. In accordance with title 42 Code of Federal Regulations part 438, the department shall use revenues from the nursing facility sustainability fee and federal matching funds to enhance the capitated rates paid to medicaid managed care health plans for state fiscal years [2017-2018 and 2018-2019,] 2019-2020 and 2020-2021, consistent with the following objectives:

- (1) The rate enhancement shall be used exclusively for increasing reimbursements to private nursing facilities to support the availability of services and to ensure access to care to the medicaid managed care health plan enrollees;
- (2) The rate enhancement shall be made part of the monthly capitated rates by the department to medicaid managed care health plans, which shall provide documentation to the department and the nursing facility trade association located in Hawaii certifying that the

revenues received under paragraph (1) are used in accordance with this section;

- (3) The rate enhancement shall be actuarially sound and approved by the federal government for federal fund participation; [and]
- (4) The department shall modify the fee-for-service reimbursement rates of the nursing facilities to recognize the medicaid portion of the nursing facility sustainability fee as an additional cost of serving medicaid patients, and to provide a uniform percentage increase in preexisting facility-specific rates[-]: and
- (5) Payments made by the medicaid managed care health plans shall be made within thirty calendar days upon receipt of monthly capitation rates from the department."

SECTION 5. Section 346F-13, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Collection of the nursing facility sustainability fee under section 346F-5 shall be discontinued if:

- (1) The waiver in section 346F-7 or the enhanced capitation rates in section 346F-10 have not been approved by the Centers for Medicare and Medicaid Services;
- (2) The department reduces funding for nursing facility services below the state appropriation in effect on June 30, [2018;] 2020;
- (3) The department or any other state agency uses the money in the special fund for any use other than the uses permitted pursuant to this chapter; or
- (4) Federal financial participation to match the nursing facility sustainability fee becomes unavailable under federal law. In such case, the department shall terminate the collection of the fee beginning on the effective date of the federal statutory, regulatory, or interpretive change."

SECTION 6. Act 156, Session Laws of Hawaii 2012, section 5, as amended by section 3 of Act 142, Session Laws of Hawaii 2013, as amended by section 2 of Act 124, Session Laws of Hawaii 2014, as amended by section 2 of Act 69, Session Laws of Hawaii 2015, as amended by section 2 of Act 59, Session Laws of Hawaii 2016, as amended by section 5 of Act 60, Session Laws of Hawaii 2017, is amended by amending section 5 to read as follows:

"SECTION 5. This Act shall take effect on July 1, 2012, and shall be repealed on June 30, [2019;] 2021; provided that section -4, Hawaii Revised Statutes, established by section 2 of this Act, and the amendment made to section 36-30(a), Hawaii Revised Statutes, in section 3 of this Act, shall be repealed on December 31, [2019.] 2021."

SECTION 7. Act 124, Session Laws of Hawaii 2014, section 7, as amended by Act 69, Session Laws of Hawaii 2015, as amended by Act 59, Session Laws of Hawaii 2016, and as amended by section 6 of Act 60 Session Laws of Hawaii 2017, is amended by amending section 7 to read as follows:

"SECTION 7. This Act shall take effect on June 29, 2014; provided that:

- (1) Section 5 shall take effect on July 1, 2014; and
- The amendments made to section¹ 36-27(a) and 36-30(a), Hawaii Revised Statutes, in sections 3 and 4 of this Act shall be repealed on December 31, [2019.] 2021."

SECTION 8. There is appropriated out of the nursing facility sustainability program special fund the sum of \$21,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for uses consistent with section 346F-4, Hawaii Revised Statutes.

The sums appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 10. This Act shall take effect on June 29, 2019; provided that sections 7 and 8 shall take effect on July 1, 2019.

(Approved June 27, 2019.)

Note

1. Prior to amendment "sections" appeared here.

ACT 164

H.B. NO. 1455

A Bill for an Act Relating to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The University of Hawaii Maui college's international office works continuously to connect students from Maui and abroad to develop meaningful relationships in an increasingly globalized world. For example, the University of Hawaii Maui college offers study abroad programs in China, Japan, Korea, the Philippines, Canada, and the Czech Republic. Furthermore, the University of Hawaii Maui college recruits international students to study on campus to foster greater diversity and to expose local students to foreign cultures. The college's international office also works in partnership with the non-profit Maui County Sister Cities Foundation to promote economic and educational relationships between Maui county and the world.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$37,560 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the University of Hawaii Maui college's international office for one full-time (1.0 FTE) position for an international educational management specialist.

The sums appropriated shall be expended by the University of Hawaii Maui college for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

ACT 165 H.B. NO. 1273

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The department of health developmental disabilities division is the operating agency for the Hawaii medicaid home and communitybased services waiver for persons with intellectual and developmental disabilities pursuant to section 1915(c) of the Social Security Act. The department of health operates the waiver pursuant to a memorandum of agreement with the department of human services, which is the state medicaid agency supervising the administration of the waiver. Therefore, the department of health can claim allowable medicaid federal financial participation for the proper and necessary costs incurred by the department in administering the waiver.

Administrative claiming has become increasingly important to defray the rising costs to states for administration of medicaid programs but, to date, the department of health has conducted minimal administrative claiming. Without a special fund for depositing moneys received from federal financial participation for operating the home and community-based services waiver for persons with intellectual and developmental disabilities, the department lacks the infrastructure necessary to ensure the proper and efficient administration of the waiver and meet the growing federal requirements for community integration, quality, and accountability. The moneys received into this fund would come solely from medicaid administrative claiming pursuant to a cost allocation plan approved by the United States Department of Health and Human Services.

The requirements of operating the waiver are specified in the State's waiver application approved by the federal Centers for Medicare and Medicaid Services. Through the delegated functions, the department must ensure the health and welfare of waiver participants, coordinate services, and ensure service quality. Specific requirements for the operating authority include completing initial intake for new waiver applicants, completing annual re-determinations of level of care for continued eligibility, performing fiscal oversight to ensure that waiver enrollment and expenditures are managed against federally approved limits, implementing person-centered planning processes, developing and monitoring participant individualized service plans, pre-authorizing waiver services, managing utilization, enrolling qualified providers and provider monitoring, establishing a statewide rate methodology, developing policies and procedures for operating the waiver subject to department of human services approval, and implementing quality assurance and improvement activities for required performance measures. The department is contracting to develop a new information technology system to assist case managers in managing information and providing analytics. Many of the activities performed by department staff or contracted entities can be claimed as administrative costs. With moneys appropriated out of the special fund, the department of health will be able to meet compliance requirements for the State's section 1915(c) medicaid waiver for individuals with intellectual and developmental disabilities.

The purpose of this Act is to:

- (1) Establish the intellectual and developmental disabilities medicaid waiver administrative claiming special fund to allow for the deposit of federal funds received as part of the State's participation in the operation of home and community-based services under a section 1915(c) waiver; and
- (2) Require the department of health to work with the department of human services and other stakeholders to develop and distribute educational materials informing individuals with intellectual or developmental disabilities on how to access medicaid services and the types of medicaid services that are available.

SECTION 2. Chapter 333F, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§333F- Intellectual and developmental disabilities medicaid waiver administrative claiming special fund. (a) There is established in the treasury of the State the intellectual and developmental disabilities medicaid waiver administrative claiming special fund, into which shall be deposited:

- All revenues from medicaid administrative claiming designated for the department that are allowable for operating the Hawaii home and community-based services waiver for persons with intellectual and developmental disabilities pursuant to section 1915(c) of the Social Security Act;
- (2) Appropriations made by the legislature to the fund;
- (3) Other grants and gifts made to the fund; and
- (4) Any income and capital gains earned by the fund.

(b) Moneys in the intellectual and developmental disabilities medicaid waiver administrative claiming special fund shall be used by the department for the following purposes:

- Payment for fiscal management services of the Hawaii home and community-based services waiver for persons with intellectual and developmental disabilities pursuant to section 1915(c) of the Social Security Act;
- (2) Training of staff; waiver providers; waiver participants, family members of waiver participants, legal representatives of waiver participants; and community stakeholders;
- (3) Quality management activities for operating the Hawaii home and community-based services waiver for persons with intellectual and developmental disabilities pursuant to section 1915(c) of the Social Security Act;
- (4) Ongoing operations and maintenance of the information technology system;
- (5) Conducting rate methodology studies to define rates for the Hawaii home and community-based services waiver for persons with intellectual and developmental disabilities pursuant to section 1915(c) of the Social Security Act; and
- (6) Assessment services for determining each participant's level of support needs.

(c) The department shall submit to the legislature no later than twenty days prior to the convening of each regular session a report that provides an accounting of the receipts of and expenditures from the intellectual and developmental disabilities medicaid waiver administrative claiming special fund."

SECTION 3. (a) The department of health shall work with the department of human services and other stakeholders to develop and distribute information about accessing medicaid services for individuals with intellectual or developmental disabilities, or both. Education and training materials may also address an array of possible medicaid services for individuals with intellectual disabilities, autism spectrum disorders, cerebral palsy, epilepsy, and other developmental disabilities, some of which are caused by fetal alcohol spectrum disorders.

(b) The department of health shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 4. There is appropriated out of the intellectual and developmental disabilities medicaid waiver administrative claiming special fund the sum of \$900,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the purposes of this Act.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 166

H.B. NO. 1068

A Bill for an Act Relating to Heeia State Park.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State has coordinated with the National Oceanic and Atmospheric Administration to nominate Heeia estuary as a national estuarine research reserve. The National Estuarine Research Reserve System is a network of twenty-nine protected areas along America's coastlines that was founded on the principle that long-term protection of representative estuaries provides stable platforms for research, education, and management practices that benefit the nation's coasts. In 2012, the office of planning was designated as the lead agency to coordinate the selection of a National Estuarine Research Reserve System site in Hawaii. In 2014, Heeia was officially nominated as a national estuarine research reserve to support the National Oceanic and Atmospheric Administration's policy encouraging expansion of the program in unrepresented areas of the country. The Heeia estuary site includes Heeia state park, Heeia fishpond, and the Heeia community development district, as well as marine waters with patch and fringing reefs and Moku o Loe (Coconut Island). In order to be a success within the National Estuarine Research Reserve System, a community-based long-range plan for Heeia state park must be developed.

The purpose of this Act is to appropriate funds for and require the involvement of community members and organizations in the development of a Heeia state park community-based long-range plan for the Heeia National Estuarine Research Reserve System.

SECTION 2. To ensure the involvement of key community stakeholders in this planning process, the Hawaii community development authority and any entity designated by the Hawaii community development authority to manage the Heeia state park shall invite and consult with the following entities or individuals in the development process of the Heeia state park community-based long-range plan for the Heeia National Estuarine Research Reserve System:

- (1) The National Oceanic and Atmospheric Administration;
- (2) The department of land and natural resources;
- (3) Hawaii institute of marine biology of the University of Hawaii;
- (4) Kakoo Oiwi;
- (5) Paepae o Heeia;
- (6) Koolaupoko Hawaiian Civic Club;
- (7) Koolau Foundation;
- (8) A representative of the Kaneohe neighborhood board to be appointed by the chair of the Kaneohe neighborhood board; and

(9) A representative of the Kahaluu neighborhood board to be appointed by the chair of the Kahaluu neighborhood board.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the Heeia state park community-based long-range plan for the Heeia National Estuarine Research Reserve System.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

ACT 167

H.B. NO. 820

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) The Hawaii housing finance and development corporation shall study and formulate a plan to implement a housing program that shall be known as the affordable, locally owned homes for all or "ALOHA homes program".

(b) For the purpose of this Act, "ALOHA homes program" means a program that provides low-cost, high-density leasehold homes for sale to Hawaii residents on state-owned lands within a one-half mile radius of a public transit station.

(c) The Hawaii housing finance and development corporation shall submit an interim report to the legislature of its progress, findings, and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the regular session of 2020.

(d) The Hawaii housing finance and development corporation shall submit a final report to the legislature of its findings and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the regular session of 2021.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the Hawaii housing finance and development corporation to study and formulate a plan to implement an ALOHA homes program.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

ACT 168

H.B. NO. 843

A Bill for an Act Relating to Hawaii Community College.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$60,000 or so much thereof as may be necessary for

fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for one non-tenure track, full-time, temporary position for the applied technical education program at Hawaii community college.

The sum appropriated shall be expended by the university of Hawaii for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

ACT 169

H.B. NO. 703

A Bill for an Act Relating to Intoxicating Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 291E-61, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) A person committing the offense of operating a vehicle under the influence of an intoxicant shall be sentenced without possibility of probation or suspension of sentence as follows:

- For the first offense, or any offense not preceded within a [five-year] ten-year period by a conviction for an offense under this section or section 291E-4(a):
 - (A) A fourteen-hour minimum substance abuse rehabilitation program, including education and counseling, or other comparable program deemed appropriate by the court;
 - (B) One-year revocation of license and privilege to operate a vehicle during the revocation period and installation during the revocation period of an ignition interlock device on any vehicle operated by the person;
 - (C) Any one or more of the following:
 - (i) Seventy-two hours of community service work;
 - [Not] No less than forty-eight hours and [not] no more than five days of imprisonment; or
 - (iii) A fine of [not] <u>no</u> less than [\$150] <u>\$250</u> but [not] <u>no</u> more than \$1,000;
 - (D) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
 - (E) A surcharge, if the court so orders, of up to \$25 to be deposited into the trauma system special fund;
- (2) For an offense that occurs within [five] ten years of a prior conviction for an offense under this section or section 291E-4(a):
 - (A) Revocation for [not] no less than [eighteen] twenty-four months nor more than [two] three years of license and privilege to operate a vehicle during the revocation period and installation during the revocation period of an ignition interlock device on any vehicle operated by the person;
 - (B) Either one of the following:
 - (i) [Not] No less than two hundred forty hours of community service work; or
 - [Not] No less than five days but [not] no more than thirty days of imprisonment, of which at least forty-eight hours shall be served consecutively;

- (C) A fine of [not] no less than [\$500] <u>\$1,000</u> but [not] no more than [<u>\$1,500;</u>] <u>\$3,000;</u>
- (D) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
- (E) A surcharge of up to \$50, if the court so orders, to be deposited into the trauma system special fund;
- [(3) For an offense that occurs within five years of two prior convictions for offenses under this section or section 291E-4(a):
 - (A) A fine of not less than \$500 but not more than \$2,500;
 - (B) Revocation for two years of license and privilege to operate a vehicle during the revocation period and installation during the revocation period of an ignition interlock device on any vehicle operated by the person;
 - (C) Not less than ten days but not more than thirty days imprisonment, of which at least forty-eight hours shall be served consecutively;
 - (D) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
 - (E) A surcharge of up to \$50 if the court so orders, to be deposited into the trauma system special fund;
- (4)] (3) In addition to a sentence imposed under paragraphs (1) [through (3),] and (2), any person eighteen years of age or older who is convicted under this section and who operated a vehicle with a passenger, in or on the vehicle, who was younger than fifteen years of age, shall be sentenced to an additional mandatory fine of \$500 and an additional mandatory term of imprisonment of forty-eight hours; provided that the total term of imprisonment for a person convicted under this paragraph shall not exceed the maximum term of imprisonment provided in paragraph (1)[$_{7}$] or ¹ (2), [or (3),] as applicable. Notwithstanding paragraphs (1) and (2), the revocation period for a person sentenced under this paragraph shall be [not] no less than two years; and
- [(5)] (4) If the person demonstrates to the court that the person:
 - (A) Does not own or have the use of a vehicle in which the person can install an ignition interlock device during the revocation period; or
 - (B) Is otherwise unable to drive during the revocation period,

the person shall be absolutely prohibited from driving during the period of applicable revocation provided in paragraphs (1) to [(4);] (3); provided that the court shall not issue an ignition interlock permit pursuant to subsection (i) and the person shall be subject to the penalties provided by section 291E-62 if the person drives during the applicable revocation period."

SECTION 2. Section 291E-61.5, Hawaii Revised Statutes, is amended as follows:

- 1. By amending subsection (b) to read:
- "(b) For the purposes of this section:
- "Convicted [three] two or more times for offenses of operating a vehicle under the influence" means that, at the time of the behavior for which the person is charged under this section, the person had [three] two or more times within ten years of the instant offense:
 - (A) A judgment on a verdict or a finding of guilty, or a plea of guilty or nolo contendere, for a violation of section 291-4, 291-

4.4, or 291-7 as those sections were in effect on December 31, 2001, or section 291E-61 or 707-702.5;

- (B) A judgment on a verdict or a finding of guilty, or a plea of guilty or nolo contendere, for an offense that is comparable to section 291-4, 291-4.4, or 291-7 as those sections were in effect on December 31, 2001, or section 291E-61 or 707-702.5; or
- (C) An adjudication of a minor for a law or probation violation that, if committed by an adult, would constitute a violation of section 291-4, 291-4.4, or 291-7 as those sections were in effect on December 31, 2001, or section 291E-61 or 707-702.5,

that, at the time of the instant offense, had not been expunged by pardon, reversed, or set aside. All convictions that have been expunged by pardon, reversed, or set aside [prior to] before the instant offense shall not be deemed prior convictions for the purposes of proving that the person is a habitual operator of a vehicle while under the influence of an intoxicant.

- (2) "Convicted one or more times for offenses of habitually operating a vehicle under the influence" means that, at the time of the behavior for which the person is charged under this section, the person had one or more times within ten years of the instant offense:
 - (A) A judgment on a verdict or a finding of guilty, or a plea of guilty or nolo contendere, for a violation of this section or section 291-4.4 as that section was in effect on December 31, 2001;
 - (B) A judgment on a verdict or a finding of guilty, or a plea of guilty or nolo contendere, for an offense that is comparable to this section or section 291-4.4 as that section was in effect on December 31, 2001; or
 - (C) An adjudication of a minor for a law or probation violation that, if committed by an adult, would constitute a violation of this section or section 291-4.4 as that section was in effect on December 31, 2001,

that, at the time of the instant offense, had not been expunged by pardon, reversed, or set aside. All convictions that have been expunged by pardon, reversed, or set aside [prior to] before the instant offense shall not be deemed prior convictions for the purposes of proving the person's status as a habitual operator of a vehicle while under the influence of an intoxicant.

- (3) "Habitual operator of a vehicle while under the influence of an intoxicant" means that the person:
 - (A) Was convicted [three] two or more times for offenses of operating a vehicle under the influence; or
 - (B) Was convicted one or more times for offenses of habitually operating a vehicle under the influence."
- 2. By amending subsection (d) to read:
- "(d) For a conviction under this section, the sentence shall be either:
- (1) An indeterminate term of imprisonment of five years; or
- (2) A term of probation of five years, with conditions to include:
 - (A) Mandatory revocation of license and privilege to operate a vehicle for a period [not] no less than [one year] three years but [not] no more than five years;
 - (B) [Not] No less than ten days imprisonment, of which at least forty-eight hours shall be served consecutively;
 - (C) A fine of no less than \$2,000 but no more than \$5,000;

- [(C)] (D) Referral to a certified substance abuse counselor as provided in section 291E-61(d);
- [(D)] (E) A surcharge of \$25 to be deposited into the neurotrauma special fund; and
- [(E)] (È) May be charged a surcharge of up to \$50 to be deposited into the trauma system special fund if the court so orders.

In addition to the foregoing, any vehicle owned and operated by the person committing the offense shall be subject to forfeiture pursuant to chapter 712A[-]: provided that the department of transportation shall provide storage for vehicles forfeited under this subsection."

SECTION 3. Section 291E-62, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No person whose license and privilege to operate a vehicle have been revoked, suspended, or otherwise restricted pursuant to this section or to part III or section 291E-61 or 291E-61.5, or to part VII or part XIV of chapter 286 or section 200-81, 291-4, 291-4.4, 291-4.5, or 291-7 as those provisions were in effect on December 31, 2001, shall operate or assume actual physical control of any vehicle:

- (1) In violation of any restrictions placed on the person's license;
- (2) While the person's license or privilege to operate a vehicle remains suspended or revoked;
- (3) Without installing an ignition interlock device required by this chapter; or
- (4) With an ignition interlock permit unless the person has the ignition interlock permit [and a valid State of Hawaii identification card] in the person's immediate possession."

SECTION 4. (a) The president of the senate and the speaker of the house of representatives shall convene a task force to examine and propose legislation that would allow the courts, under certain circumstances, to prohibit a person convicted of operating a vehicle under the influence of an intoxicant or habitually operating a vehicle under the influence of an intoxicant from purchasing or publicly consuming alcohol for a probation period.

- (b) The task force shall include:
- (1) Two members to be appointed by the president of the senate;
- (2) Two members to be appointed by the speaker of the house of representatives;
- (3) Two district court judges appointed by the chief justice; and
- (4) The director of transportation who shall serve as an ex-officio member.

The task force may add additional members as it deems necessary.

(c) The task force shall submit a report of its findings and recommendations to the legislature no later than twenty days before the convening of the regular session of 2020.

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable. SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved June 27, 2019.)

Note

1. Should be underscored.

ACT 170

H.B. NO. 551

A Bill for an Act Relating to Cesspools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Act 132, Session Laws of Hawaii 2018, established the cesspool conversion working group to develop a longrange, comprehensive plan for conversion of cesspools statewide by 2050 and commissioned a statewide study of sewage contamination in nearshore marine areas to further supplement studies and reports conducted by the department of health on cesspools. The working group convened in 2018 and has been working to meet the objectives set out in Act 132; however, the working group needs an extension on the lapse date of its funding and additional time to meet its objectives.

The purpose of this Act is to:

- (1) Extend various reporting deadlines and the sunset date of the cesspool conversion working group; and
- (2) Extend the lapse date of funds appropriated previously for the comprehensive statewide study of sewage contamination in nearshore marine areas and for research and technical assistance necessary for completion of the comprehensive cesspool conversion plan.

SECTION 2. Act 132, Session Laws of Hawaii 2018, is amended by adding a new section to read as follows:

"SECTION 6. Moneys appropriated pursuant to sections 4 and 5 of this Act shall not lapse at the end of the fiscal year for which the moneys have been appropriated; provided that any moneys appropriated pursuant to sections 4 and 5 of this Act that are unencumbered as of June 30, 2021, shall lapse on that date."

SECTION 3. Act 132, Session Laws of Hawaii 2018, section 2, is amended as follows:

1. By amending subsection (e) to read:

"(e) The cesspool conversion working group shall submit an interim report of its progress, including any preliminary findings and recommendations, [including] and any proposed legislation, to the legislature no later than [December 31, 2019,] twenty days prior to the convening of the regular session of 2021 and no later than twenty days prior to the convening of the regular session of 2022, and shall submit a final report, including findings, recommendations, and [any] proposed legislation, to the legislature no later than [twenty] sixty days prior to the convening of the regular session of 2022.

2. By amending subsection (g) to read:

"(g) The working group shall be dissolved on January 14, [2021.] 2023."

SECTION 4. Act 132, Session Laws of Hawaii 2018, section 3, is amended by amending subsection (b) to read as follows:

"(b) The university of Hawaii water resources research center and the department of health shall submit a report of their findings and recommendations, including any proposed legislation, to the cesspool conversion working group and the legislature no later than [October 1, 2019.] twenty days prior to the convening of the regular session of 2022."

SECTION 5. Act 132, Session Laws of Hawaii 2018, is amended by amending section 6 to read as follows:

"SECTION [6.] 7. This Act shall take effect on July 1, 2018."

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on June 29, 2019. (Approved June 27, 2019.)

ACT 171

H.B. NO. 420

A Bill for an Act Relating to Hawaiian Culture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Except for the revenues collected pursuant to section 237D-2(e), revenues collected under this chapter shall be distributed in the following priority, with the excess revenues to be deposited into the general fund:

- (1) \$1,500,000 shall be allocated to the Turtle Bay conservation easement special fund beginning July 1, 2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used to acquire the conservation easement and other real property interests in Turtle Bay, Oahu, for the protection, preservation, and enhancement of natural resources important to the State, until the bonds are fully amortized;
- (2) \$16,500,000 shall be allocated to the convention center enterprise special fund established under section 201B-8;
- (3) \$79,000,000 shall be allocated to the tourism special fund established under section 201B-11; provided that:
 - (A) Beginning on July 1, 2012, and ending on June 30, 2015, \$2,000,000 shall be expended from the tourism special fund for development and implementation of initiatives to take advantage of expanded visa programs and increased travel opportunities for international visitors to Hawaii;
 - (B) Of the \$79,000,000 allocated:
 - (i) \$1,000,000 shall be allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance [at the Hawaii convention center]; and
 - (ii) 0.5 per cent of the \$79,000,000 shall be transferred to a sub-account in the tourism special fund to provide fund-

ing for a safety and security budget, in accordance with the Hawaii tourism strategic plan 2005-2015; and

- (C) Of the revenues remaining in the tourism special fund after revenues have been deposited as provided in this paragraph and except for any sum authorized by the legislature for expenditure from revenues subject to this paragraph, beginning July 1, 2007, funds shall be deposited into the tourism emergency special fund, established in section 201B-10, in a manner sufficient to maintain a fund balance of \$5,000,000 in the tourism emergency special fund;
- (4) \$103,000,000 shall be allocated as follows: Kauai county shall receive 14.5 per cent, Hawaii county shall receive 18.6 per cent, city and county of Honolulu shall receive 44.1 per cent, and Maui county shall receive 22.8 per cent; provided that commencing with fiscal year 2018-2019, a sum that represents the difference between a county public employer's annual required contribution for the separate trust fund established under section 87A-42 and the amount of the county public employer's contributions into that trust fund shall be retained by the state director of finance and deposited to the credit of the county public employer's annual required contribution into that trust fund in each fiscal year, as provided in section 87A-42, if the respective county fails to remit the total amount of the county's required annual contributions, as required under section 87A-43; and
- (5) \$3,000,000 shall be allocated to the special land and development fund established under section 171-19; provided that the allocation shall be expended in accordance with the Hawaii tourism authority strategic plan for:
 - (A) The protection, preservation, maintenance, and enhancement of natural resources, including beaches, important to the visitor industry;
 - (B) Planning, construction, and repair of facilities; and
 - (C) Operation and maintenance costs of public lands, including beaches, connected with enhancing the visitor experience.

All transient accommodations taxes shall be paid into the state treasury each month within ten days after collection and shall be kept by the state director of finance in special accounts for distribution as provided in this subsection.

As used in this subsection, "fiscal year" means the twelve-month period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year."

SECTION 2. Statutory material to be repealed is bracketed and stricken.

SECTION 3. This Act shall take effect upon its approval. (Approved June 27, 2019.)

ACT 172

H.B. NO. 398

A Bill for an Act Relating to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the composition and term limits of members of the board of regents of the University of Hawaii is a matter of

statewide concern that falls under its purview pursuant to article X, section 6, of the Hawaii State Constitution.

The purpose of this Act is to amend the composition of the members of the board of regents of the University of Hawaii.

SECTION 2. Section 26-11, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The University of Hawaii shall be headed by an executive board to be known as the board of regents.

The board shall consist of [fifteen] eleven members. At least one member shall be a University of Hawaii student at the time of the initial appointment. [This member may be reappointed for one additional term even though the member may no longer be a student at the time of reappointment.] The governor shall reduce the terms of those initially appointed to each seat on the board of regents to provide, as far as practicable, for the expiration of three terms each year; provided that the term of the student member shall not be reduced.

[At least twelve] The members, except for the student member, shall represent and reside in the specified geographic areas as follows:

- (1) Two members from the county of Hawaii;
- (2) Two members from the county of Maui;
- (3) One member from the county of Kauai; and

(4) [Seven] <u>Five</u> members from the city and county of Honolulu.

The board shall have the power, in accordance with the Hawaii constitution and with law, to formulate policy and to exercise control over the university through its executive officer, the president of the university. The board shall have exclusive jurisdiction over the internal organization and management of the university."

SECTION 3. Section 304A-104, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The affairs of the university shall be under the general management and control of the board of regents. The board shall consist of [fifteen] eleven members who shall be appointed by the governor from lists of qualified candidates presented to the governor by the candidate advisory council, pursuant to section 304A-104.6, and shall be confirmed by the senate; provided that if the list of qualified candidates includes fewer than three candidates at any time during the nomination and confirmation process, the governor may request that the candidate advisory council reopen recruitment for qualified candidates. Members may be removed by the governor. Except as otherwise provided by law, state officers shall be eligible for appointment and membership.

The term of each member shall be five years, except as provided for the initial appointment in section 26-11; provided that the term of the student member shall be two years. Every member may serve beyond the expiration date of the member's term of appointment <u>as a holdover member</u> until the member's successor has been appointed by the governor and confirmed by the senate in accordance with article X, section 6 of the Hawaii State Constitution[-]: provided that, notwithstanding any law to the contrary, a holdover member shall not serve as a member of the board beyond the end of the first regular session of the legislature following the expiration of the member's term. Members shall serve no more than two consecutive five-year terms; provided that the members who are initially appointed to terms of two years or less pursuant to section 26-11(a) may be reappointed to two ensuing five-year terms. If a member is to be appointed to a second term of five years, the senate shall consider the question of whether to reconfirm the member at least one hundred twenty days prior to the conclusion

of a member's first five-year term; provided that if the senate is not in session within one hundred twenty days prior to the conclusion of the member's first five-year term, the member shall continue to serve until the senate convenes for the next regular session or the next special session for which the senate is authorized to consider the question of reconfirmation."

SECTION 4. Notwithstanding any law to the contrary, the members of the board of regents of the University of Hawaii serving on the day of the effective date of this Act shall continue to serve the remainder of their current terms. As vacancies occur, the vacancies shall be filled in a manner that meets the composition requirements of section 304A-104(a), Hawaii Revised Statutes, as amended by section 3 of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on June 30, 2019. (Approved June 27, 2019.)

ACT 173

H.B. NO. 1270

A Bill for an Act Relating to the Hospital Sustainability Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the hospital sustainability program was established in 2012 and has served a critical role in strengthening the health care system in Hawaii. In the seven years since its inception, the hospital sustainability program has helped acute care facilities treat the most vulnerable patients in the State, especially low-income individuals who require hospital services. The program has been carried out in a public-private partnership to ensure that patients in Hawaii can access quality, affordable care.

The legislature further finds that, even with this program, hospitals in the State face major financial challenges. These challenges are due in part to inadequate payments from the medicaid program that do not cover the actual costs of care. Medicaid is jointly financed by the federal and state governments by statutory formula; the federal government pays between fifty per cent and seventy-four per cent, with assistance levels determined by each state's per capita income. States with the lowest per capita income receive higher federal matching rates. Under federal rules, the state share must be paid from public funds that are not federal funds. The legislature finds that public funding to help financially sustain Hawaii's hospitals may be accessed through a provider fee.

The legislature further finds that provider fees exist in forty-nine states and the District of Columbia as a means of drawing down federal funds to sustain medicaid programs due to rising state budget deficits, increasing health care costs, and expanding medicaid enrollment. Provider fees, which are collected from specific categories of health care providers that agree to the fee, may be imposed on nineteen different classes of health care services, including inpatient and outpatient hospital and nursing facility services.

The legislature therefore finds that, in Hawaii, a provider fee on hospitals has resulted in substantial increases in medicaid payments without putting additional constraints on the State's budget. The additional federal funds obtained via the fee program authorized by the hospital sustainability program have helped to reduce the amount of losses incurred by hospitals and maintain access to care for medicaid recipients. This allows hospitals in the State to continue to serve uninsured or underinsured patients in a timely, effective manner, and helps to ensure the overall sustainability of the health care system in Hawaii.

The purpose of this Act is to preserve access to health care for medicaid recipients by extending the hospital sustainability program.

SECTION 2. Section 346G-3, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read:

"<u>Medicaid cost report</u>" means the annual cost report that a hospital submits to the State's medicaid agency."

2. By amending the definition of "private hospital" to read:

"Private hospital" means [those non-public hospitals named in attachment A of the medicaid section 1115 demonstration waiver that were in operation in calendar year 2016 and are currently operating or any hospitals not named in attachment A of the medicaid section 1115 demonstration waiver that became private hospitals in calendar year 2017 or 2018 and are currently operating.] all currently operating hospitals, except for hospitals that are:

- (1) Operated by or affiliated with the Hawaii health systems corporation; or
- (2) Charitable hospitals funded primarily through donations or other non-insurance sources of funding, and whose net patient revenue is less than forty per cent of operating expenses, per the medicaid cost report."
- 3. By deleting the definition of "section 1115 waiver".

[""Section 1115 waiver" means the medicaid section 1115 demonstration waiver under which the state medicaid program is operating."]

SECTION 3. Section 346G-5, Hawaii Revised Statutes, is amended by amending subsections (c) and (d) to read as follows:

"(c) The hospital sustainability fee for inpatient care services may differ from the fee for outpatient care services but the fees charged to the hospital shall not in the aggregate exceed [three and one-half] four per cent of the hospital's net patient service revenue. The inpatient hospital sustainability fee shall not exceed [three and one-half] four per cent of net inpatient hospital service revenue. The outpatient hospital sustainability fee shall not exceed [three and one-half] four per cent of net outpatient hospital service revenue. Each fee shall be the same percentage for all affected hospitals, subject to subsection (d).

(d) The department shall exempt children's hospitals, federal hospitals, public hospitals, and psychiatric hospitals from the hospital sustainability fees on inpatient services. In addition, the department shall exempt from the hospital sustainability fee on outpatient care services [children's hospitals.] federal hospitals and public hospitals[, rehabilitation hospitals, psychiatric hospitals, and any hospitals with net outpatient revenues of less than \$57,000,000 per year based upon the hospital's medicare cost report for the fiscal year ending three years prior to the state fiscal year for which the hospital's net patient service revenue is calculated]; provided that the department may exclude any facility from the hospital sustainability fee [on outpatient care services] if it is determined that its exclusion is required to meet federal standards of approval."

SECTION 4. Section 346G-10, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

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"(b) In accordance with title 42 Code of Federal Regulations part 438, the department shall use revenues from the hospital sustainability fee and federal matching funds to enhance the capitated rates paid to medicaid managed care health plans for state fiscal years [2017-2018 and 2018-2019,] 2019-2020 and 2020-2021, consistent with the following objectives:

- (1) The rate enhancement shall be used exclusively for increasing reimbursements to private hospitals to support the availability of services and to ensure access to care to the medicaid managed care health plan enrollees;
- (2) The rate enhancement shall be made part of the monthly capitated rates by the department to medicaid managed care health plans, which shall provide documentation to the department and the hospital trade association located in Hawaii certifying that the revenues received under paragraph (1) are used in accordance with this section;
- (3) The rate enhancement shall be actuarially sound and approved by the federal government for federal fund participation;
- (4) The rate enhancements shall be retroactive to July 1, 2012, or the effective date approved by the federal government, whichever is later. Retroactive rate enhancements shall be paid within thirty days of notification by the Centers for Medicare and Medicaid Services to the department of all necessary approvals; and
- (5) Payments made by the medicaid managed care health plans shall be made within thirty business days upon receipt of monthly capitation rates from the department."

SECTION 5. Section 346G-12, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Collection of the hospital sustainability fee established by section 346G-5 shall be discontinued if:

- (1) The required federal approvals specified in section 346G-7 are not granted or are revoked by the Centers for Medicare and Medicaid Services;
- (2) The department reduces funding for hospital services below the state appropriation in effect as of July 1, [2012;] 2020;
- (3) The department or any other state agency uses the money in the hospital sustainability program special fund for any use other than the uses permitted by this chapter; or
- (4) Federal financial participation to match the revenue from the hospital sustainability fee becomes unavailable under federal law; provided that the department shall terminate the imposition of the hospital sustainability fee beginning on the date the federal statutory, regulatory, or interpretive change takes effect."

SECTION 6. Act 217, Session Laws of Hawaii 2012, section 5, as amended by section 2 of Act 141, Session Laws of Hawaii 2013, as amended by section 2 of Act 123, Session Laws of Hawaii 2014, as amended by section 2 of Act 70, Session Laws of Hawaii 2015, as amended by section 3 of Act 60, Session Laws of Hawaii 2016, as amended by section 5 of Act 59, Session Laws of Hawaii 2017, is amended to read as follows:

"SECTION 5. This Act shall take effect on July 1, 2012, and shall be repealed on June 30, [2019;] 2021; provided that section -4, Hawaii Revised Statutes, in section 2 of this Act, and the amendment to section 36-30(a), Hawaii

Revised [Statues,] Statutes, in section 3 of this Act, shall be repealed on December 31, [2019.] 2021."

SECTION 7. Act 123, Session Laws of Hawaii 2014, section 7, as amended by section 3 of Act 70, Session Laws of Hawaii 2015, as amended by section 4 of Act 60, Session Laws of Hawaii 2016, as amended by section 6 of Act 59, Session Laws of Hawaii 2017, is amended to read as follows:

"SECTION 7. This Act shall take effect on June 29, 2014; provided that:

- (1) Section 5 shall take effect on July 1, 2014; and
- (2) The amendments made to sections 36-27(a) and 36-30(a), Hawaii Revised Statutes,¹ in sections 3 and 4 of this Act shall be repealed on December 31, [2019.] 2021."

SECTION 8. There is appropriated out of the hospital sustainability program special fund the sum of \$88,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the purposes of the hospital sustainability program special fund.

The sums appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 10. This Act shall take effect on June 29, 2019; provided that sections 7 and 8 of this Act shall take effect on July 1, 2019.

(Approved June 27, 2019.)

Note

1. Prior to amendment "statues" appeared here.

ACT 174

S.B. NO. 162

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that traffic congestion is a serious problem that negatively affects the quality of life for residents and visitors in Hawaii. Traffic congestion on the State's roadways continues to increase, forcing people to spend more time sitting in vehicles and less time being productive at work or with families and friends.

The legislature further finds that rental vehicle lessees make up a large proportion of public highway users. Existing law exempts those lessees that have a valid Hawaii driver's license from paying an additional fee of the rental motor vehicle surcharge tax.

The legislature believes that it is reasonable to repeal the exemptions in order to raise revenue for capital improvements to Hawaii's highways, which will relieve congestion and improve the quality of life for both residents and visitors.

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The purpose of this Act is to amend the rental motor vehicle surcharge tax to fund projects to increase highway capacity and relieve traffic congestion.

Specifically, this Act:

- (1) Increases the amount of the rental motor vehicle surcharge tax for such lessees for each day, or portion of a day, that a rental motor vehicle is rented to \$5;
- (2) Repeals the additional surcharge tax of \$2 for each day, or portion of a day, for lessees who do not possess a valid Hawaii driver's license; and
- (3) Repeals the requirement that the \$2 additional surcharge be deposited into a separate account for the county that collected the surcharge and instead deposits the money into the state highway fund.

SECTION 2. Section 251-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is levied and shall be assessed and collected each month a rental motor vehicle surcharge tax of [\$3] \$5 a day, or any portion of a day that a rental motor vehicle is rented or leased[; provided that lessees without a valid Hawaii driver's license shall be assessed an additional \$2 a day, or any portion of a day that a rental motor vehicle is rented or leased]. The rental motor vehicle surcharge tax shall be levied upon the lessor; provided that the tax shall not be levied on the lessor if:

- (1) The lessor is renting the vehicle to replace a vehicle of the lessee that is being repaired; and
- (2) A record of the repair order for the vehicle is retained either by the lessor for two years for verification purposes or by a motor vehicle repair dealer for two years as provided in section 437B-16.

In addition to the requirements imposed by section 251-4, a lessor shall disclose, to the department, the portion of the remittance attributed to the county in which the motor vehicle was operated under rental or lease.

[Of the remittances collected pursuant to this subsection, \$2 per day or portion of a day from each lessee without a valid Hawaii driver's license shall be deposited into the state treasury to the credit of the respective county subaccount of the state highway fund, established pursuant to section 248-9(c), that corresponds to the county in which the rental motor vehicle was driven under rental or lease.]"

SECTION 3. Section 251-5, Hawaii Revised Statutes, is amended to read as follows:

"§251-5 Remittances. All remittances of surcharge taxes imposed under this chapter shall be made by cash, bank draft, cashier's check, money order, or certificate of deposit to the office of the taxation district to which the return was transmitted. The department shall deposit the moneys into the state treasury to the credit of the state highway fund[; provided that user fee revenues that are levied, assessed, and collected pursuant to section 251-2(a) from lessees without a valid Hawaii drivers license shall be deposited in accordance with section 248-9(c)]."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 1, 2019.)

ACT 175

S.B. NO. 1037

A Bill for an Act Relating to Domestic Violence.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 709-906, Hawaii Revised Statutes, is amended by amending subsection (8) to read as follows:

"(8) Where the physical abuse consists of intentionally or knowingly <u>causing bodily injury by</u> impeding the normal breathing or circulation of the blood [of the family or household member] by [applying]:

- (a) <u>Applying pressure on the throat or the neck[,] with any part of the body or a ligature;</u>
- (b) Blocking the nose and mouth; or
- (c) Applying pressure to the chest,

abuse of a family or household member is a class C felony[-]: provided that infliction of visible bodily injury shall not be required to establish an offense under this subsection.

For the purposes of this subsection, "bodily injury" shall have the same meaning as in section 707-700."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 176

S.B. NO. 1039

A Bill for an Act Relating to Prostitution.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 712-1200, Hawaii Revised Statutes, is amended by amending subsection (4) to read as follows:

"(4) A person convicted of committing the offense of prostitution as a petty misdemeanor shall be sentenced as follows:

- (a) For the first offense, when the court has not deferred further proceedings pursuant to chapter 853, a fine of not less than \$500 but not more than \$1,000 and the person may be sentenced to a term of imprisonment of not more than thirty days or probation; provided that in the event the convicted person defaults in payment of the fine, and the default was not contumacious, the court may sentence the person to perform services for the community as authorized by section 706-605(1).
- (b) For any subsequent offense, a fine of not less than \$500 but not more than \$1,000 and a term of imprisonment of thirty days or probation, without possibility of deferral of further proceedings

pursuant to chapter 853 and without possibility of suspension of sentence.

(c) For the purpose of this subsection, if the court has deferred further proceedings pursuant to chapter 853, and notwithstanding any provision of chapter 853 to the contrary, the defendant shall not be eligible to apply for expungement pursuant to section 831-3.2 until [four] three years following discharge. A plea previously entered by a defendant under section 853-1 for a violation of this section shall be considered a prior offense. When the court has ordered a sentence of probation, the court may impose as a condition of probation that the defendant complete a course of prostitution intervention classes; provided that the court may only impose the condition for one term of probation."

SECTION 2. Section 712-1209.6, Hawaii Revised Statutes, is amended to read as follows:

***§712-1209.6 Prostitution; motion to vacate conviction.** (1) A person convicted of committing the offense of prostitution under section [712-1200,] <u>712-1200(1)(a)</u>, loitering for the purpose of engaging in or advancing prostitution under section [712-1206,] <u>712-1206(2)</u>, street solicitation of prostitution in designated areas under section [712-1207,] <u>712-1207(1)(a) or 712-1207(2)(a)</u>, or convicted of a lesser offense when originally charged with a violation of section [712-1207,] <u>712-1207(1)(a), or 712-1207(1)(a)</u>, or <u>712-1207(2)(a)</u>, may file a motion to vacate the conviction if the [defendant's participation in the offense was the result of the person having been a victim of:

- (a) Sex trafficking under section 712-1202 or promoting prostitution under section 712-1203; or
- (b) A severe form of trafficking in persons as defined in title 22 United States Code section 7102(9)(A).
- (2) A motion filed under this section shall:
- (a) Be in writing;
- (b) Be signed and sworn to by the petitioner;
- (c) Be made within six years after the date that the person ceases to be a victim as described in subsection (1), subject to reasonable concerns for the safety of the defendant, family members of the defendant, or other victims of the trafficking that may be jeopardized by the bringing of a motion, or for other reasons consistent with the purpose of this section;
- (d) Describe all the grounds and evidence for vacation of a conviction which are available to the petitioner and of which the petitioner has or by the exercise of reasonable diligence should have knowledge, and provide copies of any official documents showing that the defendant is entitled to relief under this section; and
- (e) Be subject to the review and written approval of the state agency or county prosecutor responsible for prosecuting the offense that is the subject of the motion to vacate conviction.

(3)] <u>defendant is not subsequently convicted of any offense under the</u> Hawaii Penal Code within three years after the date of the original conviction.

(2) The court shall hold a hearing on a motion filed under this section [if the motion satisfies the requirements of subsection (2); provided that the

court may dismiss a motion without a hearing if the court finds that the motion fails to assert grounds on which relief may be granted.

(4) If the court grants a motion filed under this section,] to review the defendant's record over the three years after the date of the original conviction under section 712-1200(1)(a), 712-1206(2), or 712-1207(1)(a) or (2)(a) or conviction of a lesser offense when originally charged with a violation of any of those sections, and if the court finds that the defendant has not been convicted of any offense under the penal code within this three year period, the court shall vacate the conviction.

[(5) A person making a motion to vacate pursuant to this section has the burden of proof by a preponderance of the evidence.

(6) This section shall not apply to a motion to vacate a conviction under this chapter for:

- (a) Sex trafficking under section 712-1202;
- (b) Promoting prostitution under section 712-1203; or
- (c) A person who pays, agrees to pay or offers a fee to another person to engage in sexual conduct.]"

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 177

H.B. NO. 483

A Bill for an Act Relating to Civil Rights.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Title IX of the Education Amendments of 1972 (Title IX), renamed the Patsy Mink Equal Opportunity in Education Act in 2002, triggered a seismic shift in the education landscape by prohibiting discrimination on the basis of sex by any educational program or activity receiving federal funds. The legislature also finds that Hawaii is rightfully proud of Patsy Mink's signature legislation, which has given millions of girls and women educational opportunities that were undreamed of before enactment of Title IX, in the classroom and on playing fields; in research, teaching, and graduate schools; and in employment, medicine, law, and other professions.

However, the legislature also recognizes that Patsy Mink's celebrated legacy has not been fully realized, and that the efficacy of Title IX federal protections against sex discrimination in education has been diminished and eroded. For these reasons, in 2018 the legislature passed a corollary to Title IX in state law. Act 110, Session Laws of Hawaii 2018 (Act 110), prohibits discrimination on the basis of sex, including sexual orientation, gender identity, or gender expression, in any state educational program or activity, or in any educational program or activity that receives state financial assistance, without regard to whether the educational program or activity also receives federal funds. The law also directs the legislative reference bureau to conduct a study of existing federal Title IX procedures and enforcement in addition to examining Title IX corollaries in other jurisdictions. The legislative reference bureau was to submit its report, including any proposed legislation, in advance of the convening of the regular session of 2019. However, the study is still in progress.

Accordingly, the purpose of this Act is to extend the deadline for the legislative reference bureau to complete the study requested by Act 110 and incorporate federal law regarding Title IX into Act 110 that allow social fraternities, social sororities, certain youth service organizations, and same-sex living facilities to delineate along gender lines.

SECTION 2. Act 110, Session Laws of Hawaii 2018, is amended as follows:

1. By amending section 2 to read:

"SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to title 20 to be appropriately designated and to read as follows:

CHAPTER

DISCRIMINATION IN STATE EDUCATIONAL PROGRAMS AND ACTIVITIES

§ -1 State educational programs and activities; discrimination prohibited. (a) No person in the State, on the basis of sex, including gender identity or expression as defined in section 489-2, or sexual orientation as defined in section 489-2, shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under:

- (1) Any state educational program or activity; or
- (2) Any educational program or activity that receives state financial assistance.

(b) Nothing in this chapter shall be construed to prohibit the membership practices of social fraternities or sororities or voluntary youth service organizations, as set forth in title 20 United States Code Section 1681(a)(6), as in effect on January 1, 2019.

(c) Nothing in this chapter shall be construed to prohibit any educational institution receiving state funds from maintaining separate living facilities for different sexes, as set forth in title 20, United States Code Section 1686, as in effect on January 1, 2019.

(d) Nothing in this chapter shall be construed to prohibit an educational institution from administering or assisting in administering a scholarship, fellowship, or other form of financial assistance pursuant to a domestic or foreign will, trust, bequest, or similar instrument that requires awards be made to members of a particular sex specified therein; provided that the overall effect of sex-restricted financial assistance shall not discriminate on the basis of sex, as set forth in title 34, Code of Federal Regulations section 106.37(b)(1), as in effect on January 1, 2019.

[(b)] (e) Nothing in this chapter shall preclude a student participating in any educational program or activity who is aggrieved by a violation of this chapter from filing a civil action in a court of competent jurisdiction.

[(e)] (f) A person, or an organization or association on behalf of a person alleging a violation of this chapter may file a complaint pursuant to this chapter.

[(d)] (g) As used in this section:

"Educational program or activity that receives state financial assistance" means any educational program or activity that receives state financial assistance, in any amount, for any purpose. The term does not exclude an educational program or activity that also receives federal funds.

"State educational program or activity" means an educational program or activity of the University of Hawaii, the department of education, or public charter schools."

2. By amending section 3 to read:

"SECTION 3. The legislative reference bureau shall conduct a study of existing Title IX enforcement practices and procedures on the federal level and in other jurisdictions, including the following:

- (1) A detailed review of enforcement entities responsible for overseeing the investigation and adjudication of complaints under Title IX and related state laws prohibiting discrimination on the basis of sex;
- (2) An examination of issues related to service and standing for bringing applicable complaints;
- (3) A review of the various remedies for violations that may be available to an aggrieved party, including alternative dispute resolution, injunctive relief, and civil damages; and
- (4) An examination of any potential inconsistencies between multiple state and federal compliance mandates and regulatory schemes.

No later than [twenty days prior to the convening of the regular session of 2019,] August 1, 2019, the legislative reference bureau shall submit a report to the legislature with findings and recommendations on the foregoing issues, including proposed legislation concerning an appropriate enforcement mechanism for chapter , Hawaii Revised Statutes."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval; provided that section 2 shall take effect on January 1, 2020.

(Approved July 2, 2019.)

ACT 178

H.B. NO. 710

A Bill for an Act Relating to Employment Practices.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 378-1, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

""Reproductive health decision" means the use or attempted use of any legal drug, device, or medical service intended to prevent or terminate a pregnancy, or the use or attempted use of any assisted reproductive technology."

SECTION 2. Section 378-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- "(a) It shall be an unlawful discriminatory practice:
- (1) Because of race, sex including gender identity or expression, sexual orientation, age, religion, color, ancestry, disability, marital status, arrest and court record, <u>reproductive health decision</u>, or domestic

or sexual violence victim status if the domestic or sexual violence victim provides notice to the victim's employer of such status or the employer has actual knowledge of such status:

- (A) For any employer to refuse to hire or employ or to bar or discharge from employment, or otherwise to discriminate against any individual in compensation or in the terms, conditions, or privileges of employment;
- (B) For any employment agency to fail or refuse to refer for employment, or to classify or otherwise to discriminate against, any individual;
- (C) For any employer or employment agency to print, circulate, or cause to be printed or circulated any statement, advertisement, or publication or to use any form of application for employment or to make any inquiry in connection with prospective employment, that expresses, directly or indirectly, any limitation, specification, or discrimination;
- (D) For any labor organization to exclude or expel from its membership any individual or to discriminate in any way against any of its members, employer, or employees; or
- (E) For any employer or labor organization to refuse to enter into an apprenticeship agreement as defined in section 372-2; provided that no apprentice shall be younger than sixteen years of age;
- (2) For any employer, labor organization, or employment agency to discharge, expel, or otherwise discriminate against any individual because the individual has opposed any practice forbidden by this part or has filed a complaint, testified, or assisted in any proceeding respecting the discriminatory practices prohibited under this part;
- (3) For any person, whether an employer, employee, or not, to aid, abet, incite, compel, or coerce the doing of any of the discriminatory practices forbidden by this part, or to attempt to do so;
- (4) For any employer to violate the provisions of section 121-43 relating to nonforfeiture for absence by members of the national guard;
- (5) For any employer to refuse to hire or employ or to bar or discharge from employment any individual because of assignment of income for the purpose of satisfying the individual's child support obligations as provided for under section 571-52;
- (6) For any employer, labor organization, or employment agency to exclude or otherwise deny equal jobs or benefits to a qualified individual because of the known disability of an individual with whom the qualified individual is known to have a relationship or association;
- (7) For any employer or labor organization to refuse to hire or employ, bar or discharge from employment, withhold pay from, demote, or penalize a lactating employee because the employee breastfeeds or expresses milk at the workplace. For purposes of this paragraph, the term "breastfeeds" means the feeding of a child directly from the breast;
- (8) For any employer to refuse to hire or employ, bar or discharge from employment, or otherwise to discriminate against any individual in compensation or in the terms, conditions, or privileges of employment of any individual because of the individual's credit history or credit report, unless the information in the individual's credit his-

tory or credit report directly relates to a bona fide occupational qualification under section 378-3(2); or

(9) For any employer to discriminate against any individual employed as a domestic, in compensation or in terms, conditions, or privileges of employment because of the individual's race, sex including gender identity or expression, sexual orientation, age, religion, color, ancestry, disability, [OF] marital status[-], or reproductive health decision."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 179

H.B. NO. 1552

A Bill for an Act Relating to Public Safety.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that independent oversight of the State's correctional system ensures transparency, supports safe conditions for employees, inmates, and detainees, and provides positive reform towards a rehabilitative and therapeutic correctional system.

The legislature further finds that an increasing number of states are calling for independent oversight of their correctional systems with at least eight states already having established independent oversight mechanisms to monitor and improve their correctional systems.

The legislature further finds that the reentry commission and the corrections population management commission have overlapping responsibilities and consolidating the commissions into a single, independent oversight commission led by an oversight coordinator and guided by an experienced group of commission members will promote efficiency and provide greater opportunities for member participation.

The purpose of this part is to support best practices for an effective correctional system by:

- (1) Establishing the Hawaii correctional system oversight commission; and
- (2) Consolidating the reentry commission and corrections population management commission into the Hawaii correctional system oversight commission and transferring the rights, powers, functions, and duties of the consolidated commissions to the Hawaii correctional system oversight commission.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

HAWAII CORRECTIONAL SYSTEM OVERSIGHT COMMISSION

§ -1 Hawaii correctional system oversight commission; membership; appointment; chairperson; reimbursement of expenses. (a) There is established within the department of the attorney general for administrative purposes only a Hawaii correctional system oversight commission consisting of five members who shall be residents of this State and appointed as follows:

- (1) One member shall be appointed by the governor;
- (2) One member shall be appointed by the president of the senate;
- (3) One member shall be appointed by the speaker of the house of representatives;
- (4) One member shall be appointed by the chief justice; and
- (5) One member shall be appointed by the chairperson of the board of trustees of the Office of Hawaiian Affairs.

The commission members shall annually elect one of the members to serve as chairperson of the commission.

(b) Preferred qualifications for commission members shall be possessing knowledge in:

- (1) Criminal justice or correctional systems;
- (2) Native Hawaiian culture-based practices with an emphasis on healing and reducing recidivism;
- (3) Best practices for effective correctional systems; or
- (4) Crime victim specialization.

(c) Any member of the commission may be removed from office by the governor for cause upon notice and opportunity to be heard at a public hearing.

(d) The members of the commission shall receive reimbursement for expenses, including travel expenses, that are necessary for the performance of their duties. No member of the commission shall be made subject to the financial disclosure requirements of sections 84-13 and 84-17 solely because of that member's participation as a member of the commission. The terms of the commissioners shall be as provided in section 26-34.

§ -2 Oversight coordinator; appointment; term. (a) The governor shall appoint an oversight coordinator from a list of three nominees submitted by the commission. The oversight coordinator shall be a person qualified by training and experience to administer the Hawaii correctional system oversight commission and shall be well-versed in criminal justice reform and maintain a firm commitment to the correctional system's transition to a rehabilitative and therapeutic model. The oversight coordinator shall serve a two-year term.

(b) Effective December 1, 2019, the oversight coordinator of the commission shall be paid a salary set at one hundred per cent of the salary of the director of human resources development. The oversight coordinator shall be exempt from chapters 76 and 89, but shall be a member of the state employees' retirement system and shall be eligible to receive benefits of any state employee benefits program generally applicable to officers and employees of the State, including those under chapter 87A.

(c) The oversight coordinator shall devote the oversight coordinator's entire time and attention to the administration of the Hawaii correctional system oversight commission and shall not be engaged in any other profession or occupation.

(d) The oversight coordinator may employ persons not subject to chapter 76 to perform and execute the functions of the commission.

§ -3 Hawaii correctional system oversight commission; powers and du-

ties. (a) The commission shall meet with the oversight coordinator not less than once each quarter to make recommendations and set policy, receive reports from the oversight coordinator, and transact other business properly brought before the commission.

- (b) The commission shall:
- (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 program, including facility educational and treatment programs, rehabilitative services, work furloughs, and the Hawaii paroling authority's oversight of parolees. The commission may make recommendations to the department of public safety, the Hawaii paroling authority, and the legislature regarding reentry and parole services; and
- (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 when the maximum terms have been served instead of delaying the release for lack of programs and services.

To achieve these ends, the commission shall authorize the oversight coordinator to adopt rules in accordance with chapter 91.

§ -4 Powers and duties of the oversight coordinator. In addition to any other powers and duties authorized in this chapter, the oversight coordinator shall:

- (1) Supervise and administer the operation of the commission in accordance with this chapter and the rules adopted under this chapter, subject to the continuous duty to take into account the particularly sensitive and responsible nature of the commission's functions;
- (2) Enforce this chapter and the rules adopted under this chapter. The oversight coordinator shall receive allegations of any violations of the laws of this State or rules pertaining to the correctional system or conduct of the commission;
- (3) Be authorized to hire staff necessary to accomplish the purpose of this chapter, including a minimum of two researchers and one clerical assistant. Employees of the oversight coordinator's office shall be exempt from chapter 76 and shall not be considered civil service employees but shall be entitled to any employee benefit plans normally inuring to civil service employees;
- (4) Act as secretary and executive officer of the commission;
- (5) Confer regularly as necessary or desirable and not less than once every quarter with the commission on the operation and administration of the commission;
- (6) Make available for inspection by the commission, upon request, all books, records, files, and other information and documents of the commission; and

(7) Advise the commission and recommend matters as are necessary and advisable to improve the operation and administration of the commission.

§ -5 Access to records by oversight coordinator and commission. The department of public safety shall provide full access to all information requested by the oversight coordinator and commission.

§ -6 Monthly reports; annual reports. (a) The oversight coordinator shall submit a monthly report to the commission, the governor, and the legislature. The monthly report shall include actions taken by the commission and expenses for the preceding month.

(b) The commission shall submit an annual report to the governor and the legislature no less than twenty days before the convening of each regular session. The annual report shall include a full and complete statement of actions taken by the commission for the preceding years, and recommendations, including any proposed legislation, that the commission deems necessary or desirable.

§ -7 Studies and investigations; procedures. (a) The oversight coordinator shall conduct an ongoing study and investigation of the correctional system for the following purposes:

- (1) To ascertain any provisions in this chapter or rules adopted pursuant to this chapter through which any abuses in the administration and operation of the correctional system or any evasion of this chapter or its rules may arise or be practiced;
- (2) To formulate recommendations for changes to this chapter; and
- (3) To ensure that this chapter and rules adopted pursuant to this chapter are formalized and are administered to serve the true purposes of this chapter.

(b) The oversight coordinator shall conduct an ongoing study and investigation of the operation and the administration of correctional system laws in effect in other states or countries, any literature on the subject that may be published or available, any federal laws that may affect the operation of the correctional system, and the reaction of residents to existing and potential features of the correctional system in order to recommend or effect changes that will tend to serve the purposes of this chapter.

(c) In an investigation, the oversight coordinator may make inquiries and obtain information as the oversight coordinator thinks fit, enter without notice to inspect the premises of an agency or correctional facility, and hold private hearings in accordance with chapter 91.

(d) The oversight coordinator shall be required to maintain confidentiality in respect to all matters and the identities of the complainants or witnesses coming before the oversight coordinator except so far as disclosures may be necessary to enable the oversight coordinator to carry out the oversight coordinator's duties and to support the oversight coordinator's recommendations."

SECTION 3. Act 24, Special Session Laws of Hawaii 2009, as amended by section 4 of Act 76, Session Laws of Hawaii 2012, as amended by section 1 of Act 66, Session Laws of Hawaii 2013, as amended by section 1 of Act 15, Session Laws of Hawaii 2015, is amended by amending section 3, subsection (d) to read as follows:

"(d) The commission shall cease to exist on [December 1, 2019.] January 1, 2020."

SECTION 4. Chapter 353F, Hawaii Revised Statutes, is repealed.

SECTION 5. The chairpersons of the reentry commission and corrections population management commission and the oversight coordinator shall create a plan to ensure a smooth transition for the consolidation of commissions and the transfer of all rights, powers, functions, and duties prior to the repeal of the reentry commission and corrections population management commission on January 1, 2020.

SECTION 6. All rights, powers, functions, and duties of the reentry commission are transferred to the Hawaii correctional system oversight commission.

SECTION 7. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the reentry commission relating to the functions transferred to the Hawaii correctional system oversight commission shall be transferred with the functions to which they relate.

SECTION 8. All rights, powers, functions, and duties of the corrections population management commission are transferred to the Hawaii correctional system oversight commission.

SECTION 9. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the corrections population management commission relating to the functions transferred to the Hawaii correctional system oversight commission shall be transferred with the functions to which they relate.

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$158,946 or so much thereof as may be necessary for fiscal year 2019-2020 and \$330,000 or so much thereof as may be necessary for fiscal year 2020-2021 for the operations of the Hawaii correctional system oversight commission.

The sums appropriated shall be expended by the department of the attorney general for the purposes of this part.

PART II

SECTION 11. (a) The legislature finds that House Concurrent Resolution No. 134, House Draft 1 (2017), requested the judiciary to convene a criminal pretrial task force to:

- (1) Examine and, as needed, recommend legislation and revisions to criminal pretrial practices and procedures to increase public safety while maximizing pretrial release of those who do not pose a danger or a flight risk; and
- (2) Identify and define best practices metrics to measure the relative effectiveness of the criminal pretrial system, and establish ongoing procedures to take such measurements at appropriate time intervals.

Accordingly, the judiciary convened a criminal pretrial task force that consisted of twenty-nine members from various agencies and organizations with a broad spectrum of knowledge and experience. The task force membership included judges from circuit and district courts; the chair of the senate committee on public safety, intergovernmental, and military affairs: the chair of the house of representatives committee on judiciary; court administrator representatives from each circuit court; a representative from the department of the attorney general; a representative from the department of health; a representative from the department of public safety; a representative of the office of Hawaiian affairs; the police chiefs of the counties of Hawaii, Kauai, Maui, and the city and county of Honolulu; the prosecuting attorneys for the counties of Hawaii, Kauai, and Maui; a representative of the prosecuting attorney for the city and county of Honolulu; a representative of the office of the public defender; representatives of the criminal defense bar from each of the four counties: and a member of the public. Six subcommittees were formed, and each subcommittee met or otherwise exchanged information numerous times to facilitate the work of the task force. The task force met in plenary session a total of twelve times between August 11, 2017, and July 6, 2018. The task force submitted its report to the legislature on December 14, 2018. The report contains twenty-five recommendations, some of which were accompanied by proposed legislation that was authored by the task force.

(b) The purpose of parts III through IX of this Act is to implement the recommendations of the criminal pretrial task force as follows:

- (1) Parts III and IV of this Act implement recommendations of the task force that were accompanied by proposed legislation authored by the task force, with amendments; and
- (2) Parts V through IX of this Act implement recommendations of the task force for which no proposed legislation was provided; however, these parts incorporate much of the substantive language contained in the task force's recommendations.

PART III

SECTION 12. The purpose of this part is to improve clarity and consistency in the criminal pretrial system by requiring that intake service centers:

- (1) Conduct pretrial risk assessments and prepare bail reports within three working days of the offender's admission to a community correctional center;
- (2) Inquire and report on the offender's financial circumstances;
- (3) Evaluate the offender's risk of violence;
- (4) Include the fully executed pretrial risk assessment as part of the bail report; and
- (5) Periodically review and further validate the pretrial risk assessment tool at least every five years to evaluate the effectiveness of the tool and the procedures associated with its administration, and publicly report the findings of periodic reviews.

SECTION 13. Section 353-10, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- "(b) The centers shall:
- (1) Provide orientation, guidance, and technical services;
- (2) Provide social-medical-psychiatric-psychological diagnostic evaluation;
- (3) Conduct internal pretrial risk assessments on adult offenders within three working days of admission to a community correctional center [which shall then be provided to the court for its consideration]; provided that this paragraph shall not apply to persons subject to county or state detainers[-] or holds, [or] persons detained without

bail, persons detained for probation violation, persons facing revocation of bail or supervised release, and persons who have had a pretrial risk assessment completed prior to admission to a community correctional center. For purposes of this [[]paragraph[]], "pretrial risk assessment" means an objective, research-based, validated assessment tool that measures [a defendant's] an offender's risk of flight, [and] risk of criminal conduct, and risk of violence or harm to any person or the general public while on pretrial release pending adjudication[;]. The pretrial risk assessment tool and procedures associated with its administration shall be periodically reviewed and subject to further validation at least every five years to evaluate the effectiveness of the tool and the procedures associated with its administration. The findings of periodic reviews shall be publicly reported;

- (4) Provide correctional prescription program planning and security classification;
- (5) Provide other personal and correctional services as needed for both detained and committed persons;
- (6) Monitor and record the progress of persons assigned to correctional facilities who undergo further treatment or who participate in prescribed correctional programs;
- (7) Provide continuing supervision and control of persons ordered to be placed on pretrial supervision by the court and persons ordered by the director; [and]
- (8) Make inquiry with the offender concerning the offender's financial circumstances and include this information in the bail report; provided that the department of public safety's pretrial services officers shall be provided limited access for the purpose of viewing other state agencies' relevant data related to an offender's employment wages and taxes;
- [(8)] (9) Provide pretrial bail reports to the courts on adult offenders, within three working days of admission of the offender to a community correctional center, that are [consented to by the defendant or that are] ordered by the court[-] or consented to by the offender. A complete copy of the executed pretrial risk assessment delineating the scored items, the total score, any administrative scoring overrides applied, and written explanations for administrative scoring overrides, shall be included in the pretrial bail report. The pretrial bail reports shall be confidential and shall not be deemed to be public records. A copy of a pretrial bail report shall be provided only:
 - (A) To the defendant or defendant's counsel;
 - (B) To the prosecuting attorney;
 - (C) To the department of public safety;
 - (D) To any psychiatrist, psychologist, or other treatment practitioner who is treating the defendant pursuant to a court order;
 - (E) Upon request, to the adult client services branch; and
 - (F) In accordance with applicable laws, persons, or entities doing research. <u>The research entity must be approved and contracted</u> by the department of public safety to protect the confidentiality of the information, insofar as the information is not a public record."

PART IV

SECTION 14. The purpose of this part is to amend chapter 804, Hawaii Revised Statutes, to:

- (1) Require a prompt bail hearing that occurs at the time of the defendant's arraignment, or as soon as practicable;
- (2) Require the release of a defendant under the least restrictive conditions required to ensure:
 - (A) The defendant's appearance; and
 - (B) The protection of the public;
- (3) Require monetary bail to be set in reasonable amounts based on all available information, including information concerning the defendant's financial circumstances; and
- (4) Establish a statewide program that permits the posting of monetary bail twenty-four hours a day, seven days a week for defendants for whom a monetary amount of bail has been set by the police, other law enforcement agency, or the court. For defendants in the custody of the department of public safety, the judiciary shall contract with a single vendor to post bail seven days a week.

SECTION 15. Chapter 804, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§804- Right to a prompt hearing; release or detention. (a) For the purposes of this section, "prompt hearing" means a hearing that occurs at the time of the defendant's arraignment, or as soon as practicable.

(b) Upon formal charge and detention, a defendant shall have the right to a prompt hearing concerning:

- (1) Release or detention; and
- (2) Whether any condition or combination of conditions will reasonably ensure:
 - (A) The defendant's appearance as required; and
 - (B) The safety of any other person and the community.

(c) At the hearing, the defendant shall have the right to be represented by counsel and, if financially unable to obtain representation, to have counsel appointed. The defendant shall be afforded an opportunity to testify at the hearing. The defendant and the prosecution shall both be afforded an opportunity to present information by proffer or otherwise.

(d) The rules concerning the admissibility of evidence in criminal trials shall not apply to the presentation and consideration of information at the hearing.

(e) The defendant may be detained pending completion of the hearing."

SECTION 16. Section 804-4, Hawaii Revised Statutes, is amended to read as follows:

"§804-4 When a matter of right. (a) If the charge is for an offense for which bail is allowable under section 804-3, the defendant may be admitted to bail before conviction as a matter of right[-] and under the least restrictive conditions required to ensure the defendant's appearance and to protect the public. Except for section 712-1207(7), bail shall be allowed for any person charged under section 712-1207 only subject to the mandatory condition that the person observe geographic restrictions that prohibit the defendant from entering or remaining on public property, in Waikiki and other areas in the State designated by county ordinance during the hours from 6 p.m. to 6 a.m.; and provided further that nothing contained in this subsection shall be construed as prohibiting the

imposition of stricter geographic restrictions under section 804-7.1. The right to bail shall continue after conviction of a misdemeanor, petty misdemeanor, or violation, and release on bail may continue, in the discretion of the court, after conviction of a felony until the final determination of any motion for a new trial, appeal, habeas corpus, or other proceedings that are made, taken, issued, or allowed for the purpose of securing a review of the rulings, verdict, judgment, sentence, or other proceedings of any court or jury in or by which the defendant has been arraigned, tried, convicted, or sentenced; provided that:

- (1) No bail shall be allowed after conviction and prior to sentencing in cases where bail was not available under section 804-3, or where bail was denied or revoked before conviction;
- (2) No bail shall be allowed pending appeal of a felony conviction where a sentence of imprisonment has been imposed; and
- (3) No bail shall be allowed pending appeal of a conviction for a violation of section 712-1207, unless the court finds, based on the defendant's record, that the defendant may be admitted to bail subject to the mandatory condition that the person observe geographic restrictions that prohibit the defendant from entering or walking along the public streets or sidewalks of Waikiki or other areas in the State designated by county ordinance pursuant to section 712-1207 during the hours from 6 p.m. to 6 a.m.

Notwithstanding any other provision of law to the contrary, any person who violates these bail restrictions shall have the person's bail revoked after hearing and shall be imprisoned forthwith.

(b) The court shall order that a person who has been found guilty of an offense and sentenced to a term of imprisonment, and who has filed an appeal or a petition for a writ of certiorari, be detained, unless the court finds:

- (1) By clear and convincing evidence that the person is not likely to flee or pose a danger to the safety of any other person or the community if released; and
- (2) That the appeal is not for purpose of delay and raises a substantial question of law or fact likely to result in reversal or an order for a new trial.

If the court makes these findings, the court shall order the release of the person in accordance with section 804-7.1[-] <u>under the least restrictive conditions</u> <u>required to ensure the defendant's appearance and to protect the public</u>. No defendant entitled to bail, whether bailed or not, shall be subject, without the defendant's written consent, to the operation of any sentence passed upon the defendant, while any proceedings to procure a review of any action of the trial court or jury in the premises are pending and undetermined, except as provided in section 641-14(a) or section 712-1207."

SECTION 17. Section 804-5, Hawaii Revised Statutes, is amended to read as follows:

"§804-5 By whom allowed. In cases where the punishment for the offense charged may be imprisonment for life not subject to parole, or imprisonment for a term more than ten years with or without fine, a judge or justice of a court of record, including a district judge, shall be competent to admit the accused to bail, in conformity with sections 804-3 to 804-6. In all other cases, the accused may be so admitted to bail by any judge or justice of a court of record, including a district judge, and in cases, except under section 712-1207, where the punishment for the offense charged may not exceed two years' imprisonment with or without fine, the sheriff, the sheriff's deputy, the chief of police or any person named by the chief of police, or the sheriff of Kalawao, regardless of the

circuit within which the alleged offense was committed, may admit the accused person to bail. <u>The court shall impose conditions of release or bail that are the least restrictive conditions required to ensure the accused's appearance and to protect the public.</u>"

SECTION 18. Section 804-7, Hawaii Revised Statutes, is amended to read as follows:

"§804-7 Release after bail. [When bail is offered and taken the prisoner shall be discharged from custody or imprisonment.] The judiciary, in consultation with the department of public safety and the department of the attorney general, shall establish and administer a statewide program that permits the posting of monetary bail seven-days-a-week for defendants who remain in the custody of the director of public safety. This program shall be made available to any defendant for whom a monetary amount of bail has been set by the police, other law enforcement agency, or the court. The judiciary may contract with a single vendor to administer the program. The vendor may charge users of the program a service fee. Upon posting of bail, the defendant shall be released from custody forthwith."

SECTION 19. Section 804-7.1, Hawaii Revised Statutes, is amended to read as follows:

"§804-7.1 Conditions of release on bail, recognizance, or supervised release. Upon a showing that there exists a danger that the defendant will commit a serious crime or will seek to intimidate witnesses, or will otherwise unlawfully interfere with the orderly administration of justice, the judicial officer named in section 804-5 may deny the defendant's release on bail, recognizance, or supervised release.

Upon the defendant's release on bail, recognizance, or supervised release, however, the court may enter an order:

- (1) Prohibiting the defendant from approaching or communicating with particular persons or classes of persons, except that no such order should be deemed to prohibit any lawful and ethical activity of defendant's counsel;
- (2) Prohibiting the defendant from going to certain described geographical areas or premises;
- (3) Prohibiting the defendant from possessing any dangerous weapon, engaging in certain described activities, or indulging in intoxicating liquors or certain drugs;
- (4) Requiring the defendant to report regularly to and remain under the supervision of an officer of the court;
- (5) Requiring the defendant to maintain employment, or, if unemployed, to actively seek employment, or attend an educational or vocational institution;
- (6) Requiring the defendant to comply with a specified curfew;
- (7) Requiring the defendant to seek and maintain mental health treatment or testing, including treatment for drug or alcohol dependency, or to remain in a specified institution for that purpose;
- (8) Requiring the defendant to remain in the jurisdiction of the judicial circuit in which the charges are pending unless approval is obtained from a court of competent jurisdiction to leave the jurisdiction of the court;
- (9) Requiring the defendant to satisfy any other condition reasonably necessary to [assure] ensure the appearance of the [person] defen-

dant as required and to [assure] ensure the safety of any other person or community; or

(10) Imposing any combination of conditions listed above[-]: provided that the court shall impose the least restrictive non-financial conditions required to ensure the defendant's appearance and to protect the public.

The judicial officer may revoke a defendant's bail upon proof that the defendant has breached any of the conditions imposed."

SECTION 20. Section 804-9, Hawaii Revised Statutes, is amended to read as follows:

"§804-9 Amount. The amount of bail rests in the discretion of the justice or judge or the officers named in section 804-5[; but] and shall be set in a reasonable amount based upon all available information, including the offense alleged, the possible punishment upon conviction, and the defendant's financial ability to afford bail. The bail amount should be so determined as not to suffer the wealthy to escape by the payment of a pecuniary penalty, nor to render the privilege useless to the poor. [In all cases, the officer letting to bail should consider the punishment to be inflicted on conviction, and the pecuniary circumstances of the party accused.]"

PART V

SECTION 21. The purpose of this part is to afford pretrial detainees greater and continuing opportunities to be released by:

- (1) Requiring the relevant community correctional centers to conduct regular reviews and surveys of the jail population to identify pretrial defendants who may be appropriate for pretrial release or supervision; and
- (2) Providing the results of these reviews to the courts who may then consider modifying the previously issued bail order.

SECTION 22. Chapter 353, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§353- Community correctional centers; periodic reviews of pretrial detainees. (a) The relevant community correctional centers, on a periodic basis but no less frequently than every three months, shall conduct reviews of pretrial detainees to reassess whether a detainee should remain in custody or whether new information or a change in circumstances warrants reconsideration of a detainee's pretrial release or supervision.

(b) For each review conducted pursuant to subsection (a), the relevant community correctional center shall transmit its findings and recommendations by correspondence or electronically to the appropriate court, prosecuting attorney, and defense counsel.

(c) If a motion to modify bail is filed pursuant to a recommendation made pursuant to subsection (b), a hearing shall be scheduled at which the court shall consider the motion."

PART VI

SECTION 23. The purpose of this part is as follows:

(1) Under the office of the chief justice, create a permanently funded criminal justice research institute that is dedicated to examining all aspects of the criminal justice system;

- (2) Appropriate funds for the establishment and staffing of the criminal justice research institute, including the hiring of necessary staff and for the securing of any necessary facilities or equipment; and
- (3) Create a centralized statewide criminal pretrial justice data reporting and collection system.

SECTION 24. The Hawaii Revised Statutes is amended by adding a new chapter to title 32 to be appropriately designated and to read as follows:

"CHAPTER CRIMINAL JUSTICE RESEARCH INSTITUTE

§ -1 Definitions. As used in this chapter, unless the context otherwise requires:

"Board" means the board of directors of the criminal justice research institute.

"Institute" means the criminal justice research institute.

§ -2 Establishment of the criminal justice research institute. (a) There is established within the office of the chief justice a criminal justice research institute dedicated to examining all aspects of the criminal justice system, for the purpose of assisting the State in understanding the system in a more comprehensive way and ensuring the protection of individual rights, increasing efficiencies, and controlling costs. The institute shall have the authority to examine all areas of the criminal justice system, including police, prosecutors, defense counsel, courts, pretrial services, probation and parole, jails, and prisons, as well as examine the manner in which related areas, including mental health services and drug treatment services, intersect with the criminal justice system.

- (b) The institute's duties and functions shall include:
- (1) Collecting data to monitor the overall functioning of the criminal justice system;
- (2) Monitoring evidence-based practices and reporting on the effectiveness of practices and policies implemented as a result of the recommendations of the criminal pretrial task force established by House Concurrent Resolution No. 134, House Draft 1 (2017);
- (3) Conducting cost-benefit analysis on various areas of operation;
- (4) Monitoring national trends in criminal justice; and
- (5) Issuing public reports to inform all criminal justice stakeholders and the public about the functioning of the criminal justice system.

(c) The institute shall be overseen by a board of directors, which shall consist of the chief justice, or the chief justice's designee, a representative of the office of the governor, an appointee of the senate president and an appointee of the speaker of the house, and the director of public safety. The board of directors shall be chaired by the chief justice, or the chief justice's designee.

(d) The chief justice shall appoint as director of the institute a researcher with a doctoral degree and experience in the criminal justice field. The director shall hire staff necessary to accomplish the purposes of this chapter, including a minimum of two assistant researchers and one clerical assistant. The institute may seek the assistance of the University of Hawaii or another appropriate entity when conducting large or complex research projects that require more staff.

(e) Employees of the institute shall be exempt from chapter 76 and shall not be considered civil service employees, but shall be entitled to any employee benefit plan normally inuring to civil service employees. (f) The board of directors shall meet with the director not less than once each quarter to receive reports from the director and make recommendations and set policy. The initial report shall include suggestions, if any, for additional duties and functions of the institute.

§ -3 Centralized statewide criminal pretrial justice data reporting and collection system. (a) The institute shall establish and maintain a centralized statewide criminal pretrial justice data reporting and collection system.

(b) In establishing the system, the institute shall take all necessary and appropriate steps, including:

- (1) Identifying all current databases utilized by various state agencies to track criminal pretrial information;
- (2) Determining the administrative and technological feasibility of aggregating and sharing current data; and
- (3) Identifying critical gaps in data and information collection that are required for a robust assessment of criminal pretrial justice matters, which may include information relating to:
 - (A) Arrests;
 - (B) Monetary and non-monetary conditions of release;
 - (C) Bail amounts;
 - (D) Risk assessments;
 - (E) Risk assessment scores;
 - (F) Bail report recommendations;
 - (G) Information gathered in risk assessments or bail reports;
 - (H) Bail hearings;
 - (I) Judicial decisions to release and conditions imposed on release;
 - (J) Judicial decisions to detain;
 - (K) Concordance between the bail report recommendation and decision, length of stay, and pretrial supervision; and
 - (L) The degree to which a defendant's assessed risk correlates with the defendant's actual risk, including an assessment of whether the defendant appears in court, commits other crimes, or engages in violent conduct when released from custody.

(c) The institute shall develop and track performance indicators that accurately reflect the effectiveness of the State's criminal pretrial system. Performance indicators may include but shall not be limited to:

- (1) The percentage of supervised defendants who make all scheduled court appearances;
- (2) The percentage of supervised defendants who are not charged with a new offense during the pretrial stage;
- (3) The ratio of defendants whose supervision level or detention status corresponds with each respective defendant's assessed risk of pre-trial misconduct;
- (4) The percentage of released defendants who:
 - (A) Do not have their release revoked for technical violations of the conditions of their release;
 - (B) Appear for all scheduled court appearances; and
 - (C) Are not charged with a new offense during pretrial supervision;
- (5) The average length of stay in jail for pretrial detainees who are eligible by statute for pretrial release;
- (6) The percentage of defendants who remain arrest-free during the pretrial release period; and

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(7) The percentage of defendants who remain on release at the conclusion of their pretrial period without a pending request for removal or revocation due to non-compliance.

(d) The institute shall compile an annual report that reviews and analyzes data from the system to evaluate the effectiveness of the State's criminal pretrial system and identify possible improvements. The institute shall submit the report, including any proposed legislation, to the legislature no later than twenty days prior to the convening of each regular session.

(e) As used in this section, unless the context otherwise requires, "system" means the centralized statewide criminal pretrial justice data reporting and collection system established by this section."

SECTION 25. There is appropriated out of the general revenues of the State of Hawaii the sum of \$181,388 or so much thereof as may be necessary for fiscal year 2019-2020 and \$314,376 or so much thereof as may be necessary for fiscal year 2020-2021 for the establishment and staffing of the criminal justice research institute pursuant to this part, including the hiring of one full-time equivalent (1.0 FTE) director, two full-time equivalent (2.0 FTE) assistant researchers, and one full-time equivalent (1.0 FTE) clerical assistant, and for any necessary facilities and equipment.

The sums appropriated shall be expended by the judiciary for the purposes this part.

PART VII

SECTION 26. The purpose of this part is to implement and expand alternatives to pretrial detention by:

- (1) Expressly including electronic monitoring and home detention as alternatives to incarceration in chapter 804, Hawaii Revised Statutes; and
- (2) Requiring the judiciary, in consultation with the department of public safety, to develop and adopt a policy for courts to use when assessing whether a defendant's risk of non-appearance or recidivism may be mitigated by home detention or electronic monitoring.

SECTION 27. Section 804-7.1, Hawaii Revised Statutes, is amended to read as follows:

"§804-7.1 Conditions of release on bail, recognizance, or supervised release. Upon a showing that there exists a danger that the defendant will commit a serious crime or will seek to intimidate witnesses, or will otherwise unlawfully interfere with the orderly administration of justice, the judicial officer named in section 804-5 may deny the defendant's release on bail, recognizance, or supervised release.

Upon the defendant's release on bail, recognizance, or supervised release, however, the court may enter an order:

- (1) Prohibiting the defendant from approaching or communicating with particular persons or classes of persons, except that no such order should be deemed to prohibit any lawful and ethical activity of defendant's counsel;
- (2) Prohibiting the defendant from going to certain described geographical areas or premises;

- (3) Prohibiting the defendant from possessing any dangerous weapon, engaging in certain described activities, or indulging in intoxicating liquors or certain drugs;
- (4) Requiring the defendant to report regularly to and remain under the supervision of an officer of the court;
- (5) Requiring the defendant to maintain employment, or, if unemployed, to actively seek employment, or attend an educational or vocational institution;
- (6) Requiring the defendant to comply with a specified curfew;
- (7) Requiring the defendant to seek and maintain mental health treatment or testing, including treatment for drug or alcohol dependency, or to remain in a specified institution for that purpose;
- (8) Requiring the defendant to remain in the jurisdiction of the judicial circuit in which the charges are pending unless approval is obtained from a court of competent jurisdiction to leave the jurisdiction of the court;
- (9) <u>Requiring the defendant to submit to the use of electronic monitoring and surveillance;</u>
- (10) Requiring the confinement of the defendant in the defendant's residence;
- [(9)] (11) Requiring the defendant to satisfy any other condition reasonably necessary to assure the appearance of the person as required and to assure the safety of any other person or community; or
- [(10)] (12) Imposing any combination of conditions listed above.

The judicial officer may revoke a defendant's bail upon proof that the defendant has breached any of the conditions imposed."

SECTION 28. The judiciary, in consultation with the department of public safety, shall develop and adopt a policy for courts to use when assessing whether a defendant's risk of non-appearance or recidivism may be mitigated by home detention or electronic monitoring. The policy shall include:

- (1) Specific criteria for the court to consider when making this decision; and
- (2) A requirement for a court to provide specific findings explaining the court's determination that home detention or electronic monitoring is not appropriate for a defendant.

PART VIII

SECTION 29. The purpose of this part is to integrate victims' rights into the criminal pretrial system by requiring that intake service centers consider victims' concerns when making pretrial release recommendations.

SECTION 30. (a) No later than December 31, 2020, and in accordance with section 353-10(b)(3), Hawaii Revised Statutes, the department of public safety shall revise the pretrial risk assessment processes currently used by its intake service centers with respect to offenses committed against persons, including offenses involving domestic violence and violation of restraining orders and protective orders, to ensure integration of victims' rights into the criminal pretrial system by requiring consideration of the following factors in making pretrial release recommendations:

(1) Whether the defendant has a history of involvement with the victim of the offense, including any prior police contact that involved both

the victim and the defendant, and the status of the relationship between the victim and the defendant, if any;

- (2) Whether the defendant has any prior criminal history;
- (3) Whether there is a risk that the defendant will re-victimize, stalk, or otherwise harm the victim; and
- (4) Any concerns raised by the victim with respect to the defendant's potential release from custody.

(b) The department shall submit a report to the legislature, no later than twenty days prior to the convening of the regular session of 2021, on the progress made in revising the pretrial risk assessment processes, as required by subsection (a).

PART IX

SECTION 31. The purpose of this part is to appropriate moneys to the department of public safety to provide intake service centers with necessary funding, personnel, training, facilities, access, information, and technical support to meet current and projected future responsibilities in conducting timely risk assessments, efficiently disseminating bail reports, and supervising pretrial defendants.

SECTION 32. There is appropriated out of the general revenues of the State of Hawaii the sum of \$305,138 or so much thereof as may be necessary for fiscal year 2019-2020 and \$502,476 or so much thereof as may be necessary for fiscal year 2020-2021 for necessary personnel, training, facilities, access, information, and technical support for intake service centers to meet current and projected responsibilities in conducting timely risk assessments, efficiently disseminating bail reports, and supervising pretrial defendants.

The sums appropriated shall be expended by the department of public safety for the purposes of this part.

PART X

SECTION 33. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 34. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 35. This Act shall take effect upon its approval; provided that:

- (1) Section 3 shall take effect on November 30, 2019;
- (2) Section 4 shall take effect on January 1, 2020;
- (3) Section 10 shall take effect on July 1, 2019;
- (4) Parts II through VIII shall take effect on January 1, 2020; provided further that section 25 of part VI shall take effect on July 1, 2019; and
- (5) Part IX shall take effect on July 1, 2019.

(Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 180

H.B. NO. 330

A Bill for an Act Relating to Suicide Prevention.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to appropriate funds to support youth suicide early intervention, prevention, and education initiatives.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 to support youth suicide early intervention, prevention, and education initiatives that focus upon, but are not limited to, persons between the ages of ten and twenty-four.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 181

S.B. NO. 1406

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii faces a critical physician shortage. According to the 2018 Annual Report on Findings from the Hawai'i Physician Workforce Assessment Report, the current physician shortage increased from 769 in 2017 to 797 in 2018. Physician assistants, like advanced practice registered nurses, can help fill this need.

The legislature further finds that physician assistants undergo rigorous medical training. Physician assistants graduate from an accredited program and must pass a national certification exam to be licensed to practice medicine with collaboration of a licensed physician. Physician assistants work in various clinical settings, locations, and specialties. Like physicians and advanced practice registered nurses, physician assistants must also complete extensive continuing medical education throughout their careers. Studies have shown that when physician assistants practice to the full extent of their abilities and training, hospital readmission rates and lengths of stay decrease and infection rates go down.

The legislature also finds that streamlining physician assistants' existing requirements relating to supervision by physicians is consistent with physician assistant training and education, and responds to the needs of the collaborating physician, facility, medical specialty, and patient population, thereby increasing efficiency and delivery of health care and lessening overall administrative burdens.

The legislature additionally finds that current requirements in the Hawaii medical board's administrative rules for the license renewal of physician assistants are overly burdensome and discourage individuals from entering the profession. Hawaii is one of a minority of states that mandate continued certification by the National Commission on Certification of Physician Assistants for the renewal of a physician assistant license. A majority of states allow physician assistants to renew their licenses by meeting continuing education requirements

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only. The legislature finds that aligning Hawaii's licensing standard for physician assistants with the majority of states will encourage the growth of the physician assistant profession.

Accordingly, the purpose of this Act is to:

- (1) Streamline the medical records review process for physician assistants;
- (2) Establish continuing medical education requirements for the renewal of physician assistant licenses; and
- (3) Clarify conditions for forfeiture and reinstatement of licenses.

SECTION 2. Section 453-5.3, Hawaii Revised Statutes, is amended to read as follows:

"§453-5.3 Physician assistant; licensure required. (a) The Hawaii medical board shall require each person practicing medicine under the supervision of a physician [Θr], osteopathic physician, or group of physicians, other than a person licensed under section 453-3, to be licensed as a physician assistant. A person who is trained to do only a very limited number of diagnostic or therapeutic procedures under the direction of a physician or osteopathic physician shall not be deemed a practitioner of medicine or osteopathy and therefore does not require licensure under this section.

(b) The board shall establish medical educational and training standards with which a person applying for licensure as a physician assistant shall comply. The standards shall be at least equal to recognized national education and training standards for physician assistants.

(c) Upon satisfactory proof of compliance with the required medical educational and training standards, the board may grant state licensure to a person who has been granted certification based upon passage of a national certifying examination and who holds a current certificate from the national certifying entity approved by the board.

(d) The board shall approve temporary licensure of an applicant under this section. The applicant shall have graduated from a board approved training program within twelve months of the date of application and never taken a national certifying examination approved by the board but otherwise meets the requirements of this section. The applicant shall file a complete application with the board and pay all required fees. If the applicant fails to apply for, or to take, the first examination scheduled by the board following the issuance of the temporary license, fails to pass the examination, or fails to receive licensure, all privileges under this section shall automatically cease upon written notification sent to the applicant by the board. A temporary license shall be issued only once to each person.

(e) Prior to practicing under temporary licensure, holders of temporary licenses shall notify the board in writing of any and all supervising physicians or osteopathic physicians under whom they will be performing services.

(f) The board shall establish the degree of supervision required by the supervising physician $[\sigma r]$, osteopathic physician, or group of physicians when a physician assistant performs a service within the practice of medicine. A physician or osteopathic physician who does not supervise a physician assistant's services at the degree required by the board shall be deemed to have engaged in professional misconduct.

(g) For medical records of patients seen by physician assistants:

(1) Each physician assistant and supervising physician, osteopathic physician, or group of physicians shall establish written guidelines for the review of medical records as appropriate to the specific practice. These guidelines shall be kept in the office of the practice setting in which either the physician assistant or supervising physician, osteopathic physician, or group of physician practices, and shall be made available to the Hawaii medical board and the regulated industries complaints office or its designees;

- (2) The supervising physician, osteopathic physician, or group of physicians shall review medical records as required by this subsection; provided that:
 - (A) When supervising a physician assistant with less than one year of practice experience as a licensed physician assistant, the supervising physician, osteopathic physician, or group of physicians shall:
 - (i) For the first six months of supervision, review fifty per cent of the medical records within thirty days of the patient visit; and
 - (ii) For the next six months of supervision, review twentyfive per cent of the medical records within thirty days of the patient visit.

The board may, on a case-by-case basis, require physician assistants that begin in a new practice specialty with less than one year of full-time practice experience in the specialty to comply with this subparagraph; and

- (B) When supervising a physician assistant with more than one year of practice experience as a licensed physician assistant, the supervising physician, osteopathic physician, or group of physicians shall:
 - (i) Establish a process for the regular review of a sample of medical records of patients seen by the physician assistant; and
 - (ii) For at least thirty minutes each month, perform an audit and review of the medical records; and
- (3) Notwithstanding paragraph (2), a supervising physician, osteopathic physician, or group of physicians may require additional supervisory requirements at any time for patient safety.

[(g)] (h) Any license of a physician assistant may be denied, not renewed, revoked, limited, or suspended under section 453-8.

[(h)] (i) The board shall establish the application procedure, medical educational and training standards, examination requirement, if any, and degrees of supervision by rule.

[(i)] (j) Every person holding a license under this section shall apply for renewal with the board no later than January 31 of each even-numbered year and pay a renewal fee. Failure to apply for renewal shall constitute a forfeiture of the license that may only be restored upon written application for restoration and payment to the board of a restoration fee.

(k) Beginning with the renewal for the licensing biennium commencing February 1, 2020, and every biennial renewal thereafter, a physician assistant shall be in compliance with continuing medical education requirements by obtaining forty credit hours in:

- (1) <u>A category 1 continuing medical education program accredited by</u> the American Medical Association;
- (2) <u>A category 1A continuing medical education program accredited by</u> the American Osteopathic Association; or
- (3) <u>A category 1 continuing medical education program accredited by</u> the American Academy of Physician Assistants.

(1) To determine compliance with the continuing medical education requirements under subsection (k), the board may conduct random audits of physician assistants' continuing education documentation. A physician assistant selected for audit shall be notified by the board. Within sixty days of notification, the physician assistant shall provide the board documentation to verify compliance with the continuing medical education requirements.

(m) Failure to renew, pay the renewal fee, and, in the case of audited physician assistants, provide documentation of compliance with the continuing medical education requirements under subsection (k), shall constitute a forfeiture of license, which may be restored upon the submission of written application therefor, payment to the board of a restoration fee, and, in the case of audited physician assistants, documentation of compliance with the continuing medical education requirements under subsection (k).

[(j)] (n) A license that has been forfeited for one renewal term shall be automatically terminated and cannot be restored. A new application for licensure shall be required."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 182

S.B. NO. 804

A Bill for an Act Relating to Palliative Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that numerous studies show that palliative care significantly improves patient quality of life and lowers symptom burden. Palliative care is defined by the World Health Organization as an approach that improves the quality of life of patients and their families facing the problems associated with life-threatening illness through the prevention and relief of suffering by means of early identification, assessment, and treatment of pain and other issues of a physical, psychosocial, and spiritual nature.

Palliative care has a team approach that utilizes clinicians, physicians, nurses, social workers, and chaplains who work with the person with serious illness and their loved ones. There have been misunderstandings about palliative care and it has often been confused with hospice and end-of-life care. Hospice, which is provided only when there is a six month or less diagnosis and once curative treatments have stopped, is only one type of palliative care. In other situations, palliative care is an extra layer of support that can be offered at the same time as curative treatments and can continue if curative treatments are completed. All palliative care strives to provide the best quality of life for those with serious illness and their loved ones.

The legislature finds that palliative care and hospice utilization in Hawaii deviates from mainland patterns. A 2017 study titled "Hospice Utilization of Medicare Beneficiaries in Hawaii Compared to Other States", found that hospice utilization in Hawaii was 45.7 per cent compared to a national average of fifty-two per cent; the mean length of stay was sixty days in Hawaii compared with seventy-one days nationally. A consistent finding of this study is that Asians and Pacific Islanders were less likely than whites to enroll in hospice and that

"further research is needed to understand these differences and eliminate potential barriers to hospice care." A key concept identified by this analysis is that Hawaii's culture, uniquely influenced by Asian values compared to the mainland, emphasizes filial piety and "the expectation of caring for their loved ones at home rather than in a nursing home."

Other studies make similar observations, such as the "Culturally Competent Palliative and Hospice Care Training for Ethnically Diverse Staff in Long-Term Care Facilities", which found that culturally competent palliative and hospice training is a promising practice to increase patient, family, and provider engagement with end-of-life conversations.

Therefore, the purpose of this Act is to support activities that increase the utilization of palliative care through public education and the development of practices specific to the cultural norms of Hawaii's patients and families.

SECTION 2. (a) There is established the culturally competent palliative care pilot program, to be administered by the department of health. The department of health shall:

- (1) Provide public education to:
 - (A) Promote palliative care utilization;
 - (B) Emphasize referrals to palliative care earlier during treatment for patients; and
 - (C) Acquire local health care utilization data for purposes of more precisely measuring palliative care utilization in the State; and
- (2) Conduct competitive bidding for at least two pilot programs for home- or community-based palliative care. At least one pilot program shall be implemented in a county with a population of less than two hundred thousand residents.
- (b) The department of health shall submit to the legislature:
- (1) A preliminary report no later than twenty days prior to the convening of the regular session of 2020 on the expenditure of funds for the culturally competent palliative care pilot program as of the date of the preliminary report; and
- (2) A final report no later than twenty days prior to the convening of the regular session of 2021 on the expenditure of all funds for the culturally competent palliative care pilot program as of the date of the final report.

SECTION 3. The department of health shall establish an advisory group to oversee implementation of the palliative care pilot program. The advisory group shall consist of the director of health or the director's designee, the mayor of the county in which the pilot program is implemented or the mayor's designee, and the chief executive of the Hawaii health systems corporation region in which the pilot program is implemented or the chief executive's designee; provided that if the pilot program is implemented in the county of Maui, the director of health shall invite the chief executive of Maui Health System or the chief executive's designee. The director of health shall also invite to serve on the advisory group a representative from the John A. Burns school of medicine, a representative from the American Cancer Society, a representative from Kokua Mau, and a representative who is a patient or family of a patient who previously received palliative care. The advisory group shall be exempt from chapter 92, Hawaii Revised Statutes.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary for

fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the palliative care pilot programs.

The sums appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 183

H.B. NO. 1272

A Bill for an Act Relating to Prescription Drugs.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that several laws to address the nationwide opioid epidemic were passed during the 2018 legislative session, including laws allowing pharmacists to prescribe and dispense opioid antagonists to patients who are at risk of an opioid overdose; requiring health care providers in the workers' compensation system to adopt and maintain policies for informed consent to opioid therapy in circumstances that carry elevated risk of dependency; limiting concurrent opioid and benzodiazepine prescriptions in the workers' compensation system; and requiring packaging on opioid drugs to include a label warning of the risks of overdose and addiction.

However, the legislature finds that additional measures need to be enacted in order to address the safe disposal of unused or unwanted opioid drugs. Allowing pharmacies to accept prescription drugs for disposal provides a convenient, accessible method for Hawaii residents to dispose of opioid drugs that are no longer needed.

The purpose of this Act is to:

- (1) Authorize certain pharmacies to collect prescription drugs for disposal via secured collection receptacles or mail-back programs; and
- (2) Prohibit pharmacies from redispensing or returning prescription drugs that have been returned for disposal.

SECTION 2. Chapter 461, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

(%) (a) (b) (b) (b) (c) (b) (c) (c)

- (1) The pharmacy is collecting the prescription drug for disposal only; and
- (2) The pharmacy is registered with the United States Drug Enforcement Administration as an authorized collector pursuant to title 21 Code of Federal Regulations section 1317.40.

(b) No prescription drug returned to the pharmacy for disposal shall be redispensed or returned for cash or credit.

(c) Any pharmacy accepting prescription drugs for disposal shall use the following methods:

- (1) Secured collection receptacles in compliance with title 21 Code of Federal Regulations section 1317.75; or
- (2) Mail-back programs.

(d) In any pharmacy accepting prescription drugs for disposal under this section, the pharmacist-in-charge shall ensure that only Drug Enforcement Administration approved reverse distributors acquire prescription drugs collected through collection receptacles and mail-back programs."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 184

H.B. NO. 497

A Bill for an Act Relating to Fireworks.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the use of consumer fireworks causes fires and burn injuries, mostly to children. Fireworks produce excessive smoke that makes breathing difficult. Loud fireworks noises traumatize many residents, including war veterans, as well as pets. With the increase in fireworks-related calls, public safety agencies are strained to maintain adequate response levels for other critical emergencies. The legislature further finds that people in the State and their communities deserve to live in peace and security, without the public safety risk and disruptive impact of consumer fireworks.

The legislature additionally finds that Act 170, Session Laws of Hawaii 2010 (Act 170), established an illegal fireworks task force, within the legislative reference bureau for administrative purposes, to develop a plan and make recommendations to stop the importation of illegal fireworks and explosives into Hawaii; and develop a strategy to ensure the safety and security of the airports, harbors, and other facilities and institutions in Hawaii against the discharge of illegal fireworks and explosives. Act 170 also mandated the task force to submit a preliminary plan and strategy report to the legislature prior to the Regular Session of 2011.

The purpose of this Act is to require the legislative reference bureau to update its *Report of the Illegal Fireworks Task Force to the Legislature for the Regular Session of 2011.*

SECTION 2. (a) The legislative reference bureau shall review and update the findings and recommendations of its *Report of the Illegal Fireworks Task Force to the Legislature for the Regular Session of 2011*.

(b) The legislative reference bureau may consult with any person, agency, or organization at the bureau's discretion to prepare an updated report pursuant to this section.

(c) The legislative reference bureau shall submit the updated report, including any recommendations and proposed legislation, to the legislature no later than December 1, 2019.

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 185

A Bill for an Act Relating to Fireworks Labeling.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that labeling dimensions for display fireworks, articles pyrotechnic, or aerial devices were incorrectly transcribed in the current statute.

The purpose of this Act is to provide correct labeling dimensions for display fireworks, articles pyrotechnic, or aerial devices.

SECTION 2. Section 132D-16.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Each shell, mine, comet, and multiple tube device, such as finale or barrage boxes, roman candle batteries, or cakes, shall bear a permanent label listing the licensee's name, address, and contact information to include telephone number or electronic mail address. The label shall also list the name and business address of the manufacturer. The label shall be approved by the state fire council and conform to the following standards:

- (1) Numerals and letters of the printed matter shall be not less than one-eighth of an inch high;
- (2) Required statements shall be printed in a color that contrasts sharply with the background and shall be printed within a borderline; and
- (3) The label shall measure at least nine [inches by nine] square inches; provided that if the size of the shell, mine, comet, or multiple tube device is too small to correctly display a label of this size, the label may be reduced to a size no smaller than necessary to properly display the information described in this section."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 186

H.B. NO. 501

A Bill for an Act Relating to Fireworks.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds it reasonable to allow the use of fireworks for movie, television, and theatrical productions upon the issuance of a valid permit and to authorize law enforcement agencies to take necessary steps to test, dispose of, or destroy seized or impounded illegal fireworks.

The purpose of this Act is to amend current state fireworks law by clarifying that the use of fireworks by permit for movie, television, or theatrical productions and the removal of pyrotechnic material from or ignition, setting off, discharge, or explosion of fireworks by law enforcement to test, dispose of, or destroy illegal fireworks do not violate state prohibitions. SECTION 2. Section 132D-6, Hawaii Revised Statutes, is amended to read as follows:

"[[]§132D-6[]] Exceptions. The prohibitions in section 132D-5 do not apply to:

- (1) The use of flares, noisemakers, or signals for warning, pest control, or illumination purposes by police and fire departments, utility companies, transportation agencies, and other governmental or private agencies or persons, including agricultural operations, in connection with emergencies, their duties, or business; [and]
- (2) The sale or use of blank cartridges for a show or theater, or for signal, commercial, or institutional purposes in athletics or sports[-]:
- (3) The purchase and use of consumer fireworks, aerial devices, display fireworks, or articles pyrotechnic:
 - (A) In a movie, television production, or theatrical production for which valid permits have been issued by a county pursuant to section 132D-10; and
 - (B) In a movie or television production for which valid permits have been issued by the department of business, economic development, and tourism pursuant to section 201-14, or for which permits have been approved by the authority having jurisdiction; and
- (4) <u>The testing, disposal, or destruction of illegal fireworks by an agen-</u> cy with authority to enforce this chapter."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 187

H.B. NO. 1176

A Bill for an Act Relating to Electric Guns.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that electric guns provide law enforcement officers a viable alternative to escalation to the use of deadly force when dealing with non-compliant, combative suspects. Electric guns reduce the risk of serious injury or death by providing a less-than-lethal means of exerting force when necessary.

Existing state laws authorize certain law enforcement officers, including police officers, sheriffs, conservation and resources enforcement officers of the department of land and natural resources, and members of the army and air national guard to use electric guns, but exclude enforcement officers at state commercial harbors, also known as harbor police. Harbor police officers are appointed by the director of transportation to execute warrants, arrest offenders, and serve notices and orders, are authorized to carry firearms, and should also have access to electric guns when performing their duties.

The purpose of this Act is to authorize law enforcement officers of the department of transportation to use electric guns while performing their duties.

SECTION 2. Section 134-16, Hawaii Revised Statutes, is amended to read as follows:

***\$134-16** Restriction on possession, sale, gift, or delivery of electric guns. (a) It shall be unlawful for any person, including a licensed manufacturer, licensed importer, or licensed dealer, to possess, offer for sale, hold for sale, sell, give, lend, or deliver any electric gun.

(b) Any electric gun possessed, offered for sale, held for sale, sold, given, lent, or delivered in violation of subsection (a) shall be confiscated and disposed of by the chief of police.

- (c) This section shall not apply to:
- (1) Law enforcement officers of county police departments;
- (2) Law enforcement officers of the department of public safety;
- (3) Conservation and resources enforcement officers of the department of land and natural resources;
- (4) Members of the Army or Air National Guard when assisting civil authorities in disaster relief, emergency management, or law enforcement functions, subject to the requirements of section 121-34.5; [and]
- (5) Law enforcement officers appointed by the director of transportation pursuant to section 266-24; and
- [(5)] (6) Vendors providing electric guns to the individuals described in paragraphs (1) through [(4);] (5);

provided that electric guns shall at all times remain in the custody and control of the law enforcement officers of the county police departments, the law enforcement officers of the department of public safety, the conservation and resources enforcement officers of the department of land and natural resources, [or] the members of the Army or Air National Guard[-], or law enforcement officers appointed by the director of transportation.

(d) The county police departments of this State, the department of public safety, the department of land and natural resources, [and] the army and air national guard, and the department of transportation shall maintain records regarding every electric gun in their custody and control. The records shall report every instance of usage of the electric guns; in particular, records shall be maintained in a similar manner as for those of discharging of firearms. The county police departments, the department of public safety, the department of land and natural resources, [and] the army and air national guard, and the department of transportation shall annually report to the legislature regarding these records no later than twenty days before the beginning of each regular session of the legislature.

(e) The department of land and natural resources, [and] the department of public safety, and the department of transportation shall ensure that each of its conservation and resources enforcement officers and law enforcement officers who is authorized to use an electric gun and related equipment shall first receive training from the manufacturer or from a manufacturer-approved training program, as well as by manufacturer-certified or approved instructors in the use of electric guns prior to deployment of the electric guns and related equipment in public. Training for conservation and resources, [and] law enforcement officers of the department of public safety, and law enforcement officers of the department of public safety, and law enforcement officers of the department of transportation may be done concurrently to ensure cost savings.

(f) No later than June 30, 2018, the conservation and resources enforcement program of the department of land and natural resources shall meet the law enforcement accreditation or recognition standards of the Commission on Accreditation for Law Enforcement Agencies, Inc., in the use of electric guns. (g) No later than June 30, 2024, the law enforcement officers appointed by the director of transportation shall meet the law enforcement accreditation or recognition standards of the Commission on Accreditation for Law Enforcement Agencies, Inc., in the use of electric guns."

SECTION 3. Section 266-24, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The director of transportation shall enforce this chapter and all rules thereunder, except for the rules relative to the control and management of the beaches encumbered with easements in favor of the public and ocean waters which shall be enforced by the department of land and natural resources. For the purpose of the enforcement of this chapter and of all rules adopted pursuant to this chapter, the powers of police officers are conferred upon the director of transportation and any officer, employee, or representative of the department of transportation. Without limiting the generality of the foregoing, the director and any person appointed by the director hereunder may serve and execute warrants, arrest offenders, and serve notices and orders. The director of transportation and any employee, agent, or representative of the department of transportation appointed as enforcement officers by the director, and every state and county officer charged with the enforcement of any law, statute, rule, regulation, ordinance, or order, shall enforce and assist in the enforcement of this chapter and of all rules and orders issued pursuant thereto, and in carrying out the responsibilities hereunder, each shall be specifically authorized to:

- (1) Conduct any enforcement action hereunder in any commercial harbor area and any area over which the department of transportation and the director of transportation has jurisdiction under this chapter;
- (2) Inspect and examine at reasonable hours any premises, and the buildings and other structures thereon, where harbors or harbor facilities are situated, or where harbor-related activities are operated or conducted; and
- (3) Subject to limitations as may be imposed by the director of transportation, serve and execute warrants, arrest offenders, and serve notices and orders.

Any employee appointed as a law enforcement officer by the director of transportation pursuant to this section who has been qualified by training may use electric guns, as specifically provided in section 134-16, when exercising powers of police officers and carrying out the responsibilities described herein; provided that training for the purposes of this section means a course of instruction or training in the use of any electric gun that is provided, authorized, or approved by the manufacturer of the electric gun prior to deployment or issuance of electric guns and related equipment.

For purposes of this subsection, the term "agents and representatives" includes persons performing services at harbors or harbor areas under contract with the department of transportation."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 188

A Bill for an Act Relating to Exemptions from Registration Fees.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 249-31.5, Hawaii Revised Statutes, is amended by amending its title and subsection (a) to read as follows:

"[[]§249-31.5[]] Exemptions [[]from registration fees[]] for certain vehicles; disabled veterans. (a) A disabled veteran who:

- (1) Is a resident of Hawaii;
- (2) Has been other than dishonorably discharged from the United States uniformed armed forces; and
- (3) Is determined by the United States Department of Veterans Affairs or its predecessor to have a service-connected one hundred per cent disability rating for compensation or a service-connected disability rating of one hundred per cent[; and
- (4) Is in receipt of disability retirement pay from any branch of the uniformed armed forces],

shall be exempt from payment of all annual vehicle registration fees as required by section 249-31[. This]: provided that this exemption shall not extend to [vehieles] any vehicle used for commercial purposes[, nor] or to more than one vehicle owned by the disabled veteran."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 189 H.B. NO. 1312

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The director of finance is authorized to issue general obligation bonds in the sum of \$50,000,000 or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2019-2020 to be deposited into the rental housing revolving fund established pursuant to section 201H-202, Hawaii Revised Statutes.

SECTION 2. The director of finance is authorized to issue general obligation bonds in the sum of \$50,000,000 or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2020-2021 to be deposited into the rental housing revolving fund established pursuant to section 201H-202, Hawaii Revised Statutes. SECTION 3. There is appropriated out of the rental housing revolving fund established pursuant to section 201H-202, Hawaii Revised Statutes, the sum of \$50,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the purposes for which the revolving fund is established.

The sums appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 190

H.B. NO. 32

A Bill for an Act Relating to Family Leave.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Act 109, Session Laws of Hawaii 2018, (Act 109) directed the legislative reference bureau to conduct a sunrise analysis to impart the legislative intent that the State must understand the impacts of the establishment of a paid family leave program on industry, consumers, employees, employers, and caregivers prior to choosing a model or framework that will work best for Hawaii's workforce. The intent of Act 109 was to lay the groundwork for the establishment of a paid family leave framework that will enable employees to access leave benefits during times when they need to provide care for a family member. Act 109 also authorized the legislative reference bureau to contract the services of a consultant without regard to chapter 103D, Hawaii Revised Statutes, and required the bureau to submit a report on its findings and recommendations to the legislature by September 1, 2019.

Upon the enactment of Act 109, the legislative reference bureau proceeded to implement this legislative directive and subsequently crafted and issued a request for proposals to conduct the analysis. After the proposal submission deadline occurred, the legislative reference bureau determined that, to require that any work product produced by a contractor include direct consultation with potentially affected state agencies and to ensure the unbiased objectivity of the contracted work, it was in the best interest of the State to cancel the original request for proposals includes a specific requirement that the selected contractor directly consult with potentially affected state agencies. The new request for proposals also requires that, if the contractor employs or subcontracts any portion of the analysis to a person or entity that has an interest in the recommendations or outcome of the analysis, the contractor must explain how any appearance of actual or perceived bias would be mitigated by the contractor.

Due to the cancellation of the original request for proposals and the issuance of a new request for proposals, the legislative reference bureau believes that it will be extremely difficult, given the remaining timeframe and the bureau's workload during session, for the bureau to sufficiently evaluate and execute a contract and provide a selected contractor with adequate time to conduct a thorough analysis by the September 1, 2019, submission deadline. Consequently, the legislative reference bureau finds that, in order to ensure that the bureau and any selected contractor are provided with adequate time to produce a thorough and unbiased analysis as contemplated under Act 109, additional time is required for the bureau to complete the task assigned to it under Act 109. The purpose of this Act is to extend the report submission deadline established under Act 109 from September 1, 2019, to no later than November 13, 2019.

SECTION 2. Act 109, Session Laws of Hawaii 2018, section 2, is amended by amending subsection (b) to read as follows:

"(b) The legislative reference bureau shall submit a report of its findings and recommendations, including proposed legislation, to the legislature no later than [September 1, 2019.] November 13, 2019."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 191

H.B. NO. 34

A Bill for an Act Relating to Wages.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 104-1, Hawaii Revised Statutes, is amended by amending the definition of "public work" to read as follows:

""Public work" means any project, including development of any housing pursuant to section 46-15 or chapter 201H and development, construction, renovation, and maintenance related to refurbishment of any real or personal property, where the funds or resources required <u>or used</u> to undertake the project are to any extent derived, either directly or indirectly, from public revenues of the State or any county, or from the sale of securities or bonds whose interest or dividends are exempt from state or federal taxes."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 192

H.B. NO. 61

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the changes made by Act 195, Session Laws of Hawaii 2018, were designed to provide greater clarity and certainty in the application of common expense payments by condominium unit owners. Specifically, the Act clarified that condominium associations must apply common expense payments to common expenses owed first, or to fines or fees if indicated by the payee.

However, the Act did not address situations that require the application of funds beyond common expenses. This has resulted in confusion by association boards of directors in allocating the priority of payments paid in excess of common expenses owed.

Therefore, the purpose of this Act is to clarify the allocation of payments made by or on behalf of a condominium unit owner and which are paid in excess of any common expenses owed.

SECTION 2. Section 514B-105, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

(c) No association shall deduct and apply portions of common expense payments received from a unit owner to unpaid late fees, legal fees, fines. and interest (other than amounts remitted by a unit in payment of late fees, legal fees, fines, and interest).] Any payments made by or on behalf of a unit owner shall first be applied to outstanding common expenses that are assessed to all unit owners in proportion to the common interest appurtenant to their respective units. Only after said outstanding common expenses have been paid in full may the payments be applied to other charges owed to the association, including assessed charges to the unit such as ground lease rent, utility sub-metering, storage lockers, parking stalls, boat slips, insurance deductibles, and cable. After these charges are paid, other charges, including unpaid late fees, legal fees, fines, and interest, may be assessed in accordance with an application of payment policy adopted by the board; provided that if a unit owner has designated that any payment is for a specific charge that is not a common expense as described in this subsection, the payment may be applied in accordance with the unit owner's designation even if common expenses remain outstanding."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 193

H.B. NO. 66

A Bill for an Act Relating to Athlete Agents.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the recruitment of a student athlete while the student athlete is still enrolled in an educational institution may cause substantial eligibility or other problems for the student and the school, especially when the athlete is not aware of the implications of signing the agency agreement or where agency is established without notice to the athletic director of the school. During the 2007 regular legislative session, as part of an effort to counteract this problem, Hawaii joined approximately forty other states by enacting the Uniform Athlete Agents Act, codified as chapter 481E, Hawaii Revised Statutes.

The legislature further finds that the Uniform Athlete Agents Act provides for the uniform registration, certification, and a mandated criminal history disclosure of sports agents seeking to represent student athletes who are or may be eligible to participate in intercollegiate sports; imposes specified contract terms on these agreements to the benefit of student athletes; and provides educational institutions with a right to notice along with a civil cause of action for damages resulting from a breach of specified duties. According to an article in the November 7, 2014, edition of the Wall Street Journal, some college officials say that the Uniform Athlete Agents Act has helped reduce improper contact between agents and student athletes.

The legislature additionally finds that since the enactment of chapter 481E, Hawaii Revised Statutes, related problems have surfaced in another quarter, namely, financial advisers. The Wall Street Journal article also noted that:

- (1) Reports from college athletic officials that "brokers, insurance agents, bankers and other types of financial advisers often contact athletes who are promising pro prospects";
- (2) Some of the financial advisers who sought to represent student athletes became the subjects of industry disciplinary or criminal proceedings; and
- (3) "The double standard between financial advisers and sports agents has long bothered some college athletic officials, regulators and even players. Agents were reined in [by the Uniform Athlete Agents Act] ... while leaving players as vulnerable as ever to unscrupulous financial advisers."

The purpose of this Act is to repeal chapter 481E, Hawaii Revised Statutes, and replace it with a new Revised Uniform Athlete Agents Act that applies to financial advisers under certain circumstances, and make the law more effective and enforceable. More specifically, as compared to chapter 481E, Hawaii Revised Statutes, this Act:

- (1) Expands the definition of "athlete agent" to include individuals who provide certain financial and business services to student athletes under certain circumstances;
- (2) Includes a true reciprocal registration requirement under which registrations by an agent in one state shall be recognized in another state, subject to certain conditions;
- (3) Requires agency contracts to:
 - (A) Contain a statement that the athlete agent is registered in the state in which the contract is signed and list any other state in which the agent is registered; and
 - (B) Be accompanied by a separate record signed by the student athlete acknowledging that signing the contract may result in the loss of eligibility to participate in the athlete's sport as a student athlete;
- (4) Provides civil penalties to athlete agents who fail to notify the educational institution at which a student athlete is enrolled before contacting a student athlete;
- (5) Requires an athlete agent who has a preexisting relationship with a student athlete who receives an athletic scholarship from the institution to notify the institution if the agent has or intends to recruit or solicit the student athlete to enter into an agency contract;
- (6) Adds criminal penalties for an athlete agent who encourages another individual to take an action the agent is prohibited from taking on behalf of the agent; and
- (7) Gives student athletes a right of action against an athlete agent who violates the Act.

The legislature notes that the National Collegiate Athletic Association has officially endorsed the Revised Uniform Athlete Agents Act.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER REVISED UNIFORM ATHLETE AGENTS ACT

-1 Short title. This chapter may be cited as the Revised Uniform Athlete Agents Act.

-2 **Definitions.** As used in this chapter:

§ -2 **Definitions.** As used in this enapter. "Agency contract" means an agreement in which a student athlete authorizes a person to negotiate or solicit on behalf of the athlete a professionalsports-services contract or endorsement contract.

"Athlete agent":

- (1)Means an individual, whether or not registered under this chapter, who:
 - (A) Directly or indirectly recruits or solicits a student athlete to enter into an agency contract or, for compensation, procures employment or offers, promises, attempts, or negotiates to obtain employment for a student athlete as a professional athlete or member of a professional sports team or organization;
 - (B) For compensation or in anticipation of compensation related to a student athlete's participation in athletics:
 - Serves the athlete in an advisory capacity on a matter (i) related to finances, business pursuits, or career management decisions, unless the individual is an employee of an educational institution acting exclusively as an employee of the institution for the benefit of the institution; or
 - (ii) Manages the business affairs of the athlete by providing assistance with bills, payments, contracts, or taxes; or
 - (C) In anticipation of representing a student athlete for a purpose related to the athlete's participation in athletics:
 - Gives consideration to the student athlete or another (i) person;
 - (ii) Serves the athlete in an advisory capacity on a matter related to finances, business pursuits, or career management decisions: or
 - (iii) Manages the business affairs of the athlete by providing assistance with bills, payments, contracts, or taxes; and
- Does not include an individual who: (2)
 - (A) Acts solely on behalf of a professional sports team or organization; or
 - (B) Is a licensed, registered, or certified professional and offers or provides services to a student athlete customarily provided by members of the profession, unless the individual:
 - Also recruits or solicits the athlete to enter into an agency (i) contract;
 - Also, for compensation, procures employment or offers, (ii) promises, attempts, or negotiates to obtain employment for the athlete as a professional athlete or member of a professional sports team or organization; or
 - (iii) Receives consideration for providing the services calculated using a different method than for an individual who is not a student athlete.

"Athletic director" means the individual responsible for administering the overall athletic program of an educational institution or, if an educational institution has separately administered athletic programs for female students and male students, the athletic program for females or the athletic program for males, as appropriate.

"Certified athlete agent" means an athlete agent registered under this chapter who is certified to be an athlete agent in a particular sport by a bona fide national association that promotes or regulates intercollegiate athletics and establishes eligibility standards for participation by a student athlete in that sport.

"Director" means the director of commerce and consumer affairs.

"Educational institution" includes a public or private elementary school, secondary school, technical or vocational school, community college, college, and university.

"Endorsement contract" means an agreement under which a student athlete is employed or receives consideration to use on behalf of the other party of any value that the student athlete may have because of publicity, reputation, following, or fame obtained because of athletic ability or performance.

"Enrolled" or "enrolls" means registered for courses and attending athletic practice or class.

"Intercollegiate sport" means a sport played at the collegiate level for which eligibility requirements for participation by a student athlete are established by a national association that promotes or regulates collegiate athletics.

"Interscholastic sport" means a sport played between educational institutions that are not community colleges, colleges, or universities.

"Licensed, registered, or certified professional" means an individual licensed, registered, or certified as an attorney, dealer in securities, financial planner, insurance producer, real estate broker or salesperson, tax consultant, accountant, or member of a profession, other than that of athlete agent, who is licensed, registered, or certified by the State or a nationally recognized organization that licenses, registers, or certifies members of the profession on the basis of experience, education, or testing.

"Person" means an individual, estate, business or nonprofit entity, public corporation, government or governmental subdivision, agency, or instrumentality, or other legal entity.

"Professional-sports-services contract" means an agreement under which an individual is employed as a professional athlete or agrees to render services as a player on a professional sports team or with a professional sports organization.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Recruit or solicit" means to attempt to influence the choosing of an athlete agent by a student athlete or, if the athlete is a minor, a parent or guardian of the athlete. The term does not include giving advice on the selection of a particular agent in a family, coaching, or social situation unless the individual giving the advice does so because of the receipt or anticipated receipt of an economic benefit, directly or indirectly, from the agent.

"Registration" means registration as an athlete agent under this chapter. "Sign" means, with present intent to authenticate or adopt a record:

- (1) To execute or adopt a tangible symbol; or
- (2) To attach to or logically associate with the record an electronic symbol, sound, or process.

"State" means a state of the United States, the District of Columbia, Guam, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

"Student athlete" means an individual who is eligible to attend an educational institution and engages in, is eligible to engage in, or may be eligible in the future to engage in, any interscholastic sport or intercollegiate sport. The term does not include an individual permanently ineligible to participate in a particular interscholastic sport or intercollegiate sport for that sport.

§ -3 Director; powers and duties; authority; procedure. (a) In addition to any other powers and duties authorized by law, the director shall have the powers and duties to:

- (1) Grant, deny, renew, refuse to renew, restore, terminate, reinstate, condition, restrict, suspend, or revoke a registration issued pursuant to this chapter;
- (2) Adopt, amend, or repeal rules pursuant to chapter 91 as the director finds necessary to carry out this chapter;
- (3) Administer, coordinate, and enforce this chapter;
- (4) Discipline a registered athlete agent on grounds specified by this chapter or chapter 436B or for any violation of rules adopted by the director pursuant to this chapter; and
- (5) Refuse to register a person for failure to meet the registration requirements in this chapter or for any reason specified by this chapter as grounds to discipline an athlete agent.

(b) By acting as an athlete agent in this State, a nonresident individual appoints the director as the individual's agent for service of process in any civil action in this State related to the individual acting as an athlete agent in this State.

(c) The director may issue a subpoena for material that is relevant to the administration of this chapter.

§ -4 Athlete agent; registration required; void contract. (a) Except as otherwise provided in subsection (b), an individual may not act as an athlete agent in this State without holding a certificate of registration under this chapter.

(b) Before being issued a certificate of registration under this chapter, an individual may act as an athlete agent in this State for all purposes except signing an agency contract, if:

- (1) A student athlete or another person acting on behalf of the athlete initiates communication with the individual; and
- (2) Not later than seven days after an initial act that requires the individual to register as an athlete agent, the individual submits an application for registration as an athlete agent in this State.

(c) An agency contract resulting from conduct in violation of this section is void, and the athlete agent shall return any consideration received under the contract.

§ -5 Registration as athlete agent; application; requirements; reciprocal registration. (a) An applicant for registration as an athlete agent shall submit an application for registration to the director in a form prescribed by the director. The applicant shall be an individual, and the application shall be signed by the applicant under penalty of perjury or unsworn falsification to authorities, as applicable. The application shall contain at least the following:

- (1) The name and date and place of birth of the applicant and the following contact information for the applicant:
 - (A) The address of the applicant's principal place of business;
 - (B) Work and mobile telephone numbers; and
 - (C) Any means of communicating electronically, including a facsimile number, electronic mail address, and personal and business or employer websites;

- (2) The name of the applicant's business or employer, if applicable, including for each business or employer, its mailing address, telephone number, organization form, and the nature of the business;
- (3) Each social media account with which the applicant or the applicant's business or employer is affiliated;
- (4) Each business or occupation in which the applicant engaged within five years before the date of the application, including self-employment and employment by others, and any professional or occupational license, registration, or certification held by the applicant during that time;
- (5) A description of the applicant's:
 - (A) Formal training as an athlete agent;
 - (B) Practical experience as an athlete agent; and
 - (C) Educational background relating to the applicant's activities as an athlete agent;
- (6) The name of each student athlete for whom the applicant acted as an athlete agent within five years before the date of the application or, if the athlete is a minor, the name of the parent or guardian of the minor, together with the athlete's sport and last-known team;
- (7) The name and address of each person that:
 - (A) Is a partner, member, officer, manager, associate, or profit sharer or directly or indirectly holds an equity interest of five per cent or greater of the athlete agent's business if the business is not a corporation; and
 - (B) Is an officer or director of a corporation employing the athlete agent or a shareholder having an interest of five per cent or greater in the corporation;
- (8) A description of the status of any application by the applicant, or any person named under paragraph (7), for a state or federal business, professional, or occupational license, other than as an athlete agent, from a state or federal agency, including any denial, refusal to renew, suspension, withdrawal, or termination of the license and any reprimand or censure related to the license;
- (9) Whether the applicant, or any person named under paragraph (7), has pleaded guilty or no contest to, has been convicted of, or has charges pending for, a crime that would involve moral turpitude or be a felony if committed in this State and, if so, identification of: (A) The crime;
 - (B) The law-enforcement agency involved; and
 - (C) If applicable, the date of the conviction and the fine or penalty imposed;
- (10) Whether, within fifteen years before the date of application, the applicant, or any person named under paragraph (7), has been a defendant or respondent in a civil proceeding, including a proceeding seeking an adjudication of incapacity and, if so, the date and a full explanation of each proceeding;
- (11) Whether the applicant, or any person named under paragraph (7), has an unsatisfied judgment or a judgment of continuing effect, including support and maintenance or a domestic order in the nature of child support, which is not current at the date of the application;
- (12) Whether, within ten years before the date of application, the applicant, or any person named under paragraph (7), was adjudicated bankrupt or was an owner of a business that was adjudicated bankrupt;

- (13) Whether there has been any administrative or judicial determination that the applicant, or any person named under paragraph (7), made a false, misleading, deceptive, or fraudulent representation;
- (14) Each instance in which conduct of the applicant, or any person named under paragraph (7), resulted in the imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic, intercollegiate, or professional athletic event on a student athlete or a sanction on an educational institution;
- (15) Each sanction, suspension, or disciplinary action taken against the applicant, or any person named under paragraph (7), arising out of occupational or professional conduct;
- (16) Whether there has been a denial of an application for, suspension or revocation of, refusal to renew, or abandonment of, the registration of the applicant, or any person named under paragraph (7), as an athlete agent in any state;
- (17) Each state in which the applicant currently is registered as an athlete agent or has applied to be registered as an athlete agent;
- (18) If the applicant is certified or registered by a professional league or players' association:
 - (A) The name of the league or association;
 - (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and
 - (C) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand or censure related to the certification or registration; and
- (19) Any additional information required by the director.

(b) Instead of submitting an athlete agent application for registration pursuant to subsection (a), an individual registered as an athlete agent in another state that has adopted the Revised Uniform Athlete Agents Act may apply for registration as an athlete agent in this State by submitting to the director:

- (1) A copy of the application for registration in the other state;
- (2) A statement that identifies any material change in the information on the application or verifies there is no material change in the information, signed under penalty of unsworn falsification to authorities; and
- (3) A copy of the certificate of registration from the other state.

(c) The director shall issue a certificate of registration to an individual who applies for registration under subsection (b) if the director determines:

- (1) The application and registration requirements of the other state are substantially similar to or more restrictive than this chapter; and
- (2) The registration has not been revoked or suspended and no action involving the individual's conduct as an athlete agent is pending against the individual or the individual's registration in any state.
- (d) For purposes of implementing subsection (c), the director shall:
- (1) Cooperate with national organizations concerned with athlete agent issues and agencies in other states that register athlete agents to develop a common registration form and determine which states have laws that are substantially similar to or more restrictive than this chapter; and
- (2) Exchange information, including information related to actions taken against registered athlete agents or their registrations, with those organizations and agencies.

§ -6 Certificate of registration; issuance or denial; renewal. (a) Except as otherwise provided in subsection (b), the director shall issue a certificate of registration to an applicant for registration who complies with section -5(a).

(b) The director may refuse to issue a certificate of registration to an applicant for registration under section -5(a) if the director determines that the applicant has engaged in conduct that significantly adversely reflects on the applicant's fitness to act as an athlete agent. In making the determination, the director may consider whether the applicant has:

- (1) Pleaded guilty or no contest to, has been convicted of, or has charges pending for, a crime that would involve moral turpitude or be a felony if committed in this State;
- (2) Made a materially false, misleading, deceptive, or fraudulent representation in the application or as an athlete agent;
- (3) Engaged in conduct that would disqualify the applicant from serving in a fiduciary capacity;
- (4) Engaged in conduct prohibited by section -14;
- (5) Had a registration as an athlete agent suspended, revoked, or denied in any state;
- (6) Been refused renewal of registration as an athlete agent in any state;
- (7) Engaged in conduct resulting in imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic, intercollegiate, or professional athletic event on a student athlete or a sanction on an educational institution; or
- (8) Engaged in conduct that adversely reflects on the applicant's credibility, honesty, or integrity.
- (c) In making a determination under subsection (b), the director shall consider:
 - (1) How recently the conduct occurred;
 - (2) The nature of the conduct and the context in which it occurred; and
 - (3) Other relevant conduct of the applicant.

(d) An athlete agent registered under subsection (a) may apply to renew the registration by submitting an application for renewal in a form prescribed by the director. The applicant shall sign the application for renewal under penalty of unsworn falsification to authorities and include current information on all matters required in an original application for registration.

(e) An athlete agent registered under section -5(c) may renew the registration by proceeding under subsection (d) or, if the registration in the other state has been renewed, by submitting to the director copies of the application for renewal in the other state and the renewed registration from the other state. The director shall renew the registration if the director determines:

- (1) The registration requirements of the other state are substantially similar to or more restrictive than this chapter; and
- (2) The renewed registration has not been suspended or revoked and no action involving the individual's conduct as an athlete agent is pending against the individual or the individual's registration in any state.

(f) A certificate of registration or renewal of registration under this chapter shall be valid for two years and shall be renewed by June 30 of every even-numbered year, upon the payment of a renewal fee within sixty days before the expiration of the registration. Registrations that have been forfeited may be restored within one year of the forfeiture date upon payment of renewal and restoration fees. Failure to restore a forfeited registration within one year shall result in the automatic termination of the registration. A person whose registration has been terminated pursuant to this section shall be required to reapply for a new registration as a new applicant.

§ -7 Limitation, suspension, revocation, or refusal to renew registration. (a) The director may limit, suspend, revoke, or refuse to renew a registration of an individual registered under section -6(a) for conduct that would have justified refusal to issue a certificate of registration under section -6(b).

(b) The director may suspend or revoke the registration of an individual registered under section -5(c) or renewed under section -6(e) for any reason for which the director could have refused to grant or renew registration or for conduct that would justify refusal to issue a certificate of registration under section -6(b).

(c) The director may deny, suspend, revoke, or refuse to renew a certificate of registration after proper notice and an opportunity for a hearing pursuant to chapter 91.

§ -8 Temporary registration. The director may issue a temporary certificate of registration as an athlete agent while an application for registration or renewal of registration is pending.

§ -9 Registration and renewal fees. No applicant or registrant shall be issued a certificate of registration unless the appropriate fees have been paid. Unless otherwise provided by law, the director shall establish the amount of all fees and expenses by rules adopted pursuant to chapter 91, and the fees shall be deposited with the director to the credit of the compliance resolution fund established pursuant to section 26-9(o).

§ -10 Required form of agency contract. (a) An agency contract shall be in a record signed by the parties.

- (b) An agency contract shall contain:
- (1) A statement that the athlete agent is registered as an athlete agent in this State and a list of any other states in which the agent is registered as an athlete agent;
- (2) The amount and method of calculating the consideration to be paid by the student athlete for services to be provided by the agent under the contract and any other consideration the agent has received or will receive from any other source for entering into the contract or providing the services;
- (3) The name of any person not listed in the agent's application for registration or renewal of registration that will be compensated because the athlete signed the contract;
- (4) A description of any expenses the athlete agrees to reimburse;
- (5) A description of the services to be provided to the athlete;
- (6) The duration of the contract; and
- (7) The date of execution.

(c) Subject to subsection (g), an agency contract shall contain a conspicuous notice in boldface type and in substantially the following form:

"WARNING TO STUDENT ATHLETE

IF YOU SIGN THIS CONTRACT:

- (1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A STUDENT ATHLETE IN YOUR SPORT;
- (2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN SEVENTY-TWO HOURS AFTER SIGNING THIS CON-TRACT OR BEFORE THE NEXT SCHEDULED ATHLETIC

EVENT IN WHICH YOU PARTICIPATE, WHICHEVER OC-CURS FIRST, BOTH YOU AND YOUR ATHLETE AGENT MUST NOTIFY YOUR ATHLETIC DIRECTOR THAT YOU HAVE ENTERED INTO THIS CONTRACT AND PROVIDE THE NAME AND CONTACT INFORMATION OF THE ATH-LETE AGENT; AND

(3) YOU MAY CANCEL THIS CONTRACT WITHIN FOURTEEN DAYS AFTER SIGNING IT. CANCELLATION OF THIS CON-TRACT MAY NOT REINSTATE YOUR ELIGIBILITY AS A STUDENT ATHLETE IN YOUR SPORT."

(d) An agency contract shall be accompanied by a separate record signed by the student athlete or, if the athlete is a minor, the parent or guardian of the athlete acknowledging that signing the contract may result in the loss of the athlete's eligibility to participate in the athlete's sport.

(e) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may void an agency contract that does not conform to this section. If the contract is voided, any consideration received from the athlete agent under the contract to induce entering into the contract is not required to be returned.

(f) At the time an agency contract is executed, the athlete agent shall give the student athlete or, if the athlete is a minor, the parent or guardian of the athlete a copy in a record of the contract and the separate acknowledgment required by subsection (d).

(g) If a student athlete is a minor, an agency contract shall be signed by the parent or guardian of the minor and the notice required by subsection (c) shall be revised accordingly.

§ -11 Notice to educational institution. (a) As used in this section, "communication or attempt to communicate" means contacting or attempting to contact by an in-person meeting, a record, or any other method that conveys or attempts to convey a message.

(b) Not later than seventy-two hours after entering into an agency contract or before the next scheduled athletic event in which the student athlete may participate, whichever occurs first, the athlete agent shall give notice in a record of the existence of the contract to the athletic director of the educational institution at which the athlete is enrolled or at which the agent has reasonable grounds to believe the athlete intends to enroll.

(c) Not later than seventy-two hours after entering into an agency contract or before the next scheduled athletic event in which the student athlete may participate, whichever occurs first, the athlete shall inform the athletic director of the educational institution at which the athlete is enrolled that the athlete has entered into an agency contract and the name and contact information of the athlete agent.

(d) If an athlete agent enters into an agency contract with a student athlete and the athlete subsequently enrolls at an educational institution, the agent shall notify the athletic director of the institution of the existence of the contract not later than seventy-two hours after the agent knew or should have known the athlete enrolled.

(e) If an athlete agent has a relationship with a student athlete before the athlete enrolls in an educational institution and receives an athletic scholarship from the institution, the agent shall notify the institution of the relationship not later than ten days after the enrollment if the agent knows or should have known of the enrollment and:

- (1) The relationship was motivated in whole or part by the intention of the agent to recruit or solicit the athlete to enter an agency contract in the future; or
- (2) The agent directly or indirectly recruited or solicited the athlete to enter an agency contract before the enrollment.

(f) An athlete agent shall give notice in a record to the athletic director of any educational institution at which a student athlete is enrolled before the agent communicates or attempts to communicate with:

- (1) The athlete or, if the athlete is a minor, a parent or guardian of the athlete, to influence the athlete or parent or guardian to enter into an agency contract; or
- (2) Another individual to have that individual influence the athlete or, if the athlete is a minor, the parent or guardian of the athlete to enter into an agency contract.

(g) If a communication or attempt to communicate with an athlete agent is initiated by a student athlete or another individual on behalf of the athlete, the agent shall notify in a record the athletic director of any educational institution at which the athlete is enrolled. The notification shall be made not later than ten days after the communication or attempt to communicate.

(h) An educational institution that becomes aware of a violation of this chapter by an athlete agent shall make notification of the violation to the director and any professional league or players' association with which the institution is aware the agent is licensed or registered.

§ -12 Student athlete's right to cancel. (a) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may cancel an agency contract by giving notice in a record of cancellation to the athlete agent not later than fourteen days after the contract is signed.

(b) A student athlete or, if the athlete is a minor, the parent or guardian of the student athlete may not waive the right to cancel an agency contract.

(c) If a student athlete, parent, or guardian cancels an agency contract, the athlete, parent, or guardian is not required to pay any consideration under the contract or return any consideration received from the athlete agent to influence the athlete to enter into the contract.

§ -13 Required records. (a) An athlete agent shall create and retain, for five years, records of the following:

- (1) The name and address of each individual represented by the agent;
- (2) Each agency contract entered into by the agent; and
- (3) The direct costs incurred by the agent in the recruitment or solicitation of each student athlete to enter into an agency contract.

(b) Records described in subsection (a) shall be open to inspection by the director during normal business hours.

§ -14 Prohibited conduct. (a) Except as otherwise provided in subsection (c), an athlete agent, with the intent to influence a student athlete or, if the athlete is a minor, a parent or guardian of the athlete to enter into an agency contract, shall not take any of the following actions, encourage any other individual to take any of the following actions, or assist any other individual in taking any of the following actions on behalf of the agent:

- (1) Give materially false or misleading information or make a materially false promise or misrepresentation;
- (2) Furnish anything of value to the athlete before the athlete enters into the contract; or

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(3) Furnish anything of value to an individual other than the athlete or another registered athlete agent.

(b) An athlete agent shall not intentionally do any of the following or encourage any other individual to do any of the following on behalf of the agent:

- (1) Initiate contact, directly or indirectly, with a student athlete or, if the athlete is a minor, a parent or guardian of the athlete, to recruit or solicit the athlete, parent, or guardian to enter an agency contract unless registered under this chapter;
- (2) Fail to create, retain, or permit inspection of the records required by section -13;
- (3) Fail to register when required by section -4;
- (4) Provide materially false or misleading information in an application for registration or renewal of registration;
- (5) Predate or postdate an agency contract; or
- (6) Fail to notify a student athlete or, if the athlete is a minor, a parent or guardian of the athlete, before the athlete, parent, or guardian signs an agency contract for a particular sport that the signing may make the athlete ineligible to participate as a student athlete in that sport.

(c) A certified athlete agent may pay expenses of a student athlete and the athlete's family members incurred before the signing of an agency contract; provided that the expenses are:

- (1) For the benefit of an athlete who is a member of a class of athletes authorized to receive the benefit by the bona fide national association that certified the agent;
- (2) Of a type authorized to be paid by a certified agent by the bona fide national association that certified the agent; and
- (3) For a purpose authorized by the bona fide national association that certified the agent.

§ -15 Criminal penalty. An athlete agent who violates section -14 shall be guilty of a misdemeanor.

§ -16 Civil remedy. (a) An educational institution or student athlete may bring an action for damages against an athlete agent if the institution or athlete is adversely affected by an act or omission of the agent in violation of this chapter. An educational institution or student athlete is adversely affected by an act or omission of the agent only if, because of the act or omission, the institution or an individual who was a student athlete at the time of the act or omission and enrolled in the institution:

- (1) Is suspended or disqualified from participation in an interscholastic or intercollegiate sports event by or under the rules of a state or national federation or association that promotes or regulates interscholastic sports or intercollegiate sports; or
- (2) Suffers financial damage.

(b) A plaintiff that prevails in an action under this section may recover treble damages, punitive damages, costs, and reasonable attorney's fees. An athlete agent found liable under this section forfeits any right of payment for anything of benefit or value provided to the student athlete and shall refund any consideration paid to the agent by or on behalf of the athlete.

(c) A violation of this chapter by the athlete agent shall be an unfair or deceptive act or practice for purposes of section 480-2.

§ -17 Civil penalty. The director may assess a civil penalty against an athlete agent not to exceed \$50,000 for a violation of this chapter. Fines shall be deposited with the director to the credit of the compliance resolution fund pursuant to section 26-9(o). Unless otherwise expressly provided, the remedies or penalties provided by this chapter are cumulative to each other and to the remedies or penalties available under all other laws of this State.

§ -18 Relation to Electronic Signatures in Global and National Commerce Act. This chapter modifies, limits, or supersedes the Electronic Signatures in Global and National Commerce Act, title 15 United States Code section 7001 et seq., but does not modify, limit, or supersede section 101(c) of that Act, title 15 United States Code section 7001(c), or authorize electronic delivery of any of the notices described in section 103(b) of that Act, title 15 United States Code section 7003(b)."

SECTION 3. Section 92-28, Hawaii Revised Statutes, is amended to read as follows:

"§92-28 State service fees; increase or decrease of. Any law to the contrary notwithstanding, the fees or other nontax revenues assessed or charged by any board, commission, or other governmental agency may be increased or decreased by the body in an amount not to exceed fifty per cent of the statutorily assessed fee or nontax revenue, to maintain a reasonable relation between the revenues derived from such fee or nontax revenue and the cost or value of services rendered, comparability among fees imposed by the State, or any other purpose which it may deem necessary and reasonable; provided that:

- The authority to increase or decrease fees or nontax revenues shall be subject to the approval of the governor and extend only to the following: chapters 36, 92, 94, 142, 144, 145, 147, 150, 171, 188, 189, 231, 269, 271, 321, 338, 373, 412, 414, 414D, 415A, 417E, 419, 421, 421C, 421H, 421I, 425, 425E, 428, 431, 436E, 436H, 437, 437B, 438, 439, 440, 440E, 441, 442, 443B, 444, 447, 448, 448E, 448F, 448H, 451A, 451J, 452, 453, 453D, 455, 456, 457, 457A, 457B, 457G, 458, 459, 460J, 461, 461J, 462A, 463, 463E, 464, 465, 465D, 466, 466D, 466K, 467, 467E, 468E, 468L, 468M, 469, 471, 472, [481E₇] 482, 482E, 484, 485A, 501, 502, 505, 514B, 514E, 572, 574, and 846 (part II) and any board, commission, program, or entity created pursuant to title 25 and assigned to the department of commerce and consumer affairs or placed within the department for administrative purposes;
- (2) The authority to increase or decrease fees or nontax revenues under the chapters listed in paragraph (1) that are established by the department of commerce and consumer affairs shall apply to fees or nontax revenues established by statute or rule;
- (3) The authority to increase or decrease fees or nontax revenues established by the University of Hawaii under chapter 304A shall be subject to the approval of the board of regents; provided that the board's approval of any increase or decrease in tuition for regular credit courses shall be preceded by an open public meeting held during or prior to the semester preceding the semester to which the tuition applies;
- (4) This section shall not apply to judicial fees as may be set by any chapter cited in this section;

- (5) The authority to increase or decrease fees or nontax revenues pursuant to this section shall be exempt from the public notice and public hearing requirements of chapter 91; and
- (6) Fees for copies of proposed and final rules and public notices of proposed rulemaking actions under chapter 91 shall not exceed 10 cents a page, as required by section 91-2.5."

SECTION 4. Chapter 481E, Hawaii Revised Statutes, is repealed.

SECTION 5. Statutory material to be repealed is bracketed and stricken.

SECTION 6. This Act shall take effect on July 1, 2020.

(Approved July 2, 2019.)

ACT 194

H.B. NO. 68

A Bill for an Act Relating to Consumer Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 481B-5.5, Hawaii Revised Statutes, is amended by amending subsection (l) to read as follows:

"(1) Any return policies adopted by the merchant pursuant to this section that limits the purchaser's ability to obtain a refund shall not apply if the goods were damaged or defective prior to the time of sale, unless the merchant was aware of the damage or defect and notified the purchaser of the damage or defect in writing prior to the time of sale. No warranty policy adopted by a merchant in the State shall require a purchaser to pay an additional fee to obtain a repair, replacement, or refund for goods returned pursuant to the warranty.

As used in this subsection, "merchant in the State" means a merchant that:

- (1) Is created under the laws of the State, including but not limited to chapters 414, 414D, 415A, 425, 425E, or 428;
- (2) Is authorized to transact business in the State; and
- (3) <u>Possesses a current, unexpired State of Hawaii general excise tax</u> <u>license.</u>"

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 195 H.B. NO. 154

A Bill for an Act Relating to Service Contracts.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 481X-2, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read:

""Road hazard" means a hazard that is encountered while driving a motor vehicle, which may include but not be limited to potholes, rocks, wood debris, metal parts, glass, plastic, curbs, or composite scraps."

By amending the definition of "service contract" to read:

""Service contract" means a contract or agreement for a separately stated consideration and a specific duration[, to]:

- (1) <u>To perform or indemnify the repair, replacement, or maintenance of</u> property for operational or structural failure due either to a defect in materials or artisanship, or to normal wear and tear, with or without additional provision for incidental payment or indemnity under limited circumstances, including but not limited to towing, rental, and emergency road service[-]: or
- (2) For performance of one or more of the following services:
 - (A) The repair or replacement of tires or wheels on a motor vehicle damaged as a result of coming into contact with a road hazard;
 - (B) The removal of dents, dings, or creases on a motor vehicle that can be repaired using the process of paintless dent removal without affecting the existing paint finish and without replacing vehicle body panels, sanding, bonding, or painting;
 - (C) The repair of chips or cracks in a motor vehicle windshield or the replacement of a motor vehicle windshield as a result of damage caused by a road hazard;
 - (D) The replacement of a motor vehicle key or key-fob in the event that the key or key-fob becomes inoperable, lost, or stolen; or
 - (E) Other services which may be approved by the commissioner, if not inconsistent with other provisions of this chapter.

Service contracts may provide for the repair, replacement, or maintenance of property damaged by power surges, or accidentally damaged during handling."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019; provided that section 1 shall take effect on July 1, 2020.

(Approved July 2, 2019.)

ACT 196

H.B. NO. 157

A Bill for an Act Relating to Collective Bargaining.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 89-16.6, Hawaii Revised Statutes, is amended to read as follows:

"§89-16.6 Disclosure to an exclusive representative. (a) The appropriate government agencies shall, upon written request, disclose to an exclusive representative information relating to [the administration of payroll deductions as authorized by section 89-4,] employees within their respective bargaining unit as follows: name; mailing address; physical worksite address; date of change of physical worksite address; organizational structure, including name and codes for department, division, branch, section, and unit, or equivalent, as applicable; worksite telephone number; job title; job description; position number;

employee identification number; appointment type; civil service status; social security number; bargaining unit; date of change in bargaining unit status of the employee; full-time equivalence of the employee; the employee's leave without pay status with effective dates and duration; basic rate of pay; types and effective dates of personnel actions that affect the amount and payment of the basic rate of pay; salary scale and range or equivalent; salary step or equivalent; amounts and dates of differential pay; amounts and dates of [statutory] dues deductions; and amounts and dates of other authorized voluntary payroll deductions remitted to the exclusive representative; except that this provision shall not apply to information regarding present or former employees involved in an undercover capacity in a law enforcement agency.

(b) Information disclosed to the exclusive representative under this section shall be provided within a reasonable time after receipt of the written request.

(c) Information regarding new hire employees under this section shall be provided to the appropriate exclusive representatives within two payroll periods.

[(c)] (d) An exclusive representative receiving government records pursuant to this section shall be subject to the same restrictions on disclosure of the records as the originating agency.

[(d)] (e) Information disclosed pursuant to this section shall be provided in a form conducive to electronic data processing; provided the employer possesses appropriate data processing capability."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on October 1, 2019. (Approved July 2, 2019.)

ACT 197 H.B. NO. 201

A Bill for an Act Relating to Invasive Species.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to clarify that authorized agents may enter private property to control and eradicate invasive species under certain circumstances. However, this Act is not intended to enable entry onto private property for the purpose of controlling or eradicating non-prohibited pet animals.

SECTION 2. Section 194-5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Whenever any invasive species identified by the council for control or eradication is [found]:

- (1) Found on private property[,]; or
- (2) <u>Reasonably suspected to be on private property, based on the results</u>

of systematic surveys or reports or proximity to known populations, regardless of whether the presence of the invasive species is due to natural dispersal from neighboring or nearby properties or to intentional establishment by the owner, tenant, or occupant of the property, a department or applicable county, or its employees or authorized agents may enter the premises to control or eradicate the invasive species after reasonable notice is given to the owner of the property and, if entry is refused, pursuant to the court order in subsection (d)."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 198

H.B. NO. 214

A Bill for an Act Relating to Disinterment of Human Bodies.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 338-25.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No corpse, nor the remains of any dead human body, exclusive of ashes, shall be exposed, disturbed, or removed from its place of burial, nor shall the receptacle, container, or coffin holding the remains or corpse be opened, removed, or disturbed after due interment, except upon written application made to the director of health for a permit therefor and upon the issuance and according to the terms of a permit granted therefor by the director. After any removal or disturbance the grave shall be filled at once and restored to its former condition. A cemetery authority with a current and active license with the department of commerce and consumer affairs may disinter and reinter a corpse or remains within that same cemetery without filing an application for a permit from the department of health if the cemetery authority has written authorization from the majority of the next-of-kin of the person whose corpse or remains is disinterred, as determined by the priority of succession order required by section 531B-4; provided that this exception shall not apply to disinterment of a corpse or remains for transfer off of the cemetery property to another physical address. The cemetery authority may require a licensed embalmer to be available during the disinterment in the event that human remains may be exposed.

For the purposes of this subsection, "cemetery," "cemetery authority," and "cemetery property" have the same meaning as provided in section 441-1."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 199

H.B. NO. 270

A Bill for an Act Relating to Rebuilt Vehicles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that existing laws inhibit insurers' ability to push a "rebuilt" or "salvage" title when a total loss is retained by the insured for a flooded vehicle. Modern cars have a significant amount of electronic

devices installed throughout the vehicle and are highly vulnerable to sustaining damage during a flood, particularly if salt water is involved. Such vehicles should have a branded title to warn potential subsequent purchasers that the vehicle has been declared a total loss and might have hidden defects that could affect its safe operation.

Accordingly, the purpose of this Act is to expand the definition of "rebuilt vehicle" to include motor vehicles that have been rebuilt after flood damage and material damage to the vehicle's electronics and define "flood damage".

SECTION 2. Section 286-2. Hawaii Revised Statutes, is amended as follows:

1 By adding a new definition to be appropriately inserted and to read:

"Flood damage" means damage caused to any electrical, computerized, or mechanical component, or interior of a vehicle that has been submerged in water to the point that water has entered the passenger compartment or engine."

2. By amending the definition of repuir vehicle to read. ""Rebuilt vehicle" means any vehicle which has been declared a total loss by an insurer and has been rebuilt or repaired to operate on public highways. For the purpose of this definition, a vehicle is a total loss only if there is material damage, including flood damage, to the vehicle's electronics, frame, unitized structure, or suspension system, and the projected cost of repairing the damage exceeds the market value of the vehicle at the time of the incident causing it to be declared a total loss."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 200

H.B. NO. 273

A Bill for an Act Relating to Privacy Notice for Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that state law requires insurers to send annual privacy notices to all individuals covered by a group policy rather than just to the group policyholder, which results in insurers spending an extraordinary amount of time sending notices to individuals in the State.

The purpose of this Act is to provide an insurer with an exception to the requirement that the insurer provide annual privacy notices to all its customers if:

- (1)The insurer provides nonpublic personal financial information to nonaffiliated third parties under certain conditions where the notice, opt out, or service providers and joint marketing provisions do not apply; and
- (2)The insurer's policies and practices relating to disclosure of nonpublic personal information remain unchanged.

SECTION 2. Section 431:3A-202, Hawaii Revised Statutes, is amended to read as follows:

"[[]§431:3A-202[]] Annual privacy notice to customers required. (a) [A] <u>Except as provided in subsection (b), a</u> licensee shall provide a clear and conspicuous notice to customers that accurately reflects its privacy policies and practices not less than annually during the continuation of the customer relationship. [Annually] For the purposes of this section, "annually" means at least once in any period of twelve consecutive months during which that relationship exists. A licensee may define the [twelve consecutive month] twelve-consecutive-month period, but the licensee shall apply it to the customer on a consistent basis.

(b) A licensee shall not be required to provide an annual notice to a customer under this section if the licensee:

- (1) Has provided nonpublic personal financial information to nonaffiliated third parties in accordance with section 431:3A-401, 431:3A-402, or 431:3A-403; and
- (2) Has not changed its policies and practices relating to the disclosure of nonpublic personal information from the most recent notice sent to customers in accordance with this section or section 431:3A-201.

[(b)] (c) A licensee shall not be required to provide an annual notice to a former customer. A former customer is an individual with whom a licensee no longer has a continuing relationship.

[(e)] (d) If a licensee is required under this section to deliver an annual privacy notice, the licensee shall deliver it according to section 431:3A-206."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019.

(Approved July 2, 2019.)

ACT 201

H.B. NO. 390

A Bill for an Act Relating to Workers' Compensation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 172, Session Laws of Hawaii 2017, is amended by amending section 4 to read as follows:

"SECTION 4. This Act shall take effect upon its approval[; provided that on June 30, 2019, this Act shall be repealed and section 386-79, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day before the effective date of this Act]."

SECTION 2. Statutory material to be repealed is bracketed and stricken.

SECTION 3. This Act shall take effect on June 29, 2019. (Approved July 2, 2019.)

ACT 202

A Bill for an Act Relating to Onsite-Non-Potable Water Reuse Systems.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that as an island state, Hawaii has limited access to natural fresh water and unlike in other states, it is not economically feasible to ship in additional supplies when needed. Competition for fresh water from increasing populations, development pressures, and the impact of climate change require that Hawaii develop strategies for increasing water conservation, recharge, and reuse in order to ensure fresh water supplies for current and future generations. The Hawaii fresh water initiative was developed as a statewide goal to increase water security by one hundred million gallons a day by 2030. This will require more than doubling the amount of wastewater currently reused in the islands to provide an additional thirty million gallons a day in water availability. To reach this goal, both regional, large scale recycled water projects as well as smaller scale building level projects will be needed.

The legislature further finds that the use of recycled water for non-potable applications has been proven safe and feasible under existing regulatory regimes in Hawaii and many other states, as well as in other industrialized countries of the world. The opportunity for non-potable reuse at the building level is high. According to the United States Environmental Protection Agency, up to ninetyfive per cent of water demands are for non-potable uses in commercial buildings, with irrigation and cooling tower representing approximately fifty per cent of that demand. Onsite water reuse in high-rise and mid-rise developments in particular has proven feasible and safe in New York, California, Japan, Australia, and other locations. The use of recycled water generated onsite at high-rise and mid-rise developments can replace a large percentage of the future potable water demand of such developments.

In order to safely increase onsite water reuse at the development level, the legislature finds that guidance from the Water Environment and Reuse Foundation, US Water Alliance, and the Water Research Foundation's National Blue Ribbon Commission for Onsite Non-potable Water Systems (Commission) would be invaluable. This Commission, made up of representatives from municipalities, water utilities, and public health agencies including Hawaii's department of health advances best management practices to support the use of onsite non-potable water reuse systems within individual buildings or at the local scale through a commitment to protect public health and the environment. To support the adoption of onsite non-potable water reuse systems, the Commission has developed tools and resources based on world class research and best practices underway in local communities.

To help reach the 2030 goal for water reuse, the department of health organized a water reuse task force based on House Concurrent Resolution 86, S.D. 1 (2018), with the purpose of identifying policies to help scale water reuse in the Hawaiian islands. Task force participants included representatives from the department of health, board of land and natural resources, commission on water resources management, board of agriculture, Honolulu board of water supply, Hawaii freshwater initiative, Hawaii Community Foundation, county representatives, and members of the house of representatives and the senate.

The purpose of this Act is to require the department of health to adopt rules for onsite non-potable water reuse systems by January 1, 2021. The rules shall be informed and guided by the work of the water reuse task force and have

the goal of safely, effectively, and economically scaling water reuse throughout Hawaii.

SECTION 2. By January 1, 2021, the department of health shall adopt a localized set of rules for onsite non-potable water reuse systems with guidance from the Water Environment and Reuse Foundation and the Water Research Foundation's "A Guidebook for Developing and Implementing Regulations for Onsite Non-Potable Water Systems," which focuses on public safety and minimizing public risk and was created with the support of public health regulators.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 203

H.B. NO. 452

A Bill for an Act Relating to Preferential Electricity Rates for Protected Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that it is the policy of the State to promote the increased production of fruits and vegetables for local consumption. The legislature also finds that protected agriculture, a term that encompasses a variety of crop production technologies and techniques that use partial or full control of a plant's micro-climate to target the particular requirements of the species, helps overcome local pests and weather pressures that negatively impact agriculture in the State. When properly managed, protected agriculture allows for more efficient use of water and fertilizer while also reducing the need for pesticides and herbicides.

The legislature further finds that protected agriculture aligns with the federal Food and Drug Administration's Food Safety Modernization Act, P.L. 111-353, by producing fruits and vegetables in a safe and optimum environment. However, without a preferential rate for electricity, protected agriculture cannot economically produce the quantities of fruits and vegetables needed to advance Hawaii's sustainability initiatives.

The purpose of this Act is to authorize the public utilities commission to establish preferential electricity rates for agricultural activities that utilize protected agriculture to produce fruits or vegetables for distribution.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§269- Preferential electricity rates; protected agriculture. (a) The public utilities commission may establish preferential electricity rates for agricultural activities that utilize protected agriculture to produce fruits or vegetables for distribution; provided that the protected agriculture includes reasonable efforts to incorporate cost-effective renewable energy sources and energy efficiency measures.

(b) In considering preferential rates, the public utilities commission shall ensure that any subsidization being paid by other customers is limited and reasonable and shall periodically review and adjust the rate, if necessary.

(c) A public utility shall provide a request for preferential electricity rates to the public utilities commission for approval upon receipt of:

- (1) A bona fide request for preferential electricity rates for agricultural activities that utilize protected agriculture to produce fruits or vegetables for distribution; and
- (2) Proof that the fruits or vegetables cited in the request are produced in a manner consistent with this section.

(d) For purposes of this section, "protected agriculture" means any crop production technologies or techniques that partially or fully control a plant's micro-climate to target the particular requirements of the species; provided that the term shall not include agricultural activities that produce medical cannabis."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 204

H.B. NO. 529

A Bill for an Act Relating to Motor Vehicles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 291C, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

(%291C- Waipio valley access; required four-wheel drive vehicle use. (a) No vehicle, other than a low-range, four-wheel drive vehicle, shall at any time be driven through or in the connecting roadway corridor between the Waipio valley lookout and the floor of Waipio valley; provided that any vehicle may be driven in these areas if it is:

- (1) In the process of executing a legal turn, lane change, or parking maneuver to exit the area;
- (2) An authorized emergency vehicle performing the functions under section 291C-26;
- (3) An official federal, state, or county vehicle in the performance of its actual duty;
- (4) Necessary to assist a stalled or broken vehicle;
- (5) Necessary to yield to an authorized emergency vehicle pursuant to section 291C-65;
- (6) A vehicle engaged in or in support of research or maintenance activities; or
- (7) Otherwise provided by law.

(b) Violation of this section shall subject the driver of the vehicle to a fine of \$250.

(c) For purposes of this section, an all-wheel drive vehicle shall not be considered to be a low-range, four-wheel drive vehicle."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 205

H.B. NO. 658

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that advanced practice registered nurses fill many critical roles in the health care system alongside physicians, including practicing medicine independently, practicing as clinicians, and filling medical leadership positions. Despite advanced practice registered nurses filling a critical service gap in health care in the State, the department of health's administrative rules reserve the role of medical director exclusively for physicians.

The legislature finds that community discussion is needed to explore the feasibility of including advanced practice registered nurses in medical director roles. Numerous issues must be considered before any statutory changes are made, including ensuring that proposed statutory definitions do not infringe on the rights of health care entities to self-govern and freely determine staff qualifications; determining the appropriate nomenclature to be used when describing the practical role of medical director, as this role varies greatly depending on the size and type of facility; and researching and reconciling any compliance implications stemming from the federal Centers for Medicare and Medicaid Services and other federal regulations regarding qualifications of medical directors.

The purpose of this Act is to establish a working group to research and make recommendations to permit advanced practice registered nurses to be eligible for medical leadership positions.

SECTION 2. (a) The department of health shall establish and convene the advanced practice registered nurse medical leadership working group to research and make recommendations to permit advanced practice registered nurses to be eligible for medical leadership positions and identify any exceptions, federal regulations, or other circumstances under which eligibility for positions of medical director or medical director-analogs may be inappropriate.

(b) The advanced practice registered nurse medical leadership working group shall consist of the following members:

- (1) The director of health or the director's designee;
- (2) The director of commerce and consumer affairs or the director's designee;
- (3) The director of the Hawaii center for nursing or the director's designee;

- (4) A representative from a health care facility trade association to be appointed by the chairperson; and
- (5) Other representatives from health care or academia, as requested by the director of health.

The director of health or the director's designee shall serve as the chairperson of the working group.

(c) The advanced practice registered nurse medical leadership working group shall be exempt from part I of chapter 92, Hawaii Revised Statutes.

(d) The advanced practice registered nurse medical leadership working group shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 206

H.B. NO. 699

A Bill for an Act Relating to the Hawaii Public Housing Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 356D-92, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Except as otherwise provided, the authority may terminate any lease, rental agreement, permit, or license covering the use and occupation of any dwelling unit or other premises located within a public housing project and evict from any premises any tenant, licensee, or other occupant for any of the following reasons:

- (1) Failure to pay rent when due;
- (2) Violation of any of the provisions of a lease, rental agreement, permit, or license;
- (3) Violation of any of the rules of the authority;
- (4) Failure to maintain the dwelling unit in a clean, sanitary, and habitable condition;
- (5) Upon a third violation of section 356D-6.5; provided that a violation of any of these terms by a nonresident, a guest who is visiting a resident, or by any member of the resident's household shall be deemed a violation by the resident; [ΘF]
- (6) Conviction of a felony committed during the term of the tenancy for an act that:
 - (A) Occurs on the authority's premises or affects the authority's property, including its administrative offices, its employees, or its employees' property or vehicles; or
 - (B) Is related to the authority's funds; or
- [(6)] (7) The existence of any other circumstances giving rise to an immediate right to possession by the authority."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 207

A Bill for an Act Relating to Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 291C, Hawaii Revised Statutes, is amended by adding a new section to part IV to be appropriately designated and to read as follows:

"§291C- Traffic control devices; uniform standards and specifications. The department of transportation, after consultation with the counties, shall adopt rules pursuant to chapter 91 prescribing uniform standards and specifications for all official traffic control devices installed pursuant to this chapter, including stop signs, yield signs, speed limit signs, railroad warning approach signs, street name signs, crossing signs, any lines or markings on a roadway, and any other sign or marking required or authorized by the Federal Highway Administration's Manual on Uniform Traffic Control Devices, as amended."

SECTION 2. Chapter 291C, Hawaii Revised Statutes, is amended by adding a new section to part X to be appropriately designated and to read as follows:

"§291C- Speed limits; factors to consider. (a) The department of transportation or a county shall consider the following factors when setting a maximum speed limit pursuant to section 291C-102:

- (1) An engineering study conducted for the road whose maximum speed limit is being set; provided that the engineering study shall include an analysis of the current speed distribution of free-flowing vehicles; and
- (2) Any other factors prescribed by the Federal Highway Administration's Manual on Uniform Traffic Control Devices, as amended.

(b) As used in this section, "engineering study" means a survey of highway and traffic conditions in accordance with methods determined by the department of transportation for use by state and local authorities. An engineering study shall consider the following factors:

- (1) Roadway characteristics including but not limited to shoulder condition grade, alignment, sight distance, and lane widths;
- (2) Roadside development and environment, including the following:
 - (A) Number and types of side road access including signalized or unsignalized intersections;
 - (B) Pedestrian activity and facilities;
 - (C) Parking practices and activity; and
 - (D) Type of bicycle accommodations and facilities;
- (3) Motor vehicle crashes resulting in deaths or injuries; and
- (4) Prevailing speeds as determined by traffic engineering measurements."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 208

A Bill for an Act Relating to Low-Speed Electric Bicycles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 291C, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§291C- Low-speed electric bicycles; operator age. No person under the age of fifteen shall operate a low-speed electric bicycle as defined under title 15 United States Code section 2085."

SECTION 2. Section 249-1, Hawaii Revised Statutes, is amended by amending the definition of "bicycle" to read as follows:

""Bicycle" means [every]:

- (1) <u>A</u> device propelled solely by human power upon which any person may ride, having two tandem wheels sixteen inches in diameter or greater, and including any device generally recognized as a bicycle though equipped with two front or two rear wheels[-]: or
- (2) <u>A low-speed electric bicycle, as defined under title 15 United States</u> Code section 2085."

SECTION 3. Section 249-14, Hawaii Revised Statutes, is amended to read as follows:

"§249-14 Bicycle fee. (a) Bicycles having two tandem wheels that are twenty inches or more in diameter are required to be registered and shall be subject to a permanent registration fee of \$15, to be paid by the owners thereof to the director of finance.

(b) A low-speed electric bicycle, as defined under title 15 United States Code section 2085, shall be required to be registered, and shall be subject to a permanent registration fee of \$30, to be paid by the owners thereof to the director of finance.

[(b)] (c) An owner of a bicycle having two tandem wheels that are less than twenty inches in diameter is not required to register that bicycle, but may do so to facilitate the return of recovered stolen bicycles by payment of the registration fee. The fee collected shall not be refunded or prorated. Upon receipt of the fee, the director of finance shall number and register each bicycle for which the fee is paid, in the owner's name, and furnish the owner with a metallic tag or decal for each bicycle, which shall be attached to the bicycle. The decal shall be affixed to a bicycle on the upright post attached to the sprocket facing in the forward direction. Upon initial registration by an owner or transferee, the director of finance shall require proof of ownership and require the owner to furnish verification of the serial number and description contained in the proof of ownership and application for registration. The metallic tags or decals shall be in a form as the director of finance of each county to purchase a sufficient number of these tags or decals.

[(e)] (d) All fees collected under this section shall be deposited into the bikeway fund and shall be expended in the county in which the fees are collected as provided in section 249-17.5."

SECTION 4. Section 286-2, Hawaii Revised Statutes, is amended by amending the definition of "bicycle" to read as follows:

""Bicycle" means [every]:

- (1) <u>A</u> device propelled solely by human power upon which any person may ride, having two tandem wheels sixteen inches in diameter or greater, and including any device generally recognized as a bicycle though equipped with two front or two rear wheels[-]; or
- (2) <u>A low-speed electric bicycle, as defined under title 15 United States</u> <u>Code section 2085.</u>"

SECTION 5. Section 291C-1, Hawaii Revised Statutes, is amended by amending the definition of "bicycle" to read as follows:

""Bicycle" means [every]:

- (1) A vehicle propelled solely by human power upon which any person may ride, having two tandem wheels, and including any vehicle generally recognized as a bicycle though equipped with two front or two rear wheels except a toy bicycle[-]; or
- (2) <u>A low-speed electric bicycle, as defined under title 15 United States</u> <u>Code section 2085.</u>"

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 209

H.B. NO. 845

A Bill for an Act Relating to Employee Training.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 78, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§78- New employees; orientation on benefits and rights. (a) Each newly hired employee shall be provided a general orientation on the employee's benefits and rights within twenty calendar days of being hired. The orientation shall be conducted by the employee's respective jurisdiction.

(b) The exclusive representative who represents the employee, if any, may attend the employee's general orientation and present information on the employee's benefits and rights.

(c) As used in this section, "exclusive representative" has the same meaning as in section 76-11."

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 210

A Bill for an Act Relating to the Board of Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the board of health was originally intended to serve as an advisory panel to the director of health. However, given the current breadth and complexity of public health issues and prominent guidance from federal programs, the legislature, and the private sector, the board of health has been rendered obsolete and no longer adds value to department of health operations.

The legislature further finds that the board of health has been historically difficult to fill and currently has no members. Abolishing the board of health would more accurately reflect the reality of decision making at the department of health and would reduce the administrative burden on the department.

The purpose of this Act is to abolish the board of health.

SECTION 2. Section 10-41, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The training required by this part shall apply to members of the land use commission, board of land and natural resources, commission on water resource management, environmental council, board of directors of the agribusiness development corporation, board of agriculture, legacy land conservation commission, natural area reserves system commission, and Hawaii historic places review board[, and board of health]."

SECTION 3. Section 26-13, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The department of health shall be headed by a single executive to be known as the director of health.

[There shall be, within the department of health, an advisory board to be known as the board of health, which shall advise the director of health on matters within the jurisdiction of the department of health. The board of health shall consist of eleven voting members appointed by the governor as provided in section 26-34 and shall include the director of [human services] as an ex officio nonvoting member. The appointed members shall include at least one resident of each of the major counties including the county of Kalawao. The appointed members shall serve without compensation but shall be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.]

The department shall administer programs designed to protect, preserve, care for, and improve the physical and mental health of the people of the State. Without limit to the generality of the foregoing, the programs shall include the administration and enforcement of matters and laws of public health of the State, including the state hospital, but excluding assistance and care for the indigent and the medically indigent."

SECTION 4. Section 321-5, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) As used in this section, unless the text clearly otherwise indicates:

"Hawaii personnel" means public health nurses, sanitary officers, and medical officers.

"Health department" means the [board of health,] department of health[, president of the board of health,] or other public authority authorized by law to administer or administering the public health laws of any state.

"State" means any state or territory of the United States, or county or municipality of any such state or territory."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 211

H.B. NO. 913

A Bill for an Act Relating to the Hawaii Labor Relations Board.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to authorize the electronic filing of documents with the Hawaii labor relations board.

SECTION 2. Section 377-9, Hawaii Revised Statutes, is amended to read as follows:

"§377-9 Prevention of unfair labor practices. (a) Any controversy concerning unfair labor practices may be submitted to the board in the manner and with the effect provided in this chapter, but nothing herein shall prevent the pursuit of relief in courts of competent jurisdiction.

(b) Any party in interest may file with the board a written complaint, on a form provided by the board, charging any person with having engaged in any specific unfair labor practice. The board shall serve or require the complainant to serve a copy of the complaint upon the person charged, hereinafter referred to as the respondent. If the board has reasonable cause to believe that the respondent is a member of or represented by a labor union, then service upon an officer of the union shall be deemed to be service upon the respondent. Service may be by delivery to the person, or by mail or electronic service through a company designated by the board, to the person's last known address. Any other person claiming interest in the dispute or controversy, as an employer, an employee or their representative, shall be made a party upon proof of the interest. The board may bring in additional parties by service of a copy of the complaint. Only one complaint shall issue against a person with respect to a single controversy, but any complaint may be amended in the discretion of the board at any time prior to the issuance of a final order based thereon. The respondent may file an answer to the original or amended complaint but the board may find to be true any allegation in the complaint in the event either no answer is filed or the answer neither specifically denies nor explains the allegation nor states that the respondent is without knowledge concerning the allegation. The respondent shall have the right to appear in person or otherwise give testimony at the place and time fixed in the notice of hearing. The hearing on the complaint shall be before either the board or a hearings officer of the board, as the board may determine.

The board shall fix a time for the hearing on the complaint, which shall be not less than ten nor more than forty days after the filing of the complaint or amendment thereof. Notwithstanding section 91-9.5, in any hearing conducted by the board, all parties shall be given written notice of the hearing by first class mail or by electronic service through a company designated by the board at least fifteen days before the scheduled date of the hearing. In case a party in interest is located without the State and has no known address within the State and no known electronic mail address, a copy of the complaint and copies of all notices shall be filed in the office of the lieutenant governor and shall also be sent by first class mail to the last known address of the party. Such filing and mailing shall constitute sufficient service with the same force and effect as if served upon a party located within the State. The hearing may be adjourned from time to time in the discretion of the board and hearings may be held at such places as the board shall designate.

In all proceedings under this chapter before the board, each member of the board may issue subpoenas and administer oaths. Depositions may be taken in the manner prescribed by law. No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to the subpoena on the ground that the testimony or evidence required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture under the laws of the State, but such person shall not be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which the person may testify or produce evidence, documentary or otherwise, in such proceedings. Such person so testifying shall not be exempt, however, from prosecution and punishment for perjury committed in so testifying.

Any person who wilfully and unlawfully fails or neglects to appear or to testify or to produce books, papers, and records as required, shall, upon application to a circuit judge, be ordered to appear before the board, and failure to obey the order may be punished as a contempt of court.

Each witness who appears before the board by subpoena shall receive for the witness' attendance the fees and mileage provided for witnesses in civil cases in courts of record, which shall be audited and paid by the State in the same manner as other expenses are audited and paid, upon the presentation of properly verified vouchers approved by the board.

(c) A full and complete record shall be kept of all proceedings had before the board and all testimony and proceedings shall be taken down by a reporter engaged for such purpose or by use of a mechanical recording device. It shall not be necessary to transcribe the record unless requested for purposes of rehearing or court review. In the proceedings the board shall not be bound by technical rules of evidence. No hearsay evidence, however, shall be admitted or considered.

(d) After the final hearing, the board shall promptly make and file an order or decision, incorporating findings of fact upon all the issues involved in the controversy and the determination of the rights of the parties. Pending the final determination of the controversy the board may, after hearing, make interlocutory orders which may be enforced in the same manner as final orders. Final orders may dismiss the complaint or require the person complained of to cease and desist from the unfair labor practices found to have been committed, suspend the person's rights, immunities, privileges, or remedies granted or afforded by this chapter for not more than one year, and require the person to take affirmative action, including reinstatement of employees and make orders in favor of employees making them whole, including back pay with interest, costs, and attorneys' fees. Any order may further require the person to make reports from time to time showing the extent to which the person has complied with the order. Furthermore, an employer or employee who wilfully or repeatedly commits unfair or prohibited practices that interfere with the statutory rights of an employer or employees or discriminates against an employer or employees for the exercise of protected conduct shall be subject to a civil penalty not to exceed \$10,000 for each violation. In determining the amount of any penalty under this

section, the board shall consider the gravity of the unfair or prohibited practice and the impact of the practice on the charging party, on other persons seeking to exercise rights guaranteed by this section, or on public interest.

(e) If any person fails or neglects to obey an order of the board while the same is in effect the board may petition the circuit judge of the judicial circuit wherein the person resides or usually transacts business for the enforcement of the order and for appropriate temporary relief or restraining order, and shall certify and file in the court the record in the proceedings, including all documents and papers on file in the matter, the pleadings and testimony upon which the order was entered, and the decision and order of the board. Upon such filing the board shall cause notice thereof to be served upon the person by mailing a copy to the person's last known post office address, and thereupon the judge shall have jurisdiction in the premises.

Any person aggrieved by the decision or order of the board may (f) obtain a review thereof as provided in chapter 91 by instituting proceedings in the circuit court of the judicial circuit in which the person or any party resides or transacts business, subject, however, to the general provisions of law for a change of the place of trial or the calling in of another judge. Where different parties in the same proceeding file petitions for review in two or more courts having proper jurisdiction, the jurisdiction of the judge first petitioned shall be exclusive and the other petitions shall be transferred to the judge. The petition shall state the grounds upon which a review is sought and copies thereof shall be served upon the other parties and the board. Service may be made by mailing such copies to the last known post office address of the parties concerned. When the proceedings are at issue, they may be brought on for hearing before the court upon the record by any party on ten days' written notice to the others. Upon the hearing, the court may confirm, modify, or set aside the decision or order of the board and enter an appropriate decree. No objection that has not been urged before the board shall be considered by the court unless the failure or neglect to urge the objection shall be excused because of extraordinary circumstances.

(g) In any proceedings for review of a decision or order of the board, the judge shall disregard any irregularity or error unless it is made to appear affirmatively that the complaining party was prejudiced thereby.

(h) Commencement of proceedings under subsection (f) of this section shall not stay enforcement of the board decisions or order; but the board, or the reviewing court may order a stay upon such terms as it deems proper.

(i) Petitions filed under this section shall have preference over any civil cause of a different nature pending in the circuit court, shall be heard expeditiously, and the circuit courts shall always be deemed open for the trial thereof.

(j) Any party may appeal from the judgment of a circuit court entered under this chapter, subject to chapter 602, in the manner provided for civil appeals from the circuit courts.

(k) A substantial compliance with the procedure of this chapter shall be sufficient to give effect to the decisions and orders of the board, and they shall not be declared inoperative, illegal, or void for any nonprejudicial irregularity in respect thereof.

(l) No complaints of any specific unfair labor practice shall be considered unless filed within ninety days of its occurrence.

(m) All documents filed with the board under this section shall be delivered to the board as:

- (1) An original paper document; or
- (2) <u>An electronic version, filed by electronic service through a company</u> <u>designated by the board.</u>

A document filed by electronic means shall be deemed an original document for the purposes of this section.

(n) For the purposes of this section, "document" includes all complaints, answers, motions, memoranda, declarations, exhibits, certificates of service, and other papers filed with the board."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 212 H.B. NO. 914

A Bill for an Act Relating to the Hawaii Labor Relations Board.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 396-11.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In any hearing conducted by the appeals board under this chapter and pursuant to chapter 91, notwithstanding section 91-9.5, all parties shall be given written notice of hearing by first class mail or by electronic service through a company designated by the [appeals] board at least fifteen days before the hearing."

SECTION 2. Section 396-12, Hawaii Revised Statutes, is amended to read as follows:

"§396-12 Judicial review. Except where an order has already become final for failure to contest, the decision and order of the appeals board shall be final and conclusive unless the director or any party to the proceedings before the appeals board obtains a review thereof in the manner provided in chapter 91 by instituting proceedings in the circuit court of the circuit in which the place of employment, machine, device, apparatus, or equipment is situated or such practice, means, method, operation, or process is employed. The hearing on review shall be on the record and the department shall be deemed a party to any such proceedings. The court shall give precedence to such proceedings over all other civil cases.

The party seeking the review of a decision and order of the appeals board shall bear the cost of preparing a transcript, [unless otherwise prohibited] except as provided by law, in which case the appeals board shall bear the cost of preparing the transcript."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 2, 2019.)

ACT 213

H.B. NO. 1261

A Bill for an Act Related to Judicial Proceedings.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 48, Session Laws of Hawaii 2016, section 14, as amended by Act 12, Session Laws of Hawaii 2017, section 76, as amended by Act 99, Session Laws of Hawaii 2017, section 1, is amended to read as follows:

"SECTION 14. This Act shall take effect on August 1, 2016[, and shall be repealed on July 1, 2019; provided that sections 91-14, 174C-12, 183C-8, 206E-5.6, 269-15.5, and 602-5, Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day prior to the effective date of this Act]."

SECTION 2. Statutory material to be repealed is bracketed and stricken.

SECTION 3. This Act shall take effect on June 30, 2019. (Approved July 2, 2019.)

ACT 214

H.B. NO. 1305

A Bill for an Act Relating to Mutual Assistance Agreement.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. In 2006, the Hawaii legislature approved the Emergency Management Assistance Compact allowing the State of Hawaii to become a member with forty-nine other states, the District of Columbia, Puerto Rico, and the Virgin Islands. As a member of the Emergency Management Assistance Compact, the State would be able to receive interstate aid in the event of a disaster. In doing so, the legislature recognized that while Hawaii may be capable of managing most emergencies, there are times when disasters exceed state and local resources and therefore require outside assistance. The legislature recognized that such outside assistance is especially crucial for a geographically isolated state such as Hawaii.

For any critical infrastructure providers, particularly public utility providers, in time of a major natural disaster or emergency, one priority is restoration of utilities to ensure the public has available resources to recover from any disaster. For the electrical utilities, one major concern is being able to safely and timely respond to all customers' needs, including residents, businesses, and the federal, state, and county governments following any disasters. While Hawaii's utility providers are reliable and in much better condition than those of Puerto Rico, if a disaster like Hurricane Maria in Puerto Rico hit Hawaii, the public utility providers in the State may need to seek assistance from outside the State.

All Hawaii based public utility providers are members of the Western Region Mutual Assistance Agreement (WRMAA), an agreement between public electric and gas utilities throughout the continental United States and certain Canadian utilities, to make their resources available in the event of emergencies or disasters, similar to the Emergency Management Assistance Compact entered into by the State with other states. The Hawaiian Electric Companies, consisting of Hawaiian Electric Company, Maui Electric Company, Ltd., and Hawaiian Electric Light Company, Inc., have been signatory parties to the WRMAA since 2006. The Kauai Island Utility Cooperative is also a signatory party to the WRMAA as of August 6, 2013. Hawaii Gas has been a signatory party to the WRMAA as of November 13, 2003. Most recently, in November 2018, the Hawaiian Electric Companies provided support to Pacific Gas and Electric by sending a team of thirty-five linemen and support staff to assist its recovery after the Camp Fire that devastated the town of Paradise, California. The support was provided under the terms of the WRMAA. In the event that the State suffers devastating effects from a disaster, out-of-state public utilities are willing and able to provide the State with similar support. This Act will help ensure that in times of an emergency, qualified out-of-state utility workers will be able to provide services in the State to help restore public electrical and natural gas utilities to operating condition.

The purpose of this Act is to ensure that in times of emergencies or a natural disaster where assistance may be necessary to restore critical electrical and natural gas infrastructure, the State, along with electrical and natural gas utilities, would be lawfully allowed to enter into a mutual assistance agreement with an out-of-state utility to assist in the restoration of electrical and natural gas power.

SECTION 2. Section 127A-1, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Because of the existing and increasing possibility of the occurrence of disasters or emergencies of unprecedented size and destructiveness resulting from natural or man-made hazards, and in order to ensure that the preparations of this State will be adequate to deal with such disasters or emergencies; to ensure the administration of state and federal programs providing disaster relief to individuals; and generally to protect the public health, safety, and welfare, and to preserve the lives and property of the people of the State, it is hereby found and declared to be necessary:

- (1) To provide for emergency management by the State, and to authorize the creation of local organizations for emergency management in the counties of the State;
- (2) To confer upon the governor and upon the mayors of the counties of the State the emergency powers necessary to prepare for and respond to emergencies or disasters;
- (3) To provide for the rendering of mutual aid among the counties of the State and with other states and in cooperation with the federal government with respect to the carrying out of emergency management functions; [and]
- (4) To permit out-of-state utilities to provide services in the State pursuant to a mutual assistance agreement with a state utility to repair, renovate, or install electrical or natural gas facilities that have been damaged, impaired, or destroyed due to or in connection with such disasters or emergencies; and
- [(4)] (5) To provide programs, in cooperation with other governmental agencies, the private sector, and nonprofit organizations, to educate and train the public to be prepared for emergencies and disasters."

SECTION 3. Section 127A-2, Hawaii Revised Statutes, is amended by adding four new definitions to be appropriately inserted and to read as follows: <u>"Electrical or natural gas facilities</u>" means any equipment and infrastructure owned and operated by a state utility for the purpose of generating, transmitting, distributing, or furnishing electrical energy or natural gas service. "Mutual assistance agreement" means an agreement to which two or more business entities are parties and under which a public utility, municipally owned utility, electric cooperative, natural gas special district, natural gas transmission pipeline, or joint agency owning, operating, or owning and operating infrastructure used for electric generation, electric or natural gas transmission, or electric or natural gas distribution in this State may request that an out-of-state utility perform work in this State in anticipation of a disaster or an emergency.

"Out-of-state utility" means a public utility, municipally owned utility, electric cooperative, or natural gas special district that owns, operates, or owns and operates infrastructure used for electric generation, electric or natural gas transmission, or electric or natural gas distribution outside of the State, and is regulated by the public utilities commission of the state where they operate.

"State utility" means and refers to any public utility within the State under a franchise or charter granted by the State."

SECTION 4. Section 127A-13, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In the event of a state of emergency declared by the governor pursuant to [[]section[]] 127A-14, the governor may exercise the following additional powers pertaining to emergency management during the emergency period:

- Provide for and require the quarantine or segregation of persons (1)who are affected with or believed to have been exposed to any infectious, communicable, or other disease that is, in the governor's opinion, dangerous to the public health and safety, or persons who are the source of other contamination, in any case where, in the governor's opinion, the existing laws are not adequate to assure the public health and safety; provide for the care and treatment of the persons; supplement the provisions of sections 325-32 to 325-38 concerning compulsory immunization programs; provide for the isolation or closing of property which is a source of contamination or is in a dangerous condition in any case where, in the governor's opinion, the existing laws are not adequate to assure the public health and safety, and designate as public nuisances acts, practices, conduct, or conditions that are dangerous to the public health or safety or to property; authorize that public nuisances be summarily abated and, if need be, that the property be destroyed, by any police officer or authorized person, or provide for the cleansing or repair of property, and if the cleansing or repair is to be at the expense of the owner, the procedure therefor shall follow as nearly as may be the provisions of section 322-2, which shall be applicable; and further, authorize without the permission of the owners or occupants, entry on private premises for any such purposes;
- (2) Relieve hardships and inequities, or obstructions to the public health, safety, or welfare, found by the governor to exist in the laws and to result from the operation of federal programs or measures taken under this chapter, by suspending the laws, in whole or in part, or by alleviating the provisions of laws on such terms and conditions as the governor may impose, including licensing laws, quarantine laws, and laws relating to labels, grades, and standards;
- (3) Suspend any law that impedes or tends to impede or be detrimental to the expeditious and efficient execution of, or to conflict with, emergency functions, including laws which by this chapter specifically are made applicable to emergency personnel;

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- (4) Suspend the provisions of any regulatory law prescribing the procedures for out-of-state utilities to conduct business in the State including any licensing laws applicable to out-of-state utilities or their respective employees, as well as any order, rule, or regulation of any state agency, if strict compliance with the provisions of any such law, order, rule, or regulation would in any way prevent, hinder, or delay necessary action of a state utility in coping with the emergency or disaster with assistance that may be provided under a mutual assistance agreement;
- [(4)] (5) In the event of disaster or emergency beyond local control, or an event which, in the opinion of the governor, is such as to make state operational control necessary, or upon request of the local entity, assume direct operational control over all or any part of the emergency management functions within the affected area;
- (5) (6) Shut off water mains, gas mains, electric power connections, or suspend other services, and, to the extent permitted by or under federal law, suspend electronic media transmission;
- [(6)] (7) Direct and control the mandatory evacuation of the civilian population;
- [(7)] (8) Exercise additional emergency functions to the extent necessary to prevent hoarding, waste, or destruction of materials, supplies, commodities, accommodations, facilities, and services, to effectuate equitable distribution thereof, or to establish priorities therein as the public welfare may require; to investigate; and notwithstanding any other law to the contrary, to regulate or prohibit, by means of licensing, rationing, or otherwise, the storage, transportation, use, possession, maintenance, furnishing, sale, or distribution thereof, and any business or any transaction related thereto;
- [(8)] (9) Suspend section 8-1, relating to state holidays, except the last paragraph relating to holidays declared by the president, which shall remain unaffected, and in the event of the suspension, the governor may establish state holidays by proclamation;
- [(9)] (10) Adjust the hours for voting to take into consideration the working hours of the voters during the emergency period, and suspend those provisions of section 11-131 that fix the hours for voting, and fix other hours by stating the same in the election proclamation or notice, as the case may be;
- [(10)] (11) Assure the continuity of service by critical infrastructure facilities, both publicly and privately owned, by regulating or, if necessary to the continuation of the service thereof, by taking over and operating the same; and
- [(11)] (12) Except as provided in section 134-7.2, whenever in the governor's opinion, the laws of the State do not adequately provide for the common defense, public health, safety, and welfare, investigate, regulate, or prohibit the storage, transportation, use, possession, maintenance, furnishing, sale, or distribution of, as well as any transaction related to, explosives, firearms, and ammunition, inflammable materials and other objects, implements, substances, businesses, or services of a hazardous or dangerous character, or particularly capable of misuse, or obstructive of or tending to obstruct law enforcement, emergency management, or military operations, including intoxicating liquor and the liquor business; and authorize the seizure and forfeiture of any such objects, implements, or substances unlawfully possessed, as provided in this chapter."

SECTION 5. Section 127A-14, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The governor or mayor shall be the sole judge of the existence of the danger, threat, or circumstances giving rise to a declaration of a state of emergency in the State or a local state of emergency in the county, as applicable. This section shall not limit the power and authority of the governor under section [127A-13(a)(4).] 127A-13(a)(5)."

SECTION 6. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 215 S.B. NO. 9

A Bill for an Act Relating to the Hawaii Public Housing Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii public housing authority shall adopt rules, without regard to chapter 91, Hawaii Revised Statutes, to establish a program to reimburse land owners who participate in the section 8 housing voucher program to cover repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$450,000 or so much thereof as may be necessary for fiscal year 2019-2020 to the Hawaii public housing authority to reimburse landlords who participate in the section 8 housing choice voucher program for repair costs of tenant-caused property damage when such repair costs exceed the tenant's security deposit.

The sum appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 216 S.B. NO. 19

A Bill for an Act Relating to Surplus Lines.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 431:8-302, Hawaii Revised Statutes, is amended to read as follows:

"§431:8-302 Surplus lines insurers. (a) No surplus lines broker shall, either knowingly or without reasonable investigation of the financial condition and general reputation of the insurer, place insurance with a financially unsound insurer or with an insurer engaging in an unfair practice.

(b) A surplus lines broker may place surplus lines insurance only with insurers who are authorized to write that type of insurance in the insurer's domiciliary state.

(c) A surplus lines broker shall not place coverage with an unauthorized insurer unless, at the time of placement, the surplus lines broker has determined that:

- (1) The unauthorized insurer has capital and surplus or its equivalent under the laws of its domiciliary state that equal the greater of the minimum capital requirement of this State or a minimum of \$15,000,000; provided that:
 - (A) Minimum capital requirements may be satisfied by the insurer's possessing less than the minimum capital and surplus upon an affirmative finding of acceptability by the commissioner;
 - (B) A finding of acceptability pursuant to subparagraph (A) shall be based upon factors such as quality of management, capital and surplus of any parent company, company underwriting profit and investment income trends, market availability, and company record and reputation within the industry; and
 - (C) The commissioner shall not make an affirmative finding of acceptability pursuant to subparagraph (A) if the unauthorized insurer's capital and surplus is less than \$4,500,000; or
- (2) For an insurer not domiciled in the United States or its territories, the insurer shall be listed on the Quarterly Listing of Alien Insurers maintained by the National Association of Insurance Commissioners International Insurers Department; provided that:
 - (A) If an alien insurer is not in the Quarterly Listing of Alien Insurers, the surplus lines broker shall maintain in the broker's office evidence of the financial responsibility of the insurer; and
 - (B) Evidence satisfactory to the commissioner that the insurer maintains in the United States an irrevocable trust fund in either a national bank or a member of the Federal Reserve System in an amount of not less than \$5,400,000 consisting of cash, securities, letters of credit, or of investments of substantially the same character and quality as those which are eligible investments for the capital and statutory reserves of authorized insurers writing like kinds of insurance in this State, for the protection of all its policyholders in the United States, shall constitute prima facie evidence of the financial responsibility of the insurer.

[(d) The commissioner is authorized to enter into a cooperative agreement or interstate agreement or compact to establish additional and alternative nationwide uniform eligibility requirements that shall be applicable to unauthorized insurers domiciled in another state.]"

SECTION 2. Section 431:8-305, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Upon placing surplus lines insurance, the surplus lines broker shall as soon as reasonably possible deliver to the insured the policy or, if the policy is not available, the surplus lines broker's certificate, cover note, binder, or other evidence of insurance. Any confirmation of insurance shall be executed by the surplus lines broker and shall show:

- (1) The policy number, effective date, home state, and a description and location of the subject of the insurance;
- (2) A general description of the coverages, including any material limitations other than those in standard forms;
- (3) The premium and rate charged[, itemized by each state];
- (4) The taxes and fees to be collected from the insured[, itemized by each state];
- (5) The name and address of the insured;
- (6) The name and address of the insurer;
- (7) If the direct risk is assumed by more than one insurer, the certificate shall state the name and address and proportion of the entire direct risk assumed by each insurer; and
- (8) The name of the surplus lines broker and such broker's license number."

SECTION 3. Section 431:8-312, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Each licensed surplus lines broker shall keep in the broker's office in this State a full and true record of each surplus lines contract placed by the broker including a copy of the policy, certificate, cover note, or other evidence of insurance including, as applicable:

- (1) Amount of the insurance and perils insured;
- (2) Brief description of the property insured and its location;
- (3) Gross premium, taxes, and fees charged[, itemized by each state];
- (4) Any return premium, taxes, and fees paid[, itemized by each state];
- (5) Rate of premium charged upon the several items of property;
- (6) Effective date of the contract and its terms;
- (7) Name, address, and home state of the insured;
- (8) Name and address of the insurer;
- (9) Amount of tax and other sums to be collected from the insured[, itemized by each state]; and
- (10) Any additional information required by the commissioner."

SECTION 4. Section 431:8-313, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The statement shall be on forms as prescribed and furnished by the commissioner and shall show:

- (1) Gross amount of premiums for each kind of insurance transacted;
- (2) [Aggregate gross] <u>Gross</u> premiums charged[, itemized by each state];
- (3) [Aggregate of returned] <u>Returned</u> premiums paid to insureds[, itemized by each state];
- (4) [Aggregate of net] <u>Net</u> premiums and fees[, itemized by each state];
- (5) Amount of [aggregate] remitted taxes and fees[, itemized by each state]; and
- (6) Additional information as required by the commissioner."

SECTION 5. Section 431:8-315, Hawaii Revised Statutes, is amended to read as follows:

***\$431:8-315** Tax on surplus lines. (a) On or before March 15, 2011, each surplus lines broker shall pay to the director of finance, through the commissioner, a premium tax on surplus lines insurance transacted by the broker during 2010. On or before September 15, 2011, each surplus lines broker shall

pay to the director of finance, through the commissioner, a premium tax on surplus lines insurance transacted by the broker after December 31, 2010, and before July 1, 2011. After June 30, 2011, within forty-five days after the end of each calendar quarter, each surplus lines broker shall pay to the director of finance, through the commissioner, a premium tax on surplus lines insurance transacted by the broker during the calendar quarter for insurance for which this State is the home state of the insured. The tax rate shall be in the amount of 4.68 per cent of gross premiums, less return premiums, on surplus lines insurance [allocated to] for which the home state is this State. [The tax rate and fees of other states shall be applied to the gross premiums, less return premiums, allocated to those states.]

As used in this subsection, "gross premiums" means the amount of the policy or coverage premium charged by the insurer in consideration for the insurance contract. Any charges for policy, survey, inspection, service, or similar fees or other charges added by the broker shall not be considered part of gross premiums.

[(b) The commissioner shall collect the taxes and fees on independently procured surplus lines insurance and from surplus lines licensees and disburse to the other states the funds earned by each state; provided that the other state has a reciprocal allocation and disbursement procedure for the benefit of this State. To the extent that other states, where portions of the properties, risks, or exposures reside, have failed to establish a reciprocal allocation and disbursement procedure with this State, the net premium tax collected shall be retained by this State.

(c) If a surplus lines policy covers risks or exposures only partially resident in this State, the tax payable shall be computed upon the proportion of the premium which is properly allocable to the risks or exposures located in this State. The taxes and fees payable to this State on policies that cover risks and exposures only partially resident in this State shall be remitted on the quarterly schedule established by subsection (a) to the home state of the insured for disbursement to this State.

(d)] (b) The tax on any portion of the premium unearned at the termination of the insurance contract shall be returned to the policyholder.

[(e) The commissioner may:

- (1) Enter into a cooperative agreement, reciprocal agreement, or compact with other states to facilitate and provide for the collection, allocation, and disbursement of premium taxes attributable to the placement of surplus lines insurance;
- (2) Provide for uniform methods of allocation and reporting among surplus lines insurance risk classifications;
- (3) Conform to the requirements of the federal Nonadmitted and Reinsurance Reform Act of 2010;
- (4) Share information among states relating to surplus lines insurance premium taxes; and
- (5) Utilize a method adopted in cooperation with other states to allocate risk and compute the tax due on the portion of premium attributable to each risk classification and to each state where properties, risks, or exposures are located.

The commissioner shall assess the insured for the cost of the cooperative agreement, reciprocal agreement, or compact to collect and distribute the premium taxes. Upon application of the insured, the commissioner shall refund the insured for excess payments of taxes received by the State that are the result of the statewide tax rate.]" SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on October 1, 2019. (Approved July 2, 2019.)

ACT 217 S.B. NO. 759

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that agricultural theft and vandalism are a constant worry for farmers and ranchers in the State. Given the broad acreage that many farming and ranching operations encompass, it is often difficult for farmers and ranchers to police their entire operations at all times. Furthermore, vigilance at night after work hours may be challenging because not all farmers and ranchers are able to live on or near the fields where they work. All of these factors make agricultural operations easy prey for theft or vandalism.

The legislature also finds that the county of Hawaii is known as the breadbasket of the State. However, agricultural theft and vandalism have been a constant threat for farmers and ranchers on the island and have also been a problem in the county of Maui, increasing the cost of production and making it more difficult for farming and ranching operations to be successful.

The legislature further finds that individuals who grow food or other agricultural products for their own use or for sale also may be targets of agricultural product theft and vandalism. This theft and vandalism dispossesses victims of food they have grown, deprives them of a source of income, and reduces their self-sufficiency.

The purpose of this Act is to establish a two-year agricultural theft and vandalism pilot project to examine the effectiveness of prosecuting agricultural theft and vandalism cases in the counties of Hawaii and Maui, including theft and vandalism affecting individuals who are not full-time farmers or ranchers.

SECTION 2. (a) The department of agriculture shall:

- (1) Establish a two-year agricultural theft and vandalism pilot project to examine and assess the effectiveness of prosecuting agricultural theft and agricultural vandalism cases in the counties of Hawaii and Maui;
- (2) Examine and assess the effectiveness of prosecuting the theft of agricultural products produced for personal or commercial use on any land, regardless of land classification, and agricultural vandalism;
- (3) Partner with the counties of Hawaii and Maui to hire one fulltime equivalent (1.0 FTE) enforcement officer for each county, to be placed within the respective prosecuting attorney's office or any other law enforcement agency; and
- (4) Assess the implementation of the pilot project, including the pilot project's effectiveness in:
 - (A) Identifying the number of convictions for agricultural theft and agricultural vandalism;
 - (B) Identifying best practices for prosecuting perpetrators of agricultural theft and agricultural vandalism;

- (C) Identifying best practices for the coordination of local police and other enforcement officers' interaction between the prosecuting attorney's office and the judiciary;
- (D) Identifying best practices for the development and implementation of the public's and farmers' reporting of agricultural theft, agricultural vandalism, or the attempt of agricultural theft or vandalism;
- (E) Identifying areas where agricultural theft and agricultural vandalism are most prevalent;
- (F) Identifying best practices for preventing agricultural theft and agricultural vandalism; and
- (G) Making recommendations for a statewide program to address agricultural theft and agricultural vandalism.

(b) Based on the department of agriculture's assessment of the agricultural theft and vandalism pilot project, the department shall determine whether to continue, expand, or end the pilot project.

(c) The department of agriculture shall submit reports to the legislature of its findings and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the regular sessions of 2020 and 2021.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the establishment and implementation of a two-year agricultural theft and vandalism pilot project.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 218

S.B. NO. 203

A Bill for an Act Relating to Vaccinations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 325-33, Hawaii Revised Statutes, is amended to read as follows:

"§325-33 Performance of vaccination and immunization. Vaccinations or immunizations required of any person under this chapter shall be performed by duly licensed physicians or paramedical personnel under their direction, advanced practice registered nurses, physician assistants, <u>pharmacists pursuant</u> to chapter 461, or by authorized representatives of the department of health. A record of the immunization shall be maintained by the physician, physician assistant, [Θr] advanced practice registered nurse, or <u>pharmacist</u> and shall be available to the department of education for school entry requirements and the department of health."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 219

S.B. NO. 292

A Bill for an Act Relating to Labor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 103-55, Hawaii Revised Statutes, is amended to read as follows:

"§103-55 Wages, hours, and working conditions of employees of contractors performing services. (a) Before any offeror enters into a contract to perform services in excess of \$25,000 for any governmental agency, the offeror shall certify that the services to be performed will be performed under the following conditions:

- (1) Wages. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work. For contracts for services performed by laborers and mechanics, the contractor or the contractor's subcontractor shall give a copy of the rates of wages to each laborer and mechanic employed under the contract by the contractor at the time each laborer and mechanic is employed; provided that the contractor does not have to provide the contractor's employees the wage rate schedules where there is a collective bargaining agreement; and
- (2) Compliance with labor laws. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

(b) For contracts for services performed by laborers and mechanics, the governmental contracting agency may withhold from the contractor so much of the accrued payments as the governmental contracting agency may consider necessary to pay to the laborers and mechanics employed by the contractor or any subcontractor on the job site the difference between the required wages and the wages received and not refunded by the laborers and mechanics.

(c) Every contract covered under this section for services performed by laborers and mechanics and the specifications for the contract shall contain a provision that a certified copy of all payrolls shall be submitted weekly to the governmental contracting agency for review. The contractor shall be responsible for the submission of certified copies of the payrolls of all subcontractors. The certification shall affirm that the payrolls are correct and complete, the wage rates contained therein are not less than the applicable rates, and the classifications set forth for each laborer or mechanic conform with the work the laborer or mechanic performed. Any certification discrepancy found by the governmental contracting agency shall be reported to the contractor and the agency director to effect compliance.

Payroll records for all laborers and mechanics working at the site of the work shall be maintained by the contractor and the contractor's subcontractors, if any, during the course of the work and preserved for a period of three years thereafter. The records shall contain the name of each employee, the employee's correct classification, rate of pay, daily and weekly number of hours worked, deductions made and actual wages paid. The contractor shall make payroll records available for examination within ten days from the date of a written request by a governmental contracting agency or any authorized representatives thereof.

(d) For contracts for services performed by laborers and mechanics, the governmental contracting agency shall:

- (1) Pay or cause to be paid, within sixty days of a determination made by the contracting agency, directly to laborers and mechanics, from any accrued payment withheld under the terms of the contract, any wages or overtime compensation found to be due to laborers or mechanics under the terms of the contract subject to this section; and
- (2) Order any contractor to pay, within sixty days of a determination made by the contracting agency, any wages or overtime compensation that the contractor, or any of the contractor's subcontractors, should have paid to any laborer or mechanic under any contract subject to this section.

[(b)] (c) No contract to perform services for any governmental contracting agency in excess of \$25,000 shall be granted unless all the conditions of this section are met. Failure to comply with the conditions of this section during the period of contract to perform services shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Final payment of a contract or release of bonds or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected.

It shall be the duty of the governmental contracting agency awarding the contract to perform services in excess of \$25,000 to enforce this section.

[(e)] (f) This section shall apply to all contracts to perform services in excess of \$25,000, including contracts to supply ambulance service and janitorial service.

This section shall not apply to:

- (1) Managerial, supervisory, or clerical personnel;
- (2) Contracts for supplies, materials, or printing;
- (3) Contracts for utility services;
- (4) Contracts to perform personal services under section 46-33(7), (8), and (9), section 76-16(b)(2), (3), (12), and (15), and section 76-77(7), (8), and (12);
- (5) Contracts for professional services;
- (6) Contracts to operate refreshment concessions in public parks, or to provide food services to educational institutions;
- (7) Contracts to provide transportation services for school children;
 [0#]
- (8) Contracts with nonprofit institutions[-];
- (9) Contracts for furniture and equipment type work; or
- (10) Existing contracts that were executed prior to the effective date of Act , Session Laws of Hawaii 2019."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on September 1, 2019.

(Approved July 2, 2019.)

ACT 220

S.B. NO. 411

A Bill for an Act Relating to Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 286-26, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

"(h) This section shall not apply to:

- Any motor vehicle [which] that is covered by part XI, governing safety of motor carrier vehicle operation and equipment; provided that the rules adopted pursuant to part IA impose standards of inspection at least as strict as those imposed under subsection (g) and that certification is required at least as often as provided in subsections (a), (b), (c), and (d);
- (2) Aircraft servicing vehicles that are being used exclusively on lands set aside to the department of transportation for airport purposes; and
- (3) Tractor trucks, forklifts, and top picks being used as marine terminal equipment temporarily moving in or between terminals at:
 - (A) Sand Island and along Sand Island Parkway and Sand Island Access Road[-];
 - (B) <u>Kalanianaole Avenue between Kuhio Street and Kahanu</u> <u>Street, abutting Hilo Harbor;</u>
 - (C) Kawaihae-Mahukona Road abutting Kawaihae Harbor;
 - (D) East Kaahumanu Avenue between Hobron Avenue and Kane Street, abutting Kahului Harbor; and
 - (E) Waipaa Road abutting Nawiliwili Harbor."

SECTION 2. Section 286-41, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) The provisions of this part requiring the registration of motor vehicles shall not apply to:

- (1) Special mobile equipment;
- (2) Implements of husbandry temporarily drawn, moved, or otherwise propelled upon the public highways;
- (3) Aircraft servicing vehicles which are being used exclusively on lands set aside to the department of transportation for airport purposes; and
- (4) Tractor trucks, forklifts, and top picks being used as marine terminal equipment temporarily moving in or between terminals at:
 - (A) Sand Island and along Sand Island Parkway and Sand Island Access Road[-];
 - (B) <u>Kalanianaole</u> <u>Avenue between Kuhio Street and Kahanu</u> <u>Street, abutting Hilo Harbor;</u>
 - (C) Kawaihae-Mahukona Road abutting Kawaihae Harbor;
 - (D) East Kaahumanu Avenue between Hobron Avenue and Kane Street, abutting Kahului Harbor; and
 - (E) Waipaa Road abutting Nawiliwili Harbor."

SECTION 3. Section 286-105, Hawaii Revised Statutes, is amended to read as follows:

"§286-105 What persons are exempt from license. The following persons are exempt from license:

- (1) Any person while driving or operating a motor vehicle in the service or employ of any branch or agency of the federal government; provided that the person has received a license or permit from the branch or agency to operate and drive the motor vehicle; provided further that the branch or agency has been duly authorized by the federal government to issue the license or permit;
- (2) Any person while driving or operating any road machine, farm tractor, or implement of husbandry temporarily operated or moved on a highway, or tractor trucks, forklifts, and top picks being used as marine terminal equipment temporarily moving in or between terminals at:
 - (A) Sand Island and along Sand Island Parkway and Sand Island Access Road;
 - (B) <u>Kalanianaole Avenue between Kuhio Street and Kahanu</u> <u>Street, abutting Hilo Harbor;</u>
 - (C) Kawaihae-Mahukona Road abutting Kawaihae Harbor;
 - (D) East Kaahumanu Avenue between Hobron Avenue and Kane Street, abutting Kahului Harbor; and
 - (E) Waipaa Road abutting Nawiliwili Harbor;

provided that no person under the age of thirteen years shall be permitted to drive or operate any such road machine, farm tractor, implement of husbandry, on a highway, or tractor trucks, forklifts, and top picks being used as marine terminal equipment temporarily moving in or between terminals [at Sand Island and along Sand Island Parkway and Sand Island Access Road;] identified in subparagraphs (A) through (E);

- (3) Any person who is at least eighteen years of age and who has in the person's possession a valid driver's license to drive the categories of motor vehicles listed in section 286-102(b), except section 286-102(b)(4), that is equivalent to a driver's license issued in this State but was issued to the person in another state of the United States, the Commonwealth of Puerto Rico, United States Virgin Islands, American Samoa, Guam, a province of the Dominion of Canada, or the Commonwealth of the Northern Mariana Islands for that category of motor vehicle [which] that the person is operating;
- (4) Any person who has in the person's possession a valid commercial motor vehicle driver's license issued by any state of the United States, Mexico, or a province of the Dominion of Canada that issues licenses in accordance with the minimum federal standards for the issuance of commercial motor vehicle driver's licenses; and
- (5) Any person who drives or operates state or county motor vehicles while employed by, in the service of, or volunteering for the state or county fire departments[-]: provided that they are trained and certified to drive category (4) motor vehicles as set forth in section 286-102(b)(4) by the state or county government, as appropriate[-, and]: provided <u>further</u> that the person maintains a category (3) license as set forth in section 286-102(b)(3)."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 6. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 221

S.B. NO. 495

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§235- Persons lacking physical presence in the State; nexus presumptions. A person that lacks physical presence in the State is presumed to be systematically and regularly engaging in business in the State and taxable under this chapter if, during the current or preceding calendar year:

- (1) The person engages in two hundred or more business transactions with persons within the State; or
- (2) The sum of the value of the person's gross income attributable to sources in this State equals or exceeds \$100,000 or for a person that does business within and without the State the numerator of the person's sales factor for the State equals or exceeds \$100,000."

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act, upon its approval, shall apply to taxable years beginning after December 31, 2019.

(Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 222

S.B. NO. 540

A Bill for an Act Relating to the Board of Pharmacy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the role of the pharmacist has drastically evolved over the past fifty years. Pharmacists have moved beyond their traditional compounding and dispensing functions behind the pharmacy counter and now provide more patient-centered, primary-care based services, such as medication therapy management, preventative care screenings, and immunizations. Pharmacists are therefore well situated to provide patient education and increase access to health care.

The legislature also finds that there is a need to continually improve the effectiveness of health care delivery systems, including pharmacies. One way of accomplishing this objective is to utilize new technologies that enable health care personnel to reallocate health tasks to better and more efficiently meet the health needs of the public. The legislature further finds that experimentation with new

technologies and combinations of health care delivery systems can enhance a pharmacist's ability to provide more patient-centered services.

Accordingly, the purpose of this Act is to authorize the board of pharmacy to approve pilot and demonstration research projects for innovative applications in the practice of pharmacy.

SECTION 2. Section 461-4.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In addition to any other powers and duties authorized by law, the board:

- (1) Shall adopt, amend, and repeal rules pursuant to chapter 91, as it deems proper for the purposes of this chapter, Public Law 100-293, and <u>title</u> 21 Code of Federal Regulations part 205;
- (2) Shall examine, license, reinstate, and renew the licenses of qualified applicants for registered pharmacists and wholesale prescription drug distributors, and issue and renew permits to operate pharmacies;
- (3) May require the inspection of any wholesale prescription drug distributor premises in the State to ensure compliance with this chapter and rules adopted under this chapter, or may require an applicant for a pharmacy license to submit a statement that the premises, including but not limited to security and sanitation, are in conformance with the board's requirements and that the applicant possesses the reference materials and technical clinical equipment and supplies as may be specified in rules adopted under this chapter;
- (4) May fine, suspend, or revoke any license or permit for any cause prescribed by this chapter, or for any violation of the rules adopted under this chapter, and refuse to grant or renew any license or permit for any cause which would be ground for revocation or suspension of a license or permit; [and]
- (5) May deny a license to any applicant who has been disciplined by another state or federal agency. Notwithstanding any law to the contrary, a final order of disciplinary action taken pursuant to this paragraph shall be a matter of public record[-]; and
- (6) May approve pilot and demonstration research projects for innovative applications in the practice of pharmacy; provided that the projects shall not include therapeutic substitution or substitution of a medical device used in patient care; provided further that nothing in this paragraph shall be construed to expand the definition of "practice of pharmacy" as defined under section 461-1. The board may also:
 - (A) Approve a provision that grants an exception to any rule adopted under this paragraph;
 - (B) Extend the time an exception to a rule is granted, as may be necessary for the board to adopt an amendment or modification to the rule;
 - (C) Condition approval of a project upon compliance with this section and any rules adopted under this section; and
 - (D) Rescind approval and terminate a project if, at any time, a project fails to protect public health or welfare."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 223

S.B. NO. 552

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 181, Session Laws of Hawaii 2017, is amended by amending section 45 to read as follows:

"SECTION 45. Condominium property regimes created prior to July 1, 2006, that were issued an effective date pursuant to [section] sections 514A-40 and 514A-41, Hawaii Revised Statutes, may be sold on or after January 1, 2019, without revising any of the governing documents; provided that the developer's public report was active [on January 1, 2019, and is], non-expired, and accurate [and not misleading. On] between January 1, 2019, [all active, non-expired chapter 514A, Hawaii Revised Statutes, developer's public reports] and July 1, 2020, pursuant to sections 514A-40 and 514A-41. Hawaii Revised Statutes, along with their most recent disclosure abstract, if any, will be treated as non-expiring developer's public reports under part IV of chapter 514B, Hawaii Revised Statutes. Chapter 514A, Hawaii Revised Statutes, developer's public reports shall be treated as non-expiring chapter 514B, Hawaii Revised Statutes, developer's reports on the first day their respective report was accurate and had an active effective date between January 1, 2019, and July 1, 2020. Should any pertinent or material changes, or both, occur to the condominium project, the developer shall file [an amended] a developer's public report superseding all prior reports pursuant to [chapter 514B,] section 514B-56, Ĥawaii Revised Statutes; provided that such projects and their subsequent reports filed under chapter 514B, Hawaii Revised Statutes, shall be exempt from the conversion requirements under section 514B-84(a)(1) and (2), Hawaii Revised Statutes. [Condominium] On July 1, 2020, condominium property regimes created prior to July 1, 2006, that were not issued an effective date pursuant to sections 514A-40 and 514A-41, Hawaii Revised Statutes, [and] did not file a notice of intent pursuant to section 514A-1.5(2)(B), Hawaii Revised Statutes, or have effective dates expired prior to January 1, 2019, shall revise their governing documents and register under chapter 514B, Hawaii Revised Statutes, for a developer to offer for sale or to sell condominiums.

A condominium property regime registered under chapter 514A, Hawaii Revised Statutes, shall not be required to revise its governing documents to comply with chapter 514B, Hawaii Revised Statutes, for sales of time share interests to be made in the condominium property regime.

Nothing contained in this Act or in the condominium property act shall be deemed to invalidate any condominium property regime that was validly created under chapter 514A, Hawaii Revised Statutes, prior to July 1, 2006."

SECTION 2. Notwithstanding section 2 of Act 181, Session Laws of Hawaii 2017, and subject to section 3 of this Act, the following sections of chapter 514A, Hawaii Revised Statutes, shall remain operative in the form in which they read on December 31, 2018, until June 30, 2020, for the sole purpose of providing developers with sufficient time to update their developer's public reports and associated documents in order to qualify for the safe harbor provisions of section 45 of Act 181, Session Laws of Hawaii 2017, as amended by this Act:

ACT 223

Part I. General Provisions and Definitions

- 514A-1 Title
- 514A-1.5 Applicability of chapter
- 514A-1.6 Conformance with county land use ordinances
- 514A-2 Chapter not exclusive
- 514A-3 Definitions
- 514A-4 Status of apartments
- 514A-5 Ownership of apartments
- 514A-6 Separate taxation

Part II. Creation, Alteration, and Termination of Condominiums

- 514A-11 Recordation and contents of declaration
- 514A-12 Copy of the floor plans to be filed
- 514A-13 Common elements
- 514A-13.6 Mailboxes for each dwelling required
- 514A-14 Parking stalls
- 514A-14.5 Ownership of parking stalls
- 514A-15 Common profits and expenses
- 514A-15.1 Common expenses; prior late charges
- 514A-15.5 Metering of utilities
- 514A-16 Liens against apartments; removal from lien; effect of part payment
- 514A-17 Contents of deeds or leases of apartments
- 514A-18 Blanket mortgages and other blanket liens affecting an apartment at time of first conveyance or lease
- 514A-19 Merger of increments
- 514A-20 Condominium property regimes
- 514A-21 Removal from provisions of this chapter

Part III. Registration and Administration

- 514A-32 Questionnaire and filing fee
- 514A-33 Inspection
- 514A-34 Inspection expenses
- 514A-35 Waiver of inspection
- 514A-36 Public reports and registration fees
- 514A-38 Request for effective date or hearing by developer
- 514A-40 Final reports
- 514A-41 Supplementary public report
- 514A-42 True copies of public report; no misleading information
- 514A-43 Automatic expiration of public reports; exceptions
- 514A-44 Deposit of fees
- 514A-45 Supplemental regulations governing a condominium property regime
- 514A-46 Investigatory powers
- 514A-47 Cease and desist orders
- 514A-48 Power to enjoin
- 514A-49 Penalties
- 514A-50 Limitation of action

Part IV. Protection of Purchasers

- 514A-61 Disclosure requirements
- 514A-62 Copy of public report to be given to prospective purchaser
- 514A-63 Rescission rights
- 514A-64.5 Protection of purchasers' funds

- 514A-65 Escrow requirement
- 514A-67 Financing construction
- 514A-68 Misleading statements and omissions
- 514A-69 Remedies; sales voidable when and by whom
- 514A-70 Warranty against structural and appliance defects; notice of expiration required.

SECTION 3. Section 514B-56, Hawaii Revised Statutes, is amended to read as follows:

"[[]§514B-56[]] Developer's public report; amendments. (a) After the effective date for a developer's public report has been issued by the commission, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the developer's public report, or if the developer desires to update or change the information set forth in the developer's public report, the developer shall immediately submit to the commission an amendment to the developer's public report or an amended developer's public report clearly reflecting the change, together with such supporting information as may be required by the commission, to update the information contained in the developer's public report, accompanied by nonrefundable fees as provided in rules adopted by the director of commerce and consumer affairs pursuant to chapter 91. Within a reasonable period of time, the commission shall issue an effective date for the amended developer's public report or take other appropriate action under this part.

(b) The submission of an amendment to the developer's public report or an amended developer's public report shall not require the developer to suspend sales, subject to the power of the commission to order sales to cease as set forth in section 514B-66; provided that the developer shall advise the appropriate real estate broker or brokers, if any, of the change and disclose to purchasers any change in the information contained in the developer's public report pending the issuance of an effective date for any amendment to the developer's public report or amended developer's public report; [and] provided further that if the amended developer's public report is not issued within thirty days after its submission to the commission, the commission may order a suspension of sales pending the issuance of an effective date for the amended developer's public report. Nothing in this section shall diminish the rights of purchasers under section 514B-94.

- (c) The developer shall provide all purchasers with a true copy of:
- (1) The amendment to the developer's public report, if the purchaser has received copies of the developer's public report and all prior amendments, if any; or
- (2) A restated developer's public report, including all amendments.

(d) The filing of an amendment to the developer's public report or an amended developer's public report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, the terms and conditions of the purchaser's contract for sale, and applicable common law.

(e) Notwithstanding any other provision to the contrary, this section shall not apply to a time share project duly registered under chapter 514E; provided that:

- (1) <u>A copy of the disclosure statement required by chapter 514E is de-</u> livered to the purchaser or prospective purchaser; or
- (2) Pursuant to section 514E-30, a copy of the disclosure statement required by chapter 514E is not required to be delivered to the pur-

chaser or prospective purchaser because the offer and sale of the time share interest are made outside of the State."

SECTION 4. On July 1, 2020, the authority to extend the operation of the listed sections of chapter 514A, Hawaii Revised Statutes, that is provided under section 2 to allow developers to qualify for the safe harbor provisions of section 45 of Act 181, Session Laws of Hawaii 2017, as amended by this Act, shall expire.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 224

S.B. NO. 592

A Bill for an Act Relating to the Salary of the State Librarian.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that existing law authorizes the board of education to set the salary of the state librarian as long as the salary does not exceed a specific amount, also referred to as a salary cap. The state librarian's current salary cap is \$120,000 per year, which was last updated in 2001.

The purpose of this Act is to update the state librarian's salary cap.

SECTION 2. Section 312-2.1, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The salary of the state librarian shall be set by the board of education at a rate no greater than [\$120,000] \$175,000 a year."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 225

S.B. NO. 723

A Bill for an Act Relating to the Uniform Parentage Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 584, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§584- Court filings; minutes of proceedings; posting requirement. The judiciary shall post on its website the titles of all court filings and the minutes of court proceedings in cases brought under this chapter; provided that the judiciary shall redact information that has been made confidential by any statute, rule of court, or court order; provided further that, on request of a party and for good cause, the court may close a proceeding and records to the public except that the titles of all court filings for the case and the contents of a final order shall be available for public inspection, with other papers and records available for public inspection only with the consent of the parties or by court order."

SECTION 2. Section 571-84, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The court shall maintain records of all cases brought before it. Except as provided in [section] sections 571-84.6[-] and 584-, in proceedings under section 571-11 and in paternity proceedings under chapter 584, the following records shall be withheld from public inspection: the court docket, petitions, complaints, motions, and other papers filed in any case; transcripts of testimony taken by the court; and findings, judgments, orders, decrees, and other papers other than social records filed in proceedings before the court. The records other than social records shall be open to inspection: by the parties and their attorneys, by an institution or agency to which custody of a minor has been transferred, and by an individual who has been appointed guardian; with consent of the judge, by persons having a legitimate interest in the proceedings from the standpoint of the welfare of the minor; and, pursuant to order of the court or the rules of court, by persons conducting pertinent research studies, and by persons, institutions, and agencies having a legitimate interest in the protection, welfare, treatment, or disposition of the minor."

SECTION 3. Section 584-20, Hawaii Revised Statutes, is amended to read as follows:

"§584-20 Hearings and records; confidentiality. (a) Notwithstanding any other law concerning public hearings and records, any hearing or trial held under this chapter shall be held in closed court without admittance of any person other than those persons necessary to the action or proceeding. All papers and records pertaining to the action or proceeding, whether part of the permanent record of the court or of a file in the department of health or elsewhere, shall be subject to inspection only upon consent of the court and all interested persons, or in exceptional cases only upon an order of the court for good cause shown.

(b) Upon paternity being established, the confidentiality requirement shall not extend to the judgment and all subsequently filed documents that are used in good faith for support and medical expenses, insurance, or enforcement purposes, except that the confidentiality requirement shall continue to apply to any references to a non-adjudicated alleged or presumed father.

(c) Subsections (a) and (b) shall not apply to cases filed on and after the effective date of this Act _, ¹ Session Laws of Hawaii 2019."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.²

SECTION 6. This Act shall take effect on January 1, 2021. (Approved July 2, 2019.)

Notes

1. Act 225.

2. Edited pursuant to HRS §23G-16.5.

ACT 226

A Bill for an Act Relating to Liquor Laws.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that state law does not fully encompass the changing needs of the craft brewing industry. Responsible consumption of alcohol and consumer awareness of the products they are served remain fundamentally important, and can be maintained while updating liquor laws to better reflect the craft beer industry.

The legislature also finds that state law requires tap handles with the name or brand of the draught beer to be placed on the faucet, spigot, or outlet from where the beer is drawn. This requirement does not account for changes in technology, product line, and consumer interactions with servers. As a matter of practicality, craft beer names are often longer than will fit in the space available on a tap handle. Furthermore, a required tap handle provides no additional assurance of what has been poured when the customer is not seated within view of the draught beer taps. Many brewpubs and taprooms provide a display board on a display screen or blackboard near the tap handles or menus, which provides a greater amount of information for each draught beer available on tap than can be found on a tap handle. Such information allows consumers to make better choices relying on information far beyond what is provided by attachment of a tap handle only.

The tap handle requirement is increasingly burdensome for one-time specialty beer products and seasonal offerings, which may be on draught beer taps for a few days or weeks of the year. Because establishments offering craft beer have a more rapid rotation of their offerings, it is more difficult and expensive for craft beer manufacturers to have tap handles for each offering throughout the year.

The legislature also finds that under Hawaii law, the county liquor commissions and liquor control adjudication boards are required to adopt rules to address responsible consumption of alcohol. Under these rules, some of the counties have defined stacking to mean having more than two standard servings of drinks before a customer at any one time, although the description of standard serving size varies by county. Concerns have been raised that defining stacking based on the number of drinks, rather than on the total volume served, does not allow breweries, brewpubs, and taprooms to serve small volumes of sample sizes.

As part of Hawaii's tourist-based economy, visitors will often seek out new breweries and craft beer offerings unique to Hawaii and will often want to try smaller volumes of various beer styles. Servings are often referred to as a flight or sampler selection with four or five beer styles, typically a four to six ounce pour of each. The total volume served in a flight or sampler selection is below the current standard serving size limitations set by the county liquor and liquor control adjudication boards.

The purpose of this Act is to:

- (1) Repeal the requirement of a direct attachment of a tap handle, label, notice, placard, or marker on a draught beer faucet, spigot, or outlet; and
- (2) Clarify the definition of stacking and serving size that may be adopted by the county liquor and liquor control adjudication boards.

SECTION 2. Section 281-78, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) At no time under any circumstances shall any licensee or its employee:

- (1) Sell, serve, or furnish any liquor to, or allow the consumption of any liquor by:
 - (A) Any minor;
 - (B) Any person at the time under the influence of liquor;
 - (C) Any person known to the licensee to be addicted to the excessive use of intoxicating liquor; or
 - (D) Any person for consumption in any vehicle that is licensed to travel on public highways;

provided that the consumption or sale of liquor to a minor shall not be deemed to be a violation of this subsection if, in making the sale or allowing the consumption of any liquor by a minor, the licensee was misled by the appearance of the minor and the attending circumstances into honestly believing that the minor was of legal age and the licensee acted in good faith; [and] provided further that it shall be incumbent upon the licensee to prove that the licensee so acted in good faith;

- (2) Permit any liquor to be consumed on the premises of the licensee or on any premises connected therewith, whether there purchased or not, except as permitted by the terms of its license;
- (3) Permit any liquor to be sold or served by any person eighteen to twenty years of age except in licensed establishments where selling or serving the intoxicating liquor is part of the minor's employment, and where there is proper supervision of these minor employees to ensure that the minors shall not consume the intoxicating liquor;
- (4) Permit any liquor to be sold or served by any person below the age of eighteen years upon any licensed premises, except in individually specified licensed establishments found to be otherwise suitable by the liquor commission in which an approved program of job training and employment for dining room waiters and waitresses is being conducted in cooperation with the University of Hawaii, the state community college system, or a federally sponsored personnel development and training program, under arrangements that ensure proper control and supervision of employees;
- (5) Knowingly permit any person under the influence of liquor or disorderly person to be or remain in or on the licensed premises;
- (6) Fail to timely prevent or suppress any violent, quarrelsome, disorderly, lewd, immoral, or unlawful conduct of any person on the premises;
- [(7) Sell any draught beer unless upon the faucet, spigot, or outlet wherefrom the beer is drawn there is attached a clear and legible notice, placard, or marker which in the English language indicates and declares the name or brand adopted by the manufacturer of the draught beer, so situated as to be clearly legible for a distance of at least ten feet from the spigot, faucet, or outlet, to a purchaser with normal vision;] or
- [(8)] (7) Receive from a person, as payment or as a consideration for liquor, any personal or household goods, including clothing and food, or any implements of trade. Any person violating this paragraph shall be guilty of a misdemeanor and upon conviction shall be punished as provided in section 281-102."

SECTION 3. Section 281-78.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The liquor commission shall adopt rules pursuant to chapter 91 to prohibit specific liquor promotion practices which promote excessive consumption of liquor[-]; provided that any rules adopted by the counties related to the stacking of liquor shall specify that:

- (1) <u>Stacking of beer shall be defined based on a standard serving size of total volume; and</u>
- (2) <u>A standard serving size of beer shall be defined as not exceeding</u> <u>a total volume of thirty-two ounces before a customer at any one</u> <u>time.</u>"

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 227

S.B. NO. 980

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302A-1132, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1132 Attendance compulsory; exceptions. (a) Unless excluded from school or excepted from attendance, all children who will have arrived at the age of at least five years on or before July 31 of the school year, and who will not have arrived at the age of eighteen years, by January 1 of any school year, shall attend either a public or private school for, and during, the school year, and any parent, guardian, or other person having the responsibility for, or care of, a child whose attendance at school is obligatory shall send the child to either a public or private school. Attendance at a public or private school shall not be compulsory in the following cases:

- (1) Where the child is physically or mentally unable to attend school (deafness and blindness excepted), of which fact the certificate of a duly licensed physician shall be sufficient evidence;
- (2) Where the child, who has reached the fifteenth anniversary of birth, is suitably employed and has been excused from school attendance by the superintendent or the superintendent's authorized representative, or by a family court judge;
- (3) Where, upon investigation by the family court, it has been shown that for any other reason the child may properly remain away from school;
- (4) Where the child has graduated from high school;
- (5) Where the child is enrolled in an appropriate alternative educational program as approved by the superintendent or the superintendent's authorized representative in accordance with the plans and policies of the department, or notification of intent to home school has been submitted to the principal of the public school that the child would otherwise be required to attend in accordance with department rules adopted to achieve this result; or

- (6) Where:
 - (A) The child has attained the age of sixteen years;
 - (B) The principal has determined that:
 - (i) The child has engaged in behavior which is disruptive to other students, teachers, or staff; or
 - (ii) The child's non-attendance is chronic and has become a significant factor that hinders the child's learning; and
 - (C) The principal of the child's school, and the child's teacher or counselor, in consultation with the child and the child's parent, guardian, or other adult having legal responsibility for or care of the child, develops an alternative educational plan for the child. The alternative educational plan shall include a process that shall permit the child to resume school.

The principal of the child's school shall file the plan made pursuant to subparagraph (C) with the child's school record. If the adult having legal responsibility for or care of the child disagrees with the plan, then the adult shall be responsible for obtaining appropriate educational services for the child.

(b) Any employer who employs a child who is excused from school attendance in accordance with subsection (a)(2) shall notify the child's school within three days upon termination of the child's employment.

(c) Beginning with the 2014-2015 school year, any parent, guardian, or other person having the responsibility for, or care of, a child who will be at least five years of age on or before July 31 of the school year shall enroll the child in a public school kindergarten unless the child is enrolled at a private school or the child's attendance is otherwise exempt under this section.

(d) As used in this section, "private school" means an educational institution that teaches students in any grade from kindergarten through grade twelve and that is licensed or accredited by the Hawaii Association of Independent Schools, Hawaii Council of Private Schools, Western Association of Schools and Colleges, Western Catholic Educational Association, Association of Christian Schools International, or a similarly recognized entity that meets or exceeds the standards set by the aforementioned entities."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2020. (Approved July 2, 2019.)

ACT 228 S.B. NO. 989

A Bill for an Act Relating to the Department of Business, Economic Development, and Tourism.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 201, Hawaii Revised Statutes, is amended by amending the title of part IX to read as follows:

"[[]PART IX.[]] HAWAII [TELEVISION AND] FILM AND CREATIVE INDUSTRIES DEVELOPMENT"

SECTION 2. Section 201-111, Hawaii Revised Statutes, is amended to read as follows:

"[[]§201-111[]] Definitions. As used in this part:

["Applicant" means a person applying for a grant or venture capital investment from the board under this part.

"Board" means the Hawaii television and film development board.

"Eligible Hawaii project" or "project" means an entertainment project in which at least seventy-five per cent of the budget for the production costs, excluding salaries and costs for the producer, director, writer, screenplay, and actors in the project, is dedicated for the purchase or lease of goods or services from a vendor or supplier who is located and doing business in the State.]

"Creative industries" means those sectors that comprise Hawaii's creative economy, including media, arts, culture, music, design, fashion, publishing, animation, interactive, and emerging media.

"Department" means the department of business, economic development, and tourism.

"Fund" means the Hawaii [television and] film <u>and creative industries</u> development special fund.

"Media" means film, motion pictures, television, interactive, over-thetop television productions, virtual reality, augmented reality and other forms of emerging media, multi-player videogame publishing, and other digitallydeveloped content for theatrical or digital distribution via streaming, mobile, and broadcast media.

["Venture capital investment" means any of the following investments in a project:

- (1) Common or preferred stock and equity securities without a repurchase requirement for at least five years;
- (2) A right to purchase stock or equity securities;
- (3) Any debenture, whether or not convertible or having stock purchase rights, which is subordinated, together with security interests against the assets of the borrower, by their terms to all borrowings of the borrower from other institutional lenders, and that is for a term of not less than three years, and that has no part amortized during the first three years; and
- (4) General or limited partnership interests.]"

SECTION 3. Section 201-113, Hawaii Revised Statutes, is amended to read as follows:

"[[]§201-113[]] Hawaii [television and] film <u>and creative industries</u> development special fund. (a) There is established in the state treasury the Hawaii [television and] film <u>and creative industries</u> development special fund into which shall be deposited:

- (1) Appropriations by the legislature;
- (2) Donations and contributions made by private individuals or organizations for deposit into the fund;
- (3) Grants provided by governmental agencies or any other source; and
- [(4) Any profits or other amounts received from venture capital investments.]
- (4) Effective January 2, 2021, all revenues, fees, and charges from the processing of the motion picture, digital media, and film production income tax credit pursuant to section 235-17.

(b) The fund shall be used by the [board to assist in, and provide incentives for, the production of eligible Hawaii projects that are in compliance with eriteria and standards established by the board in accordance with rules adopted by the board pursuant to chapter 91. In particular, the board shall adopt rules to provide for the implementation of the following programs:

- (1) A grant program. The board shall adopt rules pursuant to chapter 91 to provide conditions and qualifications for grants. Applications for grants shall be made to the board and shall contain such information as the board shall require by rules adopted pursuant to chapter 91. At a minimum, the applicant shall agree to the following conditions:¹
 - (A) The grant shall be used exclusively for eligible Hawaii projects;
 - (B) The applicant shall have applied for or received all applicable licenses and permits;
 - (C) The applicant shall comply with applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, or physical handicap;
 - (D) The applicant shall comply with other requirements as the board may prescribe;
 - (E) All activities undertaken with funds received shall comply with all applicable federal, state, and county statutes and ordinances;
 - (F) The applicant shall indemnify and save harmless the State of Hawaii and its officers, agents, and employees from and against any and all claims arising out of or resulting from activities carried out or projects undertaken with funds provided hereunder, and procure sufficient insurance to provide this indemnification if requested to do so by the department;
 - (G) The applicant shall make available to the board all records the applicant may have relating to the project, to allow the board to monitor the applicant's compliance with the purpose of this chapter; and
 - (H) The applicant, to the satisfaction of the board, shall establish that sufficient funds are available for the completion of the project for the purpose for which the grant is awarded; and
- (2) A venture capital program. The board shall adopt rules pursuant to chapter 91 to provide conditions and qualifications for venture capital investments in eligible Hawaii projects. The program may include a written agreement between the borrower and the board, as the representative of the State, that as consideration for the venture capital investment made under this part, the borrower shall share any royalties, licenses, titles, rights, or any other monetary benefits that may accrue to the borrower pursuant to terms and conditions established by the board by rule pursuant to chapter 91. Venture capital investments may be made on such terms and conditions as the board shall determine to be reasonable, appropriate, and consistent with the purposes and objectives of this part.]

department to provide for:

- (1) <u>A program to provide seed capital for film, media, and creative industries intellectual property development projects for export, as</u> <u>determined by the department;</u>
- (2) Programs that expand the skills of the State's resident workforce in the film, media, and creative industries; and

(3) Marketing programs that attract business opportunities within the film, media, and creative industries in the State."

SECTION 4. Section 201-112, Hawaii Revised Statutes, is repealed.

SECTION 5. Section 201-114, Hawaii Revised Statutes, is repealed.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,200,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the University of Hawaii creative media program for the purposes of strengthening the pipeline of students to the creative media industry.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken.² New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

Notes

So in original.
 Edited pursuant to HRS §23G-16.5.

ACT 229

S.B. NO. 991

A Bill for an Act Relating to Telecommunications.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 269-16.85, Hawaii Revised Statutes, is amended to read as follows:

"§269-16.85 Retail intrastate services; fully competitive. (a) Notwithstanding section 269-16.9 or any other law to the contrary, the public utilities commission shall treat retail intrastate telecommunications services, under the commission's classification of services relating to costs, rates, and pricing, as fully competitive and apply all commission rules in accordance with that designation. In addition, a telecommunications carrier shall not be required to obtain approval or provide any cost support or other information to establish or otherwise modify in any manner its retail intrastate telecommunications service rates, fares, [and] charges, and terms and conditions, or to bundle any service offerings into a single or combined price package[; provided that a telecommunications carrier, except upon receiving the approval of the commission, shall not charge a higher rate for any retail telecommunications basic exchange service than the rate for the same service included in the telecommunications carrier's filed tariff.] and shall not be subject to sections 269-16 and 269-39; provided that on an annual basis, the monthly rate increase for basic exchange service in any county with a population of less than five hundred thousand shall not exceed \$6.50 without the public utilities commission's approval. All rates, fares, charges, [and] bundled service offerings, and service terms and conditions shall be [filed with the public utilities commission for information purposes only.] posted on the local exchange carrier's website.

(b) This section shall apply to retail rates charged for service to end-user consumers only and shall not apply to wholesale rates charged for services provided by a telecommunications carrier to another telecommunications provider, a wireless communications provider, a voice over internet protocol communications provider, or other similar communications provider.

(c) Nothing herein shall modify any requirements of a telecommunications carrier to provide lifeline telephone service, comply with carrier of last resort obligations, or comply with applicable service quality standards.

(d) Notwithstanding section 269-17, any telecommunications service provider providing fully competitive retail services shall not be required to seek commission approval for the issuance of stocks, stock certificates, bonds, notes, and other evidences of indebtedness; provided that the telecommunications service provider notifies the public utilities commission, with a copy to the consumer advocate, of all issuances upon execution of the transaction.

(e) Notwithstanding section 269-19, any telecommunications service provider providing fully competitive retail services shall not be required to seek commission approval for the sale, lease, mortgage, assignment, or other disposition or encumbrance of the whole or any part of its road, line, plant, system, or other property; provided that any telecommunications service provider shall not, directly or indirectly, merge or consolidate with any other public utility without first having secured from the public utilities commission an order authorizing the provider to do so.

(f) Notwithstanding section 269-9, any telecommunications service provider providing fully competitive retail services shall not be required to file accident reports with the commission."

SECTION 2. Section 269-17.5, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) No more than twenty-five per cent of the issued and outstanding voting stock of a corporation organized under the laws of the State and who owns, controls, operates, or manages any plant or equipment, or any part thereof, as a public utility within the definition set forth in section 269-1 shall be held, whether directly or indirectly, by any single foreign corporation or any single nonresident alien, or held by any person, unless prior written approval is obtained from the public utilities commission, or unless a transaction is exempt. An exempt transaction is:

- (1) Any purchase or sale by an underwriter; $[\Theta r]$
- (2) Any transaction involving a public utility providing basic exchange service to every county in the State that consists of less than fifty per cent of the issued and outstanding voting stock of a corporation organized under the laws of the State; or
- [(2)] (3) A transaction to acquire shares of a corporation with less than one hundred shareholders and less than \$1,000,000 in assets.

Every assignment, transfer, contract, or agreement for assignment or transfer of any shares in violation of this section shall be void and of no effect; and no such transfer shall be made on the books of the corporation. Nothing herein shall be construed to make illegal the holding of stock lawfully held, directly or indirectly, prior to June 4, 1977."

SECTION 3. Section 269-19.5, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

"(h) Transactions between affiliated Hawaii based utilities, and any transactions by public utilities providing basic exchange service to every county in the State, shall be exempt from the provisions of this section."

SECTION 4. Section 269-38, Hawaii Revised Statutes, is amended to read as follows:

"[[]§269-38[]] Regulatory flexibility for effectively competitive services. The commission may allow telecommunications carriers to have pricing flexibility for services that the commission finds are effectively competitive; provided that [the rates for:

- (1) Basic telephone service and for services that are not effectively competitive are cost-based and remain just, reasonable, and nondiscriminatory; and
- (2) Universal] universal service is preserved and advanced."

SECTION 5. Section 269-40, Hawaii Revised Statutes, is amended to read as follows:

"[[]§269-40[]] Access to advanced services. The commission shall ensure that all consumers are provided with nondiscriminatory, reasonable, and equitable access to high quality telecommunications network facilities and capabilities that provide subscribers with sufficient network capacity to access information services that provide a combination of voice, data, image, and video[, and that are available at just, reasonable, and nondiscriminatory rates that are based on reasonably identifiable costs of providing the services]."

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 230

S.B. NO. 1486

A Bill for an Act Relating to Electronic Prescription Accountability System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 329-104, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) This section shall not prevent the disclosure, at the discretion of the administrator, of investigative information to:

- (1) Law enforcement officers, investigative agents of federal, state, or county law enforcement or regulatory agencies, United States attorneys, county prosecuting attorneys, or the attorney general; provided that the administrator has reasonable grounds to believe that the disclosure of any information collected under this part is in furtherance of an ongoing criminal or regulatory investigation or prosecution;
- (2) Registrants authorized under chapters 448, 453, and 463E who are registered to administer, prescribe, or dispense controlled substances and their practitioner delegate; provided that the information disclosed relates only to the registrant's own patient;

- (3) Pharmacists or pharmacist delegates, employed by a pharmacy registered under section 329-32, who request prescription information about a customer relating to a violation or possible violation of this chapter;
- (4) Other state-authorized governmental prescription-monitoring programs;
- (5) The chief medical examiner or licensed physician designee who requests information and certifies the request is for the purpose of investigating the death of an individual;
- (6) Qualified personnel for the purpose of bona fide research or education; provided that data elements that would reasonably identify a specific recipient, prescriber, or dispenser shall be deleted or redacted from the information prior to disclosure; provided further that release of the information may be made only pursuant to a written agreement between qualified personnel and the administrator in order to ensure compliance with this subsection; [and]
- (7) Other entities or individuals authorized by the administrator to assist the program with projects that enhance the electronic prescription accountability system[-]:
- (8) Authorized employees of the State of Hawaii department of health alcohol and drug abuse division and the emergency medical services and injury prevention system branch; and
- (9) <u>The United States Department of Defense health agency prescrip-</u> tion monitoring program.

Information disclosed to a registrant, pharmacist, or authorized government agency under this section shall be transmitted by a secure means determined by the designated agency."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 2, 2019.)

ACT 231

S.B. NO. 1498

A Bill for an Act Relating to the Hawaii Labor Relations Board.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 89-5, Hawaii Revised Statutes, is amended by amending subsection (i) to read as follows:

"(i) In addition to the powers and functions provided in other sections of this chapter, the board shall:

- (1) Establish procedures for, investigate, and resolve[,] any dispute concerning the designation of an appropriate bargaining unit and the application of section 89-6 to specific employees and positions;
- (2) Establish procedures for, resolve disputes with respect to, and supervise the conduct of[5] elections for the determination of employee representation;
- (3) Resolve controversies under this chapter;

- (4) Conduct proceedings on complaints of prohibited practices by employers, employees, and employee organizations and take such actions with respect thereto as it deems necessary and proper;
- (5) Hold such hearings and make such inquiries, as it deems necessary, to carry out properly its functions and powers, and for the purpose of such hearings and inquiries, administer oaths and affirmations, examine witnesses and documents, take testimony and receive evidence, compel attendance of witnesses and the production of documents by the issuance of subpoenas, and delegate such powers to any member of the board or any person appointed by the board for the performance of its functions;
- (6) Determine qualifications and establish, after reviewing nominations submitted by the public employers and employee organizations, lists of qualified persons, broadly representative of the public, to be available to serve as mediators [θr], grievance arbitrators[;], or a combination thereof;
- (7) Resolve disputes over the qualifications and criteria of the list of five qualified arbitrators provided pursuant to section 89-11(e)(2)(A);
- [(7)] (8) Establish a fair and reasonable range of daily or hourly rates at which mediators and arbitrators on the lists established under paragraph (6) are to be compensated;
- [(8)] (9) Conduct studies on problems pertaining to public employeemanagement relations, and make recommendations with respect thereto to the legislative bodies; request information and data from state and county departments and agencies and employee organizations necessary to carry out its functions and responsibilities; make available to all concerned parties, including mediators and arbitrators, statistical data relating to wages, benefits, and employment practices in public and private employment to assist them in resolving issues in negotiations;
- [(9)] (10) Adopt rules relative to the exercise of its powers and authority and to govern the proceedings before it in accordance with chapter 91; and
- [(10)] (11) Execute all of its responsibilities in a timely manner so as to facilitate and expedite the resolution of issues before it."

SECTION 2. Section 89-11, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) If an impasse exists between a public employer and the exclusive representative of bargaining unit (2), supervisory employees in blue collar positions; bargaining unit (3), nonsupervisory employees in white collar positions; bargaining unit (4), supervisory employees in white collar positions; bargaining unit (6), educational officers and other personnel of the department of education under the same salary schedule; bargaining unit (8), personnel of the University of Hawaii and the community college system, other than faculty; bargaining unit (9), registered professional nurses; bargaining unit (10), institutional, health, and correctional workers; bargaining unit (11), firefighters; bargaining unit (12), police officers; bargaining unit (13), professional and scientific employees; or bargaining unit (14), state law enforcement officers and state and county ocean safety and water safety officers, the board shall assist in the resolution of the impasse as follows:

(1) Mediation. During the first twenty days after the date of impasse, the board shall immediately appoint a mediator, representative of

the public from a list of qualified persons maintained by the board, to assist the parties in a voluntary resolution of the impasse.

- (2) Arbitration. If the impasse continues twenty days after the date of impasse, the board shall immediately notify the employer and the exclusive representative that the impasse shall be submitted to a three-member arbitration panel who shall follow the arbitration procedure provided herein.
 - (A) Arbitration panel. Two members of the arbitration panel shall be selected by the parties; one shall be selected by the employer and one shall be selected by the exclusive representative. The neutral third member of the arbitration panel, who shall chair the arbitration panel, shall be selected by mutual agreement of the parties. In the event that the parties fail to select the neutral third member of the arbitration panel within thirty days from the date of impasse, the board shall request the American Arbitration Association, or its successor in function, to furnish a list of five qualified <u>and experienced interest</u> arbitrators from which the neutral arbitrator shall be selected. Within five days after receipt of the list, the parties shall alternately strike names from the list until a single name is left, who shall be immediately appointed by the board as the neutral arbitrator and chairperson of the arbitration panel.
 - **(B)** Final positions. Upon the selection and appointment of the arbitration panel, each party shall submit to the panel, in writing, with copy to the other party, a final position that shall include all provisions in any existing collective bargaining agreement not being modified, all provisions already agreed to in negotiations, and all further provisions [which] that each party is proposing for inclusion in the final agreement; provided that such further provisions shall be limited to those specific proposals that were submitted in writing to the other party and were the subject of collective bargaining between the parties up to the time of the impasse, including those specific proposals that the parties have decided to include through a written mutual agreement. The arbitration panel shall decide whether final positions are compliant with this provision and which proposals may be considered for inclusion in the final agreement.
 - (C) Arbitration hearing. Within one hundred twenty days of its appointment, the arbitration panel shall commence a hearing at which time the parties may submit, either in writing or through oral testimony, all information or data supporting their respective final positions. The arbitrator, or the chairperson of the arbitration panel together with the other two members, are encouraged to assist the parties in a voluntary resolution of the impasse through mediation, to the extent practicable throughout the entire arbitration period until the date the panel is required to issue its arbitration decision.
 - (D) Arbitration decision. Within thirty days after the conclusion of the hearing, a majority of the arbitration panel shall reach a decision pursuant to subsection (f) on all provisions that each party proposed in its respective final position for inclusion in the final agreement and transmit a preliminary draft of its decision to the parties. The parties shall review the preliminary

draft for completeness, technical correctness, and clarity and may mutually submit to the panel any desired changes or adjustments that shall be incorporated in the final draft of its decision. Within fifteen days after the transmittal of the preliminary draft, a majority of the arbitration panel shall issue the arbitration decision."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 232

S.B. NO. 1360

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

"§235- Withholdings by partnerships, estates, and trusts. Partnerships, estates, and trusts shall withhold an amount equal to the highest marginal tax rate applicable to a nonresident taxpayer multiplied by the amount of the taxpayer's distributive share of income attributable to the State reflected on the partnership's, estate's, and trust's return for the taxable period. All amounts withheld shall be paid to the department of taxation in a manner that the department may prescribe. Withholding shall not be required to be submitted by a publicly traded partnership, as defined by section 7704(b) of the Internal Revenue Code, otherwise in compliance with this section. A publicly traded partnership shall file an annual information return reporting the name, address, taxpayer identification number, and other information requested by the department of taxation of each unit holder with income sourced to the State."

SECTION 2. Section 235-66, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Income upon which any tax has been withheld at the source under sections 235-61 to [235-64,] 235-, or under regulations adopted pursuant to subsection (a), shall be included in the return of the recipient of such income, but any amount of tax so withheld shall be credited against the amount of income tax as computed in the return, and if in excess of the tax due for the taxable year shall be refunded as provided in section 235-110."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 4. This Act, upon its approval, shall apply to taxable years beginning after December 31, 2018.

(Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 233

A Bill for an Act Relating to State Identification Cards.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to establish a non-compliant state identification card for individuals that are not able to provide an updated photograph and documentation in person as required by the REAL ID Act of 2005.

SECTION 2. Chapter 286, Hawaii Revised Statutes, is amended by adding a new section to part XVI to be appropriately designated and to read as follows:

"§286- Non-compliant identification cards. (a) Every person who submits an application for an identification card that is unable to appear in person before the examiner of drivers to be photographed or present new source documents in person at least every sixteen years shall be issued a non-compliant identification card that is uniquely identified as not being in compliance with the REAL ID Act of 2005. The applicant shall authorize to the examiner of drivers a person who has power of attorney of the applicant who shall present satisfactory proof to the examiner of drivers of the applicant's identity, date of birth, social security number, legal presence, primary care provider certificate, and residency in the State.

(b) Every application under this section shall be made upon the form and in the manner required by section 286-303 and shall be accompanied by the fee established for compliant identification cards pursuant to section 286-309.

(c) Every non-compliant identification card issued pursuant to this section shall on its face and in a machine readable zone bear the phrase, "Not acceptable for official federal purposes", and be of a unique design or color indication that clearly distinguishes the card from the State's compliant identification cards. If the United States Department of Homeland Security determines that non-compliant identification cards issued pursuant to this section do not satisfy the requirements of title 6 Code of Federal Regulations section 37.71, the examiner of drivers, under the direction of the department of transportation, shall modify the non-compliant identification cards issued pursuant to this section only to the extent necessary to satisfy the requirements of the federal law.

(d) Every non-compliant identification card shall expire in accordance with section 286-306.

(e) A non-compliant identification card may be renewed or replaced in accordance with section 286-306.

(f) The director shall adopt rules in accordance with chapter 91 to implement this section."

SECTION 3. Section 286-303, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Application for the identification card shall be made in person by any adult or minor. The minimum age for minors to obtain an identification card shall be ten years of age. In the case of a minor under the age of fourteen years, the application shall be made on the minor's behalf by the parent, or by another individual in loco parentis of the minor who can provide proof of guardianship. In the case of an incompetent individual, the application shall be made by the individual having the custody or control of or maintaining the incompetent individual. <u>A non-compliant identification card shall be issued in accordance with section 286-</u> for applications not made in person. (b) Application for renewal of an identification card issued after November 1, 1998, for an individual eighty years of age or older may be done by mailing in <u>or electronically submitting</u> a completed application and fee, if there is no change in name and citizenship status. The director shall adopt rules to allow for renewal by mail <u>or electronic methods</u> for individuals with physical or intellectual disabilities for whom application in person presents a serious burden. For an individual who has a letter from a licensed primary care provider certifying that a severe disability causes the individual to be homebound, the director shall adopt rules allowing for application for renewal of an identification card under this section by means other than in-person appearance. <u>A non-compliant</u> identification card shall be issued in accordance with section 286- for renewal applications not made in person."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval.

(Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 234 H.B. NO. 336

A Bill for an Act Relating to Hawaii State and Contracted Correctional Facilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 353C, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§353C- Correctional facility and community correctional center deaths; reporting. (a) Within forty-eight hours, the director shall report to the governor, and the governor shall report to the legislature, the death of any:

- (1) Correctional facility or community correctional center employee who dies on the grounds of a correctional facility or community correctional center where Hawaii inmates reside or who sustains an injury on the grounds of a correctional facility or community correctional center where Hawaii inmates reside that causes the death of the employee; or
- (2) Hawaii inmate who is incarcerated in a state or contracted correctional facility.
- (b) The report in subsection (a) shall include the following information:
- (1) The name of the decedent;
- (2) The gender and age of the decedent;
- (3) Whether the decedent was an inmate or an employee;
- (4) The location of the death or injury leading to the death;
- (5) The date and time of the death;
- (6) The cause of death; and
- (7) Any indication of sexual assault leading to the death;

provided that when the official cause of death has been determined, the director shall immediately report the official cause of death to the governor, and the governor shall immediately report the official cause of death to the legislature. (c) Within thirty days of a death described in subsection (a), the director shall submit a report to the governor, and the governor shall submit the report to the legislature, of the clinical mortality review conducted in response to the death, including correctional actions to be taken.

(d) The director shall have the discretion to withhold disclosure of the decedent's name or any information protected from disclosure by state or federal laws."

SECTION 2. Section 353C-8, Hawaii Revised Statutes, is amended to read as follows:

"[[]§353C-8 Sexual assaults in prison. (a)[]] The department of public safety, to the best of the department's ability, shall address sexual assault in prison and make every effort to seek grant moneys from the federal government to implement those efforts. The department shall place priority upon establishing:

- (1) Appropriate counseling services for sexual assault, to be made available to victims of prison rape within twenty-four hours of the report of an assault; and
- (2) Policies and standards of transparency to achieve a zero-tolerance policy for sexual assault.

[[](b)[]] The department of public safety, no later than twenty days prior to the convening of each regular session, shall annually report data to the legislature regarding:

- (1) Sexual assault by persons in custody against other persons in custody of the department of public safety;
- (2) Sexual assault by correctional staff against persons in custody of the department of public safety;
- (3) Non-criminal sexual misconduct by staff, including sexual harassment of persons in custody of the department of public safety;
- (4) Criminal cases initiated, and closed by dismissal, plea, or verdict, for sexual assaults by or upon a person in custody of the department of public safety; and
- (5) Civil claims filed and closed by dismissal, settlement, or verdict for sexual assaults by or upon a person in custody of the department of public safety.

(c) The department of public safety shall preserve any forensic evidence consisting of human biological specimens for collection by the relevant criminal investigation entity or coroner, if there is any indication of sexual assault leading to the death of any:

- (1) Correctional facility or community correctional center employee who dies on the grounds of a correctional facility or community correctional center where Hawaii inmates reside or who sustains an injury on the grounds of a correctional facility or community correctional center where Hawaii inmates reside that causes the death of the employee; and
- (2) <u>Hawaii inmate who is incarcerated in a state or contracted correctional facility.</u>"

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

1. Edited pursuant to HRS §23G-16.5.

ACT 235

A Bill for an Act Relating to Speech Pathology.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 468E, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§468E- Provisional license. (a) The board shall grant, upon application and payment of proper fees, provisional licensure to an individual who:

- (1) Possesses at a minimum a master's degree in the area of speech pathology from an educational institution recognized by the board; and
- (2) Engages in clinical or academic practice under the supervision of a licensed speech pathologist during the period of time needed to fulfill the necessary requirements for licensure as a speech pathologist pursuant to section 468E-5; provided that the licensed speech pathologist possesses an American Speech-Language-Hearing Association certificate of clinical competence and is in good standing with the board.

(b) Each provisional license shall include the name and title of the licensed speech pathologist described in subsection (a)(2). A provisional licensee may only practice speech pathology under the supervision of the licensed speech pathologist named on the provisional license.

(c) A provisional license issued pursuant to this section shall be valid for one year from the date of issuance and may be renewed for an additional one-year period if needed to fulfill the requirements for licensure as a speech pathologist pursuant to section 468E-5."

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect on January 1, 2022. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 236

H.B. NO. 314

A Bill for an Act Relating to Gift Certificates.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 481B-13, Hawaii Revised Statutes, is amended to read as follows:

"§481B-13 Gift certificates. (a) Any restaurant or person engaged in the business of offering services or goods for sale at retail may allow customers to purchase gift certificates. A certificate issuer shall not charge a service fee, including but not limited to a service fee for dormancy or inactivity. Any activation or issuance fee charged shall not exceed the lesser of ten per cent of the face value of the certificate or \$5.

(b) The date of issuance and the expiration date shall be clearly identified on the face of the gift certificate, or, if an electronic card with a banked dollar value, clearly printed upon a sales receipt transferred to the purchaser of the electronic card upon the completed transaction. The expiration date shall be not less than five years after the date of issuance; provided that the expiration date of certificates issued only in paper form shall be not less than two years after the date of issuance. If the gift certificate does not have an expiration date, it shall be valid in perpetuity.

(c) For any gift certificate with a remaining balance less than \$5, the certificate issuer shall redeem the remaining value of the gift certificate for cash.

[(e)] (d) Gift certificates that are issued as part of an awards, loyalty, or promotional program, or to a not-for-profit charity organization, where no money or anything of value is given to the issuer by the consumer in exchange for the gift certificate, are exempt from this section; provided that the expiration date, if any, appears on the gift certificate or accompanying printed receipt.

[(d)] (e) Any violation of this section shall constitute an unfair or deceptive act or practice in the conduct of trade or commerce within the meaning of section 480-2.

[(e)] (f) As used in this section, unless the context requires otherwise:

"Certificate issuer" or "issuer" means a restaurant or a person engaged in the business of offering services or goods for sale at retail who sells gift certificates to customers.

"Gift certificate" or "certificate" includes any electronic card with a banked dollar value where the issuer has received payment for the full banked dollar value for the future purchase or delivery of goods or services, any certificate where the issuer has received payment for the full face value of the certificate for future purchases or delivery of goods or services, and any other medium that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card, or other medium for goods, food, or services of at least an equal value. "Gift certificate" or "certificate" does not include a card, certificate, or other medium that is:

- (1) Used solely for telephone services;
- (2) Reloadable and not marketed or labeled as a gift card, gift certificate, or certificate;
- (3) A loyalty, award, or promotional gift card;
- (4) Not marketed to the general public; or
- (5) Redeemable solely for admission to events or venues at a particular location or group of affiliated locations, which may also include services or goods obtainable:
 - (A) At the event or venue after admission; or
 - (B) In conjunction with admission to such events or venues, at specific locations affiliated with and in geographic proximity to the event or venue.

"Service fee" means a periodic fee, charge, or penalty for holding or use of a gift certificate, but does not include a one-time initial activation or issuance fee."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on January 1, 2020. (Approved July 2, 2019.)

A Bill for an Act Relating to Crime Victim Compensation for Mental Health Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 351-31, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(ā) In the event any private citizen is injured or killed by any act or omission of any other person coming within the criminal jurisdiction of the State after June 6, 1967, or any state resident is injured or killed by any act or omission of any other person after July 1, 1989, in another state, which act or omission is within the description of the crimes enumerated in section 351-32, or any resident of this State who is injured or killed by an act of terrorism occurring outside the United States, as defined in title 18 United States Code section 2331, the commission in its discretion, upon an application, may order the payment of compensation in accordance with this chapter:

- (1) To or for the benefit of the victim;
- (2) To any person responsible for the maintenance of the victim, if that person has suffered pecuniary loss or incurred expenses as a result of the victim's injury or death;
- (3) In the case of the death of the victim, to or for the benefit of any one or more of the dependents of the deceased victim;
- (4) To any person who has incurred expenses on account of hospital, medical, funeral, and burial expenses as a result of the deceased victim's injury and death; [Θ#]
- (5) In cases involving a mass casualty incident, for mental health services to or for the benefit of:
 - (A) A relative of the deceased victim;
 - (B) A witness to the mass casualty; or
 - (C) An individual engaged in business or educational activities at the scene of the mass casualty incident;

provided that compensation to a victim shall have priority over compensation to a relative, a witness, or another individual under this paragraph, and provided further that this paragraph shall not apply to a member of a public or private agency responding to or providing services as a result of a mass casualty incident[-]:

- (6) In the case of a death of the victim, for mental health services to or for the benefit of the surviving relatives of a deceased victim; provided that compensation on behalf of a deceased victim shall have priority over compensation to a surviving relative; or
- (7) In the case of a crime of abuse of family or household member under section 709-906, for mental health services to or for the benefit of a child witness; provided that compensation to a victim shall have priority over compensation to a witness under this paragraph."

SECTION 2. Section 351-33, Hawaii Revised Statutes, is amended to read as follows:

"§351-33 Award of compensation. The commission may order the payment of compensation under this part for:

- (1) Expenses actually and reasonably incurred during the period of the injury or death of the victim;
- (2) Loss to the victim of earning power as a result of total or partial incapacity;

- (3) Pecuniary loss to the dependents of the deceased victim;
- (4) Pain and suffering to the victim;
- (5) Any other pecuniary loss directly resulting from the injury or death of the victim that the commission determines to be reasonable and proper; [and]
- (6) Expenses actually and reasonably incurred for mental health services in the case of a mass casualty incident[-]:
- (7) Expenses actually and reasonably incurred for mental health services to or for the benefit of the surviving relatives in the case of a deceased victim; and
- (8) Expenses actually and reasonably incurred for mental health services for a child witness in the case of a crime of abuse of family or household member."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 238

H.B. NO. 531

A Bill for an Act Relating to Enterprise Technology Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that periodic updates to the state information technology strategic plan are vital both to stay current with constantly evolving technology and to fully maximize available modern resources for increased effectiveness, efficiency, and transparency in state government. The legislature also finds that regularly updating the state information technology strategic plan will promote continuity of services irrespective of the State's governing administration.

The purpose of this Act is to require the chief information officer of the office of enterprise technology services to update the state information technology strategic plan every four years and to submit the updated plan to the governor and the legislature.

SECTION 2. Section 27-43, Hawaii Revised Statutes, is amended to read as follows:

"§27-43 Office of enterprise technology services; chief information officer; information technology steering committee; establishment; responsibilities. (a) There is established within the department of accounting and general services the office of enterprise technology services, which shall be headed by a full-time chief information officer to organize, manage, and oversee statewide information technology governance. The chief information officer shall be appointed by the governor as provided in section 26-34. The chief information officer shall report directly to the governor and[, in conjunction with the information technology steering committee,] shall:

- (1) Develop, implement, and manage statewide information technology governance;
- (2) Develop, implement, and manage the state information technology strategic plans;

- (3) Develop and implement statewide technology standards;
- (4) Work with each executive branch department and agency to develop and maintain its respective multi-year information technology strategic and tactical plans and road maps that are part of the State's overall information technology strategic plans, road maps, and directions;
- (5) Coordinate each executive branch department and agency's information technology budget request, forecast, and procurement purchase to ensure compliance with the department or agency's strategic plan and road map and with the office of enterprise technology services' information technology governance processes and enterprise architecture policies and standards, including policies and standards for systems, services, hardware, software, and security management;
- (6) Report annually to the governor and the legislature on the status and implementation of the state information technology strategic plan;
- (7) Update the state information technology strategic plan every four years;
- [(7)] (8) Perform other necessary or desirable functions to facilitate the intent of this section;
- [(8)] (9) Employ persons exempt from chapters 76 and 89;
- (9)] (10) Provide centralized computer information management and processing services, coordination in the use of all information processing equipment, software, facilities, and services in the executive branch of the State, and consultation and support services in the use of information processing and management technologies to improve the efficiency, effectiveness, and productivity of state government programs;
- [(10)] (11) Establish, coordinate, and manage a program to provide a means for public access to public information and develop and operate an information network in conjunction with overall plans for establishing a communication backbone for state government; and
- [(11)] (12) Adopt rules, pursuant to chapter 91, necessary for the purposes of this part.

(b) There is established an information technology steering committee to assist the chief information officer in developing the State's information technology standards and policies, including but not limited to:

- (1) Assisting the chief information officer in developing and implementing the state information technology strategic plans;
- (2) Assessing executive branch departments' progress in meeting the objectives defined in the state information technology strategic plans and identifying best practices for shared or consolidated services;
- (3) Ensuring technology projects are selected based on their potential impact and risk to the State, as well as their strategic value;
- (4) Ensuring that executive branch departments maintain sufficient tools to assess the value and benefits of technology initiatives;
- (5) Assisting the chief information officer in developing state information technology standards and policies; and
- (6) Clarifying the roles, responsibilities, and authority of the office of enterprise technology services, specifically as it relates to its state-wide duties.

The information technology steering committee shall consist of eleven members, with four members to be appointed by the senate president, four members to be appointed by the speaker of the house of representatives, one member to be appointed by the chief justice, and one member to be appointed by the governor, and shall include representatives from executive branch departments, including large user agencies such as the department of education and the University of Hawaii; the judiciary; the legislature; and private individuals. The chief information officer shall serve as the chair of the committee and shall ensure that the committee is evaluated periodically.

(c) There is established within the department of accounting and general services a special fund to be known as the shared services technology special fund to be administered and expended by the chief information officer for the purposes of this subsection. Three per cent of the receipts collected from special funds pursuant to section 36-27 shall be deposited into the shared services technology special fund. Any law to the contrary notwithstanding, the moneys in the fund shall be used to fund the operations of the chief information officer and the information technology steering committee, including the employment and training of staff and any other activities deemed necessary by the chief information officer to carry out the purposes of this section.

(d) The chief information officer and the comptroller may raise funds to defray administrative costs and may accept donations of money and personal property on behalf of the information technology steering committee; provided that all donations accepted from private sources shall be expended in the manner prescribed by the contributor, and all moneys received shall be deposited into the information technology trust account. The chief information officer may also directly receive donated personal services and personal property for which funding is not required.

(e) The chief information officer shall submit an annual report to the governor and the legislature no later than twenty days prior to the convening of each regular session of the legislature on the activities and programs under the authority of the chief information officer and the information technology steering committee, and the expenditures of all moneys received from all sources and deposited into the information technology trust account and the shared services technology special fund.

(f) The chief information officer shall submit the updated state information technology strategic plan, revised pursuant to subsection (a)(7), to the governor and the legislature no later than twenty days prior to the convening of every fourth regular session of the legislature; provided that the chief information officer shall submit the first updated state information technology strategic plan to the governor and the legislature no later than twenty days prior to the convening of the regular session of 2021."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 239

S.B. NO. 1442

A Bill for an Act Relating to the Public Utilities Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§269- Electric power systems data access and transparency; principles. (a) The commission, in carrying out its responsibilities under this chapter, shall consider the value of improving electric power systems data access and transparency within the State in order to empower ratepayers, improve decision-making related to reliability and operational efficiency of the electric system, maximize the value of grid modernization technologies and investments, and promote innovation and economic development opportunities related to electric power systems data analysis.

(b) In advancing the public interest, the commission shall balance consumer privacy, critical infrastructure security, grid modernization, and economic innovation considerations associated with electric power systems data access and transparency, including but not limited to the following principles:

- (1) Enabling ratepayers to access their energy consumption and production data;
- (2) Enabling ratepayers to authorize third-party data access, and allow verification of third-party authorization through electronic signature;
- (3) Increasing the amount of publicly-available data related to utility generation, transmission, and distribution systems, as well as nonutility data from third parties that provide generation or non-wire alternatives to individual customers or the grid; and
- (4) Ensuring that electric power systems data is made available through simple, electronic, consistent, machine-readable formats with temporal and geographic granularity."

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 240

H.B. NO. 673

A Bill for an Act Relating to Medical Cannabis.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that as licensed medical cannabis dispensaries have only been established since 2015, they are still a new and emerging industry and most production centers and facilities have only been operating for less than two years. The legislature further finds that there may be situations where the leadership within a licensed dispensary has changed; however, existing law does not provide a process for the sale or transfer of any significant interest in a licensed dispensary.

Accordingly, the purpose of this Act is to:

- (1) Provide a process for the voluntary or involuntary sale or transfer of a dispensary license; and
- (2) Repeal certain restrictions on medical cannabis dispensary operations and siting.

SECTION 2. Chapter 329D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§329D- Sale or transfer of dispensary license. (a) In the event of death, legal incapacity, or permanent disability of an individual dispensary licensee, the relevant entity licensee shall notify the department within thirty days of the individual licensee's inability to continue in the individual's capacity as a licensee, and shall provide to the department within thirty days of the notice a plan for the sale or transfer of the individual license to another individual who meets all the requirements under this chapter and has been a resident of the State for not less than five years preceding the proposed date of transfer.

(b) In the event of a voluntary resignation by an individual licensee, termination of an individual licensee's employment with an entity licensee with or without cause, or any other permanent separation of the relationship between an individual licensee and an entity licensee, the relevant entity licensee shall submit a plan to the department for approval at least thirty days prior to any sale or transfer of the individual license to another individual who shall meet all the requirements under this chapter and shall have been a resident of the State for not less than five years preceding the date of transfer.

(c) The department may deny a request for transfer of ownership if it deems the transferee has failed to meet all the requirements of section 329D-3 for ownership."

SECTION 3. Section 329D-6, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (e) to read:

"(e) Retail dispensing locations shall not be open for retail sales before 8:00 a.m. or after 8:00 p.m., Hawaii-Aleutian Standard Time, Monday through Sunday. [Retail dispensing locations shall be closed on official state and federal holidays.]"

2. By amending subsection (m) to read:

"(m) A dispensary shall not transport cannabis or manufactured cannabis products to another county or another island; provided that this subsection shall not apply to the transportation of cannabis or any manufactured cannabis product solely for the purposes of laboratory testing pursuant to section 329D-8, and subject to subsection (j)[, if no certified laboratory is located in the county or on the island where the dispensary is located]; provided further that a dispensary shall only transport samples of cannabis and manufactured cannabis products for laboratory testing for purposes of this subsection in an amount and manner prescribed by the department, in rules adopted pursuant to this chapter, and with the understanding that state law and its protections do not apply outside of the jurisdictional limits of the State."

SECTION 4. Section 329D-22, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Medical cannabis production centers and dispensaries shall comply with all county zoning ordinances, rules, or regulations; provided that:

- (1) A medical cannabis production center shall be permitted in any area in which agricultural production is permitted except as provided within this chapter; and
- (2) No medical cannabis production center or dispensary shall be permitted within seven hundred fifty feet of the real property comprising a playground [, public housing project or complex,] or school."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval. (Approved July 2, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 241

S.B. NO. 138

A Bill for an Act Relating to Reports of Candidate Committees.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-334, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The candidate and treasurer of the candidate committee of each candidate whose name will appear on the ballot shall file preliminary, final, and supplemental reports as follows:

- (1) The filing dates for preliminary reports are:
 - (A) <u>April 30 of the year of a general election;</u>
 - (B) Thirty calendar days before a primary, initial special, or initial nonpartisan election;
 - [(B)] (C) Ten calendar days before a primary, initial special, or initial nonpartisan election; [and
 - (C) <u>(D) October 1 of the year of a general election; and</u>
 - (E) Ten calendar days before a general, subsequent special, or subsequent nonpartisan election; provided that this preliminary report does not need to be filed by a candidate who is unsuccessful in a primary, initial special, or initial nonpartisan election, or a candidate who is elected to office in the primary, initial special, or initial nonpartisan election.

The preliminary report filed by the date required under subparagraph [(A)] (B) shall be current through June 30, and all other preliminary reports shall be current through the fifth calendar day before the filing deadline of those other preliminary reports;

- (2) The filing date for the final primary report is twenty calendar days after a primary, initial special, or initial nonpartisan election. The report shall be current through the day of the applicable election;
- (3) The filing date for the final election period report is thirty calendar days after a general, subsequent, subsequent special, or subsequent nonpartisan election. The report shall be current through the day of the applicable election. The final election period report shall be filed by a candidate who is unsuccessful in a primary, initial special, or initial nonpartisan election or a candidate who is elected to office in the primary, initial special, or initial nonpartisan elected and is to be sworn into office prior to thirty calendar days after a general, subsequent, subsequent special, or subsequent nonpartisan election in which the candidate was elected, shall file the final election period report three business days before the date the candidate is to be sworn into office; and

(4) The filing dates for supplemental reports are:

(A) January 31 annually; and

(B) July 31 after an election year.

The report shall be current through December 31 for the report filed on January 31 and current through June 30 for the report filed on July 31."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 242

S.B. NO. 225

A Bill for an Act Relating to Ocularists.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that existing law in Hawaii relating to ocularists, those who design, fit, and fabricate artificial eyes under the supervision of a licensed ophthalmologist or optometrist, provides that a certified ocularist may perform within the scope of the ocularist's certification if the certified ocularist is "recognized" by the American Society of Ocularists. The legislature further finds that the American Society of Ocularists is not a certifying board or organization. Therefore, the standard to allow an ocularist to conduct business in Hawaii should be whether an ocularist is certified by a nationally recognized ocularistry certifying board.

SECTION 2. Section 458-14, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Nothing in this chapter shall be construed to prohibit a certified ocularist [as recognized by the American Society of Ocularists] who is certified by the American Board of Ocularistry, the National Examining Board of Ocularists, or any other nationally recognized ocularistry certifying board from performing within the scope of such certification; provided that the ocularist performs only those functions dealing with the designing, fitting, and fabricating of artificial eyes, and not contact lenses of refractive value, and is under the supervision of a licensed ophthalmologist or optometrist. The ocularist shall inform the [board] director in writing of the name of the supervising ophthalmologist or optometrist."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 243

A Bill for an Act Relating to Solar Energy Devices.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The current statutory definition of a "solar energy device" applicable to condominium projects specifically excludes skylights and windows. However, with the ever-evolving technology and innovative nature of renewable energy, the law must also evolve to capture the use of the latest advancements in renewable energy technologies. The exclusion of skylights and windows also creates an ambiguity in Hawaii's statutes. For example, it is not clear whether building-integrated photovoltaics, such as electricity-producing photovoltaic windows, fall under the existing definition of a "solar energy device."

The purpose of this Act is to further facilitate the development of green condominium projects throughout Hawaii by clarifying the conditions under which condominium unit owners can install solar energy devices.

SECTION 2. Section 514B-140, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Subject to the provisions of the declaration, nonmaterial additions to or alterations of the common elements or units, including, without limitation, additions to or alterations of a unit made within the unit or within a limited common element appurtenant to and for the exclusive use of the unit, shall require approval only by the board, which shall not unreasonably withhold the approval, and such percentage, number, or group of unit owners as may be required by the declaration or bylaws; provided that [the]:

- (1) <u>The installation of solar energy devices by owners of condominium</u> units shall be allowed upon written consent of the board; and
- (2) <u>The</u> installation of solar energy devices shall be allowed on singlefamily residential dwellings or townhouses pursuant to the provisions in section 196-7.

As used in this subsection:

"Building-applied photovoltaic" means any new identifiable facility, equipment, apparatus, or the like, which turns solar energy into electric energy and is applied to the outside of a building, such as roof-mounted photovoltaic solar panels.

"Building-integrated photovoltaic" means any new identifiable facility, equipment, apparatus, or the like, which generates electricity from solar energy and is integrated into the structural elements of a building, such as photovoltaic windows and skylights.

"Nonmaterial additions and alterations" means an addition to or alteration of the common elements or a unit that does not jeopardize the soundness or safety of the property, reduce the value thereof, impair any easement, detract from the appearance of the project, interfere with or deprive any nonconsenting owner of the use or enjoyment of any part of property, or directly affect any nonconsenting owner.

"Passive solar skylights or windows" means any skylight or window that regulates heating and cooling but does not generate electricity from solar energy.

"Solar energy device" means any new identifiable facility, equipment, apparatus, or the like which makes use of solar energy for heating, cooling, or reducing the use of other types of energy dependent upon fossil fuel for its generation[;], including but not limited to all types of building-applied photovoltaics and building-integrated photovoltaics; provided that if the equipment sold cannot be used as a solar device without its incorporation with other equipment, it shall be installed in place and be ready to be made operational in order to qualify as a "solar energy device"; provided further that "solar energy device" shall not include <u>passive solar</u> skylights or windows.

"Townhouse" means a series of individual houses, having architectural unity and a common wall between each unit[,]; provided that each unit extends from the ground to the roof."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 244

S.B. NO. 335

A Bill for an Act Relating to Public Meetings.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Americans with Disabilities Act and other federal and state disability laws require state and local governments to provide qualified individuals with disabilities equal access to programs, services, and activities. The legislature further finds that chapter 92, Hawaii Revised Statutes, also known as the sunshine law, has not provided in its implementation the same access and rights to individuals with disabilities.

The sunshine law allows individuals to request that an agency mail them notices of meetings. Under the old sunshine law, a public meeting notice was required to be mailed at the same time it was filed with the lieutenant governor. Under amendments made to the sunshine law, an agency need only mail a notice no less than six days prior to the meeting, even when an agenda or draft agenda was posted on the state electronic calendar weeks prior to the meeting. Individuals that request the notices be mailed to them are often individuals who lack computer access or cannot use a computer due to a disability. These individuals do not receive the same amount of notice as individuals with access to online notices.

The purpose of this Act is to ensure equal access to notice of public meetings.

SECTION 2. Section 92-7, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) The board shall give written public notice of any regular, special, emergency, or rescheduled meeting, or any executive meeting when anticipated in advance. The notice shall include an agenda that lists all of the items to be considered at the forthcoming meeting[$_{7}$]; the date, time, and place of the meeting[$_{7}$]; instructions on how to request an auxiliary aid or service or an accommodation due to a disability, including a response deadline, if one is provided, that is reasonable; and in the case of an executive meeting, the purpose shall be stated. If an item to be considered is the proposed adoption, amendment, or repeal of administrative rules, an agenda meets the requirements for public notice pursuant to this section if it contains a statement on the topic of the proposed rules or a general description of the subjects involved, as described in section 91-3(a)(1)(A), and a statement of when and where the proposed rules may be viewed in person and on the Internet as provided in section 91-2.6. The means specified by this section shall be the only means required for giving notice under this part notwithstanding any law to the contrary.

(b) No less than six calendar days prior to the meeting, the board shall post the notice on an electronic calendar on a website maintained by the State or the appropriate county and post a notice in the board's office for public inspection. The notice shall also be posted at the site of the meeting whenever feasible. The board shall [provide a copy of the notice to the office of the lieutenant governor or the appropriate county clerk's office at the time the notice is posted. file a copy of the notice with the office of the lieutenant governor or the appropriate county clerk's office and retain a copy of proof of filing the notice, and the office of the lieutenant governor or the appropriate clerk's office shall timely post paper or electronic copies of all meeting notices in a central location in a public building; provided that a failure to do so by the board, the office of the lieutenant governor, or the appropriate county clerk's office shall not require cancellation of the meeting. The copy of the notice to be provided to the office of the lieutenant governor or the appropriate county clerk's office may be provided via electronic mail to an electronic mail address designated by the office of the lieutenant governor or the appropriate county clerk's office, as applicable."

SECTION 3. Section 92-8, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) If a board finds that an imminent peril to the public health, safety, or welfare requires a meeting in less time than is provided for in section 92-7, the board may hold an emergency meeting; provided that:

- (1) The board states in writing the reasons for its findings;
- (2) Two-thirds of all members to which the board is entitled agree that the findings are correct and an emergency exists;
- (3) An emergency agenda and the findings are electronically posted pursuant to section 92-7(b)[;], filed with the office of the lieutenant governor or the appropriate county clerk's office, and posted in the board's office; provided <u>further</u> that the six calendar day requirement for filing and electronic posting shall not apply; and
- (4) Persons requesting notification on a regular basis are contacted by postal or electronic mail or telephone as soon as practicable.

(b) If an unanticipated event requires a board to take action on a matter over which it has supervision, control, jurisdiction, or advisory power, within less time than is provided for in section 92-7 to notice and convene a meeting of the board, the board may hold an emergency meeting to deliberate and decide whether and how to act in response to the unanticipated event; provided that:

- (1) The board states in writing the reasons for its finding that an unanticipated event has occurred and that an emergency meeting is necessary and the attorney general concurs that the conditions necessary for an emergency meeting under this subsection exist;
- (2) Two-thirds of all members to which the board is entitled agree that the conditions necessary for an emergency meeting under this subsection exist;
- (3) The finding that an unanticipated event has occurred and that an emergency meeting is necessary and the agenda for the emergency meeting under this subsection are electronically posted pursuant to section 92-7(b)[;], filed with the office of the lieutenant governor or the appropriate county clerk's office, and posted in the board's office; provided <u>further</u> that the six calendar day requirement for filing and electronic posting shall not apply;

- (4) Persons requesting notification on a regular basis are contacted by postal or electronic mail or telephone as soon as practicable; and
- (5) The board limits its action to only that action that must be taken on or before the date that a meeting would have been held, had the board noticed the meeting pursuant to section 92-7."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 245

S.B. NO. 413

A Bill for an Act Relating to Trespass.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the execution of criminal trespass laws for persons who have entered or remained unlawfully on another's commercial property has become unnecessarily complex. Police officers enforcing the law against a person who has previously been issued a reasonable warning or request to leave and who subsequently violates that warning or request have sometimes required the owner or lessee of the commercial premises to be present and in possession of the original copy of the prior written warning or request to leave, before allowing a complaint to be made.

The purpose of this Act is to streamline the criteria for showing that a prior written warning or request to leave was made, for purposes of making a complaint for criminal trespass in the second degree on commercial premises.

SECTION 2. Section 708-814, Hawaii Revised Statutes, is amended by amending subsection (1) to read as follows:

"(1) A person commits the offense of criminal trespass in the second degree if:

- (a) The person knowingly enters or remains unlawfully in or upon premises that are enclosed in a manner designed to exclude intruders or are fenced;
- (b) The person enters or remains unlawfully in or upon commercial premises after a reasonable warning or request to leave by the owner or lessee of the commercial premises, the owner's or lessee's authorized agent, or a police officer; provided that this paragraph shall not apply to any conduct or activity subject to regulation by the National Labor Relations Act.

For the purposes of this paragraph, "reasonable warning or request" means a warning or request communicated in writing at any time within a one-year period inclusive of the date the incident occurred, which may be evidenced by a copy of the previously issued written warning or request, whether or not the copy is posted at the premises or retained by the county police department, and which may contain but is not limited to the following information:

(i) A warning statement advising the person that the person's presence is no longer desired on the property for a period of

one year from the date of the notice, that a violation of the warning will subject the person to arrest and prosecution for trespassing pursuant to this subsection, and that criminal trespass in the second degree is a petty misdemeanor;

- (ii) The legal name, any aliases, and a photograph, if practicable, or a physical description, including but not limited to sex, racial extraction, age, height, weight, hair color, eye color, or any other distinguishing characteristics of the person warned;
- (iii) The name of the person giving the warning along with the date and time the warning was given; and
- (iv) The signature of the person giving the warning, the signature of a witness or police officer who was present when the warning was given and, if possible, the signature of the violator;
- (c) The person enters or remains unlawfully on agricultural lands without the permission of the owner of the land, the owner's agent, or the person in lawful possession of the land, and the agricultural lands:
 - (i) Are fenced, enclosed, or secured in a manner designed to exclude intruders;
 - (ii) Have a sign or signs displayed on the unenclosed cultivated or uncultivated agricultural land sufficient to give notice and reading as follows: "Private Property" or "Government Property - No Trespassing". The sign or signs, containing letters no less than two inches in height, shall be placed at reasonable intervals no less than three signs to a mile along the boundary line of the land and at roads and trails entering the land in a manner and position as to be clearly noticeable from outside the boundary line; or
 - (iii) At the time of entry, are fallow or have a visible presence of livestock or a crop:
 - (A) Under cultivation;
 - (B) In the process of being harvested; or
 - (C) That has been harvested;
- (d) The person enters or remains unlawfully on unimproved or unused lands without the permission of the owner of the land, the owner's agent, or the person in lawful possession of the land, and the lands:
 - (i) Are fenced, enclosed, or secured in a manner designed to exclude the general public; or
 - (ii) Have a sign or signs displayed on the unenclosed, unimproved, or unused land sufficient to give reasonable notice and reads as follows: "Private Property No Trespassing", "Government Property No Trespassing", or a substantially similar message; provided that the sign or signs shall contain letters no less than two inches in height and shall be placed at reasonable intervals no less than three signs to a mile along the boundary line of the land and at roads and trails entering the land in a manner and position as to be clearly noticeable from outside the boundary line.

For the purposes of this paragraph, "unimproved or unused lands" means any land upon which there is no improvement; construction of any structure, building, or facility; or alteration of the land by grading, dredging, or mining that would cause a permanent change in the land or that would change the basic natural condition of the land. Land remains "unimproved or unused land" under this paragraph notwithstanding minor improvements, including the installation or maintenance of utility poles, signage, and irrigation facilities or systems; minor alterations undertaken for the preservation or prudent management of the unimproved or unused land, including the installation or maintenance of fences, trails, or pathways; maintenance activities, including forest plantings and the removal of weeds, brush, rocks, boulders, or trees; and the removal or securing of rocks or boulders undertaken to reduce risk to downslope properties; or

(e) The person enters or remains unlawfully in or upon any area of a housing project that is closed to the public pursuant to section 356D-6.7 and meets the signage requirements of section 356D-6.7, or the person enters or remains unlawfully in or upon any property that is subject to section 356D-6.7 and meets the signage requirements of section 356D-6.7 after a reasonable warning or request to leave by the housing authority or law enforcement officer, as defined in section 710-1000, based upon an alleged violation of law or administrative rule, notwithstanding any invitation or authorization provided to the person by a tenant of that housing project or a member of that tenant's household.

As used in this paragraph:

"Housing authority" means a property manager, resident manager, tenant monitors, security guards, or others officially designated by the Hawaii public housing authority, for the housing project.

"Housing project" means a public housing project, or elder or elderly housing as defined in section 356D-1, or state low-income housing project as defined in section 356D-51.

"Reasonable warning or request" means a warning or request communicated in writing at any time within a one-year period inclusive of the date the incident occurred, which may contain but is not limited to the following information:

- (i) A warning statement advising the person that for a period of one year from the date of the notice, the person's presence is no longer desired in or on the areas of the subject housing project that are closed to the public, that a violation of the warning will subject the person to arrest and prosecution for trespassing pursuant to this subsection, and that criminal trespass in the second degree is a petty misdemeanor;
- (ii) The legal name, any aliases, and a photograph, if practicable, or a physical description, including but not limited to sex, racial extraction, age, height, weight, hair color, eye color, or any other distinguishing characteristics of the person warned;
- (iii) The name of the person giving the warning along with the date and time the warning was given;
- (iv) The signature of the person giving the warning and, if possible, the signature of the violator; and
- (v) The name and signature of a witness or law enforcement officer, as defined in section 710-1000, who was present when the warning was given."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved July 2, 2019.)

A Bill for an Act Relating To Real Estate Licenses.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that many jurisdictions require a high school education as a basic minimum educational requirement in a professional working environment. Many states currently require a high school education or its equivalent as a condition of licensure for real estate licensees.

The purpose of this Act is to require a high school education or its equivalent as a condition for obtaining a license as a real estate broker or real estate salesperson.

SECTION 2. Section 467-9.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No individual shall be eligible for the licensing examination unless the individual [is]:

- [A] <u>Is a</u> United States citizen, a United States national, or an alien authorized to work in the United States[, and of the age of majority; and
- (2) Applying for:];
- (2) <u>Is of the age of majority:</u>
- (3) <u>Has earned a high school diploma or its equivalent; and</u>
- (4) <u>Is applying for:</u>
 - (A) The real estate salesperson examination and has satisfactorily completed a commission-approved prelicensing course for real estate salesperson candidates, which includes real estate principles, or its equivalent as determined by the commission; or
 - (B) The real estate broker examination and:
 - (i) Holds a current, unencumbered Hawaii real estate salesperson license or a current, unencumbered real estate salesperson or broker license in another state or in a jurisdiction recognized by the Association of Real Estate License Law Officials, with an equivalent real estate licensing law as determined by the commission;
 - (ii) Has satisfactorily completed a commission-approved prelicensing course for real estate broker candidates, or its equivalent as determined by the commission; and
 - (iii) Has experience as a full-time Hawaii-licensed real estate salesperson associated with a Hawaii-licensed real estate broker for at least three years of the five-year period immediately prior to the submission of the experience certification application and has practical real estate salesperson experience, as certified by the principal broker, principal brokers, broker in charge, or brokers in charge, as the case

may be, during the subject period. The candidate shall secure commission approval of the candidate's experience certification application prior to the date of the examination. Subject to commission approval, a candidate may request a determination of equivalency for the experience requirement based on real estate salesperson license experience or a current, unencumbered real estate broker license in another state, or in a jurisdiction recognized by the Association of Real Estate License Law Officials, with an equivalent real estate licensing law as determined by the commission."

SECTION 3. This Act shall not apply to licensees who have been duly licensed as a real estate broker or salesperson prior to the effective date of this Act. This Act shall apply only to new applicants who are applying for licensure as a real estate broker or salesperson for the first time on or after the effective date of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2020. (Approved July 2, 2019.)

ACT 247

S.B. NO. 1348

A Bill for an Act Relating to the Small Business Regulatory Review Board.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 201M-5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There shall be established within the department of business, economic development, and tourism, for administrative purposes, a small business regulatory review board to review any proposed new or amended rule. If the board determines that a proposed rule will not have a significant economic impact on a substantial number of small businesses, the board shall submit a statement to that effect to the agency that sets forth the reason for the board's decision. If the board determines that the proposed rule will have a significant economic impact on a substantial number of small businesses, the board may submit to the agency suggested changes in the proposed rule to minimize the economic impact of the proposed rule, or may recommend the withdrawal of the proposed rule. The board may also consider any request from small business owners for review of any rule proposed, amended, or adopted by a state agency and to make recommendations to the agency or the legislature regarding the need for a rule change or legislation. For requests regarding county [ordinances.] rules, the board may make recommendations to the county council or the mayor for appropriate action."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval. (Approved July 2, 2019.)

ACT 248

A Bill for an Act Relating to Fireworks.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 132D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§132D- Liability of homeowner, renter, or person otherwise responsible for real property. A homeowner, renter, or person otherwise responsible for the real property who intentionally, knowingly, or recklessly allows an individual, while on the real property, to possess, set off, ignite, or otherwise cause to explode any aerial device shall be deemed to be in violation of this chapter and shall be subject to the penalties specified in section 132D-14(a)(2) and (b)."

SECTION 2. Section 132D-14, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

- "(a) Any person:
- (1) Importing aerial devices, display fireworks, or articles pyrotechnic without having a valid license under section 132D-7 shall be guilty of a class C felony;
- (2) Purchasing, possessing, setting off, igniting, or discharging aerial devices, display fireworks, or articles pyrotechnic without a valid permit under sections 132D-10 and 132D-16, or storing, selling, or possessing aerial devices, display fireworks, or articles pyrotechnic without a valid license under section 132D-7[÷], or allowing an individual to possess, set off, ignite, or otherwise cause to explode any aerial device in violation of section 132D-1
 - (A) If the total weight of the aerial devices, display fireworks, or articles pyrotechnic is twenty-five pounds or more, shall be guilty of a class C felony; or
 - (B) If the total weight of the aerial devices, display fireworks, or articles pyrotechnic is less than twenty-five pounds, shall be guilty of a misdemeanor;
- (3) Who transfers or sells aerial devices, display fireworks, or articles pyrotechnic to a person who does not have a valid permit under sections 132D-10 and 132D-16, shall be guilty of a class C felony; and
- (4) Who removes or extracts the pyrotechnic contents from any fireworks or articles pyrotechnic and uses the contents to construct fireworks, articles pyrotechnic, or a fireworks or articles pyrotechnic related device shall be guilty of a misdemeanor.

(b) Except as provided in subsection (a) or as otherwise specifically provided for in this chapter, any person violating any other provision of this chapter, shall be fined not more than \$2,000 for each violation. Notwithstanding any provision to the contrary in this section, any person violating section 132D-shall be fined at least \$500 and no more than \$2,000."

SECTION 3. Section 132D-20, Hawaii Revised Statutes, is amended to read as follows:

"§132D-20 Enforcement[-]; probable cause for arrest. (a) This chapter shall be enforced by each county. The counties are authorized to enforce and administer the provisions of this chapter.

(b) Arrests for offenses under this chapter or under a county fireworks ordinance shall be made in compliance with chapter 803. The facts and circum-

stances to establish probable cause for an arrest may include but are not limited to:

- (1) <u>Statements from individuals who witnessed the offense, even if</u> those individuals are not law enforcement officers; and
- (2) Photographs, video recordings, or other recordings that show the commission of the offense and can be authenticated by one or more witnesses; provided that a recording made using an unmanned aerial vehicle shall be exempt from the requirement of authentication by one or more witnesses.

For the purposes of this subsection:

"Other recording" includes any photograph or a video made using an unmanned aerial vehicle.

"Unmanned aerial vehicle" means any aerial vehicle that is operated without the possibility of direct human intervention within or on the aerial vehicle. The term "unmanned aerial vehicle" does not include a remote-controlled airplane."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval. (Approved July 5, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 249

H.B. NO. 120

A Bill for an Act Relating to State Bonds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Declaration of findings with respect to the general obligation bonds authorized by this Act. Pursuant to article VII, section 13, of the state constitution, which states: "Effective July 1, 1980, the legislature shall include a declaration of findings in every general law authorizing the issuance of general obligation bonds that the total amount of principal and interest, estimated for such bonds and for all bonds authorized and unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance", the legislature finds and declares as follows:

(1) Limitation on general obligation debt. The debt limit of the State is set forth in article VII, section 13, of the state constitution, which states in part: "General obligation bonds may be issued by the State; provided that such bonds at the time of issuance would not cause the total amount of principal and interest payable in the current or any future fiscal year, whichever is higher, on such bonds and on all outstanding general obligation bonds to exceed: a sum equal to twenty percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance until June 30, 1982; and thereafter, a sum equal to eighteen and one-half percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance." Article VII, section 13, of the state constitution also provides that in determining the power of the State to issue general obligation bonds, certain bonds are excludable, including "[r]eimbursable general obligation bonds issued for a public undertaking, improvement or system but only to the extent that reimbursements to the general fund are in fact made from the net revenue, or net user tax receipts, or combination of both, as determined for the immediately preceding fiscal year" and bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor, but only to the extent the principal amount of those bonds does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under said article VII, section 13, of the state constitution.

(2) Actual and estimated debt limits. The limit on principal and interest of general obligation bonds issued by the State, actual for fiscal year 2018-2019 and estimated for each fiscal year from 2019-2020 to 2022-2023, is as follows:

Fiscal <u>Year</u>	Net General Fund Revenues	Debt Limit
2015-2016	\$7,075,981,186	
2016-2017	7,346,008,625	
2017-2018	7,656,001,540	
2018-2019	7,702,282,000	\$1,361,476,133
2019-2020	8,017,855,000	1,400,098,017
2020-2021	8,336,777,000	1,441,528,543
2021-2022	8,648,517,000	1,483,509,697
2022-2023	(not applicable)	1,541,860,855

For fiscal years 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023, respectively, the debt limit is derived by multiplying the average of the net general fund revenues for the three preceding fiscal years by eighteen and one-half per cent. The net general fund revenues for fiscal years 2015-2016, 2016-2017, and 2017-2018 are actual, as certified by the director of finance in the Statement of the Debt Limit of the State of Hawaii as of July 1, 2018, dated November 8, 2018. The net general fund revenues for fiscal years 2018-2019 to 2021-2022 are estimates, based on general fund revenue estimates made as of March 12, 2019, by the council on revenues, the body assigned by article VII, section 7, of the state constitution to make such estimates, and based on estimates made by the department of budget and finance of those receipts that cannot be included as general fund revenues for the purpose of calculating the debt limit, all of which estimates the legislature finds to be reasonable.

- (3) Principal and interest on outstanding bonds applicable to the debt limit.
 - (A) According to the department of budget and finance, the total amount of principal and interest on outstanding general obligation bonds, after the exclusions permitted by article VII, section 13, of the state constitution, for determining the power of the State to issue general obligation bonds within the debt

limit as of April 1, 2019, is as follows for fiscal year 2019-2020 to fiscal year 2025-2026:

Fiscal	Principal
<u>Year</u>	and Interest
2019-2020	\$830,258,744
2020-2021	768,823,622
2021-2022	753,610,056
2022-2023	725,933,034
2023-2024	712,063,283
2024-2025	672,615,397
2024-2023 2025-2026	649,837,432

The department of budget and finance further reports that the amount of principal and interest on outstanding bonds applicable to the debt limit generally continues to decline each year from fiscal year 2026-2027 to fiscal year 2038-2039 when the final installment of \$37,533,250 shall be due and payable.

- (B) The department of budget and finance further reports that the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$233,500,000, all or part of which is excludable in determining the power of the State to issue general obligation bonds, pursuant to article VII, section 13, of the state constitution.
- (4) Amount of authorized and unissued general obligation bonds and guaranties and proposed bonds and guaranties.
 - (A) As calculated from the state comptroller's bond fund report as of February 28, 2019, adjusted for:
 - Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in House Bill No. 1259, S.D. 1, C.D. 1¹ (the General Improvements Act of 2019);
 - (ii) Lapses as provided in House Bill No. 1259, S.D. 1, C.D. 1¹ (the General Improvements Act of 2019);
 - (iii) Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in House Bill No. 510, H.D. 2, S.D. 2, C.D. 1² (the Judiciary Appropriations Act of 2019);
 - (iv) Lapses as provided in House Bill No. 510, H.D. 2, S.D. 2, C.D. 1² (the Judiciary Appropriations Act of 2019);
 - (v) Appropriations to be funded by general obligation bonds as provided in House Bill No. 809, S.D. 1, C.D. 1³ (the Grant Funding Act of 2019);
 - (vi) Lapses as provided in House Bill No. 809, S.D. 1, C.D. 1³ (the Grant Funding Act of 2019);
 - (vii) Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in House Bill No. 1586, H.D. 1, S.D. 2, C.D. 1,⁴ Senate Bill No. 78, S.D. 2, H.D. 2,⁵ and House Bill No. 1312, H.D. 1, S.D. 1, C.D. 1;⁶ and
 - (viii) The issuance of general obligation bonds of 2019, Series FW, FX and FY, which closed on February 21, 2019, but was not included in the state comptroller's bond fund report;

the total amount of authorized but unissued general obligation bonds is \$2,344,318,668. The total amount of general obligation bonds authorized in this Act is \$1,747,941,000. The total amount of general obligation bonds previously authorized and unissued, as adjusted, and the general obligation bonds authorized in this Act is \$4,092,259,668.

- (B) As reported by the department of budget and finance the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$233,500,000, all or part of which is excludable in determining the power of the State to issue general obligation bonds, pursuant to article VII, section 13, of the state constitution.
- (5) Proposed general obligation bond issuance. As reported therein for the fiscal years 2019-2020, 2020-2021, 2021-2022, and 2022-2023, the State proposes to issue \$905,000,000 in general obligation bonds during the first half of fiscal year 2019-2020, \$520,000,000 in general obligation bonds during the second half of fiscal year 2019-2020, \$500,000,000 in general obligation bonds during the first half of fiscal year 2020-2021, \$550,000,000 in general obligation bonds during the second half of fiscal year 2020-2021, \$500,000,000 in general obligation bonds semiannually during fiscal year 2021-2022, and \$325,000,000 in general obligation bonds semiannually during fiscal year 2022-2023. Generally, it has been the practice of the State to issue twenty-year serial bonds with principal repayments beginning in the third year, the bonds payable in substantially equal annual installments of principal and interest payment with interest payments commencing six months from the date of issuance and being paid semi-annually thereafter. It is assumed that this practice will continue to be applied to the bonds that are proposed to be issued.
- (6) Sufficiency of proposed general obligation bond issuance to meet the requirements of authorized and unissued bonds, as adjusted, and bonds authorized by this Act. From the schedule reported in paragraph (5), the total amount of general obligation bonds that the State proposes to issue during the fiscal years 2019-2020 to 2021-2022 is \$3,475,000,000. An additional \$650,000,000 is proposed to be issued in fiscal year 2022-2023. The total amount of \$3,475,000,000 which is proposed to be issued through fiscal year 2021-2022 is sufficient to meet the requirements of the authorized and unissued bonds, as adjusted, the total amount of which is \$4,092,259,668 reported in paragraph (4), except for \$617,259,668. It is assumed that the appropriations to which an additional \$617,259,668 in bond issuance needs to be applied will have been encumbered as of June 30, 2022. The \$650,000,000 which is proposed to be issued in fiscal year 2022-2023 will be sufficient to meet the requirements of the June 30, 2022 encumbrances in the amount of \$617,259,668. The amount of assumed encumbrances as of June 30, 2022 is reasonable and conservative, based upon an inspection of June 30 encumbrances of the general obligation bond fund as reported by the state comptroller. Thus, taking into account the amount of authorized and unissued bonds, as adjusted, and the bonds authorized by this Act versus the amount of bonds proposed to be issued by June 30, 2022, and the amount of June 30, 2022 encumbrances versus the amount of bonds proposed to be issued in fiscal year 2022-2023, the legislature finds

that in the aggregate, the amount of bonds proposed to be issued is sufficient to meet the requirements of all authorized and unissued bonds and the bonds authorized by this Act.

- (7) Bonds excludable in determining the power of the State to issue bonds. As noted in paragraph (1), certain bonds are excludable in determining the power of the State to issue general obligation bonds.
 - (A) General obligation reimbursable bonds can be excluded under certain conditions. It is not possible to make a conclusive determination as to the amount of reimbursable bonds which are excludable from the amount of each proposed bond issued because:
 - (i) It is not known exactly when projects for which reimbursable bonds have been authorized in prior acts and in this Act will be implemented and will require the application of proceeds from a particular bond issue; and
 - (ii) Not all reimbursable general obligation bonds may qualify for exclusion.

However, the legislature notes that with respect to the principal and interest on outstanding general obligation bonds, according to the department of budget and finance, the average proportion of principal and interest which is excludable each year from the calculation against the debt limit is 0.77 per cent for approximately ten years from fiscal year 2018-2019 to fiscal year 2027-2028. For the purpose of this declaration, the assumption is made that 0.75 per cent of each bond issue will be excludable from the debt limit, an assumption that the legislature finds to be reasonable and conservative.

Bonds constituting instruments of indebtedness under which **(B)** the State incurs a contingent liability as a guarantor can be excluded, but only to the extent the principal amount of those guaranties does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under subparagraph (A) of this paragraph (7); and provided that the State shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State as provided by law. According to the department of budget and finance and the assumptions presented herein, the total principal amount of outstanding general obligation bonds and general obligation bonds proposed to be issued, which are not otherwise excluded under article VII, section 13, of the state constitution for the fiscal years 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023 are as follows:

	Total amount of		
	general obligation bonds		
	not otherwise excluded by		
	article VII, section 13		
Fiscal Year	of the state constitution		
2018-2019	\$ 7,298,253,064		
2019-2020	8,712,568,064		
2020-2021	9,754,693,064		
2021-2022	10,747,193,064		
2022-2023	11,392,323,064		

Based on the foregoing and based on the assumption that the full amount of a guaranty is immediately due and payable when such guaranty changes from a contingent liability to an actual liability, the aggregate principal amount of the portion of the outstanding guaranties and the guaranties proposed to be incurred, which does not exceed seven per cent of the average amount set forth in the last column of the above table and for which reserve funds have been or will have been established as heretofore provided, can be excluded in determining the power of the State to issue general obligation bonds. As it is not possible to predict with a reasonable degree of certainty when a guaranty will change from a contingent liability to an actual liability, it is assumed in conformity with fiscal conservatism and prudence, that all guaranties not otherwise excluded pursuant to article VII, section 13, of the state constitution will become due and payable in the same fiscal year in which the greatest amount of principal and interest on general obligation bonds, after exclusions, occurs. Thus, based on such assumptions and on the determination in paragraph (8), all of the outstanding guaranties can be excluded.

(8) Determination whether the debt limit will be exceeded at the time of issuance. From the foregoing and on the assumption that all of the bonds identified in paragraph (5) will be issued at an interest rate not to exceed 5.75 per cent in fiscal years 2020 through 2023, it can be determined from the following schedule that the bonds which are proposed to be issued, which include all authorized and unissued bonds previously authorized, as adjusted, general obligation bonds, and instruments of indebtedness under which the State incurs a contingent liability as a guarantor authorized in this Act, will not cause the debt limit to be exceeded at the time of such issuance:

		Greatest Amount		
Time of Issuance	and Year of			
and Amount to be	Debt Limit	Highest P	Highest Principal	
Counted Against	at Time of	and Int	and Interest	
Debt Limit	Issuance	on Bonds and	Guaranties	
1st half FY 2019-2020				
\$898,215,000	1,400,098,017	861,994,376	2019-2020	
2nd half FY 2019-2020	1,100,020,017	001,991,970	2017 2020	
\$516,100,000	1,400,098,017	861,994,376	2019-2020	
1st half FY 2020-2021	, , ,			
\$496,250,000	1,441,528,543	889,750,855	2023-2024	
2nd half FY 2020-2021				
\$545,875,000	1,441,528,543	939,223,667	2023-2024	
1st half FY 2021-2022				
\$496,250,000	1,483,509,697	967,758,042	2023-2024	
2nd half FY 2021-2022				
\$496,250,000	1,483,509,697	996,292,417	2023-2024	
1st half FY 2022-2023	1 5 41 0 60 0 5 5	1 01 4 020 005	2022 2024	
\$322,565,000	1,541,860,855	1,014,839,905	2023-2024	
2nd half FY 2022-2023	1 5 41 0 60 0 5 5	1 000 005 000	2022 2024	
\$322,565,000	1,541,860,855	1,033,387,392	2023-2024	

(9) Overall and concluding finding. From the facts, estimates, and assumptions stated in this declaration of findings, the conclusion is

reached that the total amount of principal and interest estimated for the general obligation bonds authorized in this Act, and for all bonds authorized and unissued, and calculated for all bonds issued and outstanding, and all guaranties, will not cause the debt limit to be exceeded at the time of issuance.

SECTION 2. The legislature finds the bases for the declaration of findings set forth in this Act are reasonable. The assumptions set forth in this Act with respect to the principal amount of general obligation bonds which will be issued, the amount of principal and interest on reimbursable general obligation bonds which are assumed to be excludable, and the assumed maturity structure shall not be deemed to be binding, it being the understanding of the legislature that such matters must remain subject to substantial flexibility.

SECTION 3. Authorization for issuance of general obligation bonds. General obligation bonds may be issued as provided by law in an amount that may be necessary to finance projects authorized in House Bill No. 1259, S.D. 1, C.D. 1¹ (the General Improvements Act of 2019), House Bill No. 510, H.D. 2, S.D. 2, C.D. 1² (the Judiciary Appropriations Act of 2019), House Bill No. 1586, H.D. 1, S.D. 2, C.D. 1³ (the Grant Funding Act of 2019), House Bill No. 1586, H.D. 1, S.D. 2, C.D. 1, ⁴ Senate Bill No. 78, S.D. 2, H.D. 2, ⁵ and House Bill No. 1312, H.D. 1, S.D. 1, C.D. 1;⁶ passed by the legislature during this regular session of 2019 and designated to be financed from the general obligation bond fund and from the general obligation bond fund with debt service cost to be paid from special funds; provided that the sum total of general obligation bonds so issued shall not exceed \$1,747,941,000.

Any law to the contrary notwithstanding, general obligation bonds may be issued from time to time in accordance with section 39-16, Hawaii Revised Statutes, in such principal amount as may be required to refund any general obligation bonds of the State of Hawaii heretofore or hereafter issued pursuant to law.

SECTION 4. The provisions of this Act are declared to be severable and if any portion thereof is held to be invalid for any reason, the validity of the remainder of this Act shall not be affected.

SECTION 5. In printing this Act, the revisor of statutes shall substitute in section 1 and section 3 the corresponding act numbers for bills identified therein.

SECTION 6. This Act shall take effect upon its approval.

(Approved July 5, 2019.)

Notes

Act 40.
 Act 38.
 Act 39.
 Act 268.
 Act 276.
 Act 189.

ACT 250

A Bill for an Act Relating to the State Highway Enforcement Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that there are many areas along state highways that are unsafe and hazardous due to illegally parked vehicles blocking traffic lanes.

The legislature further finds that many of the State's popular scenic areas that draw thousands of daily visitors are seeing an increase in illegally parked vehicles along nearby state highways, causing traffic gridlock and drawing community complaints. Some of these popular scenic areas are serviced by a two-lane state highway and are in areas where state highway widening is not possible due to the lack of public right-of-way and topographic, environmental, or cultural resource limitations.

The legislature further finds that the department of transportation, highways division, and department of public safety, law enforcement division, do not have sufficient staff to enforce parking violations and patrol remote portions of each island where many of the parking violations occur.

The legislature further finds that while county police departments play a vital role in enforcing parking violations on state highways, these departments have limited resources and issuing parking citations on a state highway for violations stemming from visitor attractions on state lands has not been a priority.

The purpose of this Act is to establish the state highway enforcement program, which adds a surcharge for illegal parking to existing penalties for violations of the statewide traffic code that involve stopping, standing, or parking on state highways. Fifty per cent of the surcharge shall be deposited into the state highway fund, while the remaining balance shall be distributed to the respective police departments of the county from which the surcharge was collected and shall be used to enforce laws and ordinances pertaining to illegal parking on state highways.

SECTION 2. Chapter 291C, Hawaii Revised Statutes, is amended by adding a new section to part XI to be appropriately designated and to read as follows:

"§291C- State highway enforcement program; establishment; annual reports. (a) There is established the state highway enforcement program within the department of transportation for administrative purposes. The purpose of the state highway enforcement program is to enable the State and counties, in consultation with the director of transportation, to:

- (1) Enforce violations for illegal parking under section 291C-111(c); and
- (2) Provide for parking management-related improvements.

(b) Implementation of the state highway enforcement program shall include partnering with law enforcement, other state departments, other county agencies, and community groups to increase health and safety along state highways.

(c) The director of transportation shall submit an annual report to the legislature on the status and progress of the state highway enforcement program, including an update of all moneys deposited into and expended from the state highway fund, on behalf of the state highway enforcement program no later than twenty days prior to the convening of each regular session."

SECTION 3. Section 291C-111, Hawaii Revised Statutes, is amended to read as follows:

(3) With respect to highways under their respective jurisdictions, the director of transportation is authorized to and the counties by ordinance may prohibit or restrict the stopping, standing, or parking of vehicles where the stopping, standing, or parking of vehicles where the stopping, standing, or parking of vehicles would interfere unduly with the free movement of traffic; provided that the violation of any law or any ordinance, regardless of whether established under this or any other section, prohibiting or restricting the stopping, standing, or parking of vehicles shall constitute a traffic infraction. The counties shall not provide any other penalty, civil or criminal, or any other charge, in the form of rental or otherwise, in place of or in addition to the fine to be imposed by the district court for any violation of any ordinance prohibiting or restricting the stopping, standing, or parking of vehicles.

This section shall not be construed as prohibiting the authority of the director of transportation or the counties to allow the stopping, standing, or parking of motor vehicles at a "T-shaped" intersection on highways under their respective jurisdictions; provided that such stopping, standing, or parking of motor vehicles is not dangerous to those using the highway or where the stopping, standing, or parking of motor vehicles would not unduly interfere with the free movement of traffic.

The appropriate police department and county or prosecuting attorney of the various counties shall enforce any law or ordinance prohibiting or restricting the stopping, standing, or parking of vehicles, including but not limited to the issuance of parking tickets. Any person committing a violation of any law or ordinance, regardless of whether established under this or any other section, prohibiting or restricting the stopping, standing, or parking of vehicles shall be subject to a fine to be enforced and collected by the district courts of this State and to be deposited into the state general fund for state use.

(b) The director of transportation, the counties, and owners of private highways, with the consent of the county official responsible for traffic control with respect to highways under their respective jurisdictions shall place signs or curb markings [which] that are clearly visible to an ordinarily observant person prohibiting or restricting the stopping, standing, or parking of vehicles on the highway. Such signs or curb markings shall be official signs and markings and no person shall stop, stand, or park any vehicle in violation of the restrictions stated on such signs or markings.

(c) Any person committing a violation of any law prohibiting or restricting the stopping, standing, or parking of vehicles on state highways shall be charged, in addition to any other applicable penalties and fines, a state highway enforcement program surcharge of \$200 to be enforced and collected by the district courts and to be deposited into the state highway fund; provided that fifty per cent of each surcharge collected shall be disbursed to the police department of the county in which the violation occurred."

SECTION 4. The department of transportation shall adopt rules pursuant to chapter 91, Hawaii Revised Statutes, to carry out the purposes of this Act.

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 251

H.B. NO. 665

A Bill for an Act Relating to the Electronic Prescription Accountability System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Act 153, Session Laws of Hawaii 2018, requires all prescribers of controlled substances to query the electronic prescription accountability system, prior to issuing a prescription for certain controlled substances, to reduce the risk of abuse of or addiction to a controlled substance. The electronic prescription accountability system, also known as the prescription drug monitoring program, is a useful tool for health care providers when determining which controlled substances a patient has been prescribed.

The legislature notes that although prescribers have taken steps to implement this law, some concerns have been raised about the applicability of the law to certain patient populations. The legislature believes that the law should not apply in inpatient settings, where a patient is in a hospital or nursing home and is directly administered a prescription under the supervision of a health care provider. The law should also not apply to initial prescriptions for patients being treated for post-operative pain with a limited three-day supply, which is consistent with a 2016 recommendation on acute pain management by the federal Centers for Disease Control and Prevention. An exemption for hospice patients is also appropriate to reduce barriers to this end-of-life choice. By definition, a patient electing hospice typically has only six months or less to live. Therefore, requiring a health care provider to consult the electronic prescription accountability system under these circumstances may cause a delay in the provision of appropriate care to the patient.

The purpose of this Act is to specify that a health care provider shall not be required to consult the electronic prescription accountability system when a patient is in an inpatient setting, in post-operative care, or has a terminal disease and is receiving hospice or other palliative care.

SECTION 2. Section 329-38.2 Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) No prescriber shall prescribe a schedule II, III, or IV controlled substance without first requesting, receiving, and considering records of the ultimate user from the state electronic prescription accountability system as needed to reduce the risk of abuse of or addiction to a controlled substance, as needed to avoid harmful drug interactions, or as otherwise medically necessary; provided that this subsection shall not apply to[:] any prescription:

(1) [Any prescription for] For a supply of three days or less that is made in an emergency situation, by an emergency medical provider, or in an emergency room; [and]

- (2) [Any prescription written] That will be administered directly to a patient under the supervision of a health care provider licensed to practice within the State; provided that a medically-indicated query of the electronic prescription accountability system is made when the patient is initially admitted for inpatient care at a hospital;
- (3) That is an initial prescription for a patient being treated for postoperative pain; provided that the prescription is limited to a threeday supply with no refills;
- (4) For a patient with a terminal disease receiving hospice or other types of palliative care; provided that for purposes of this paragraph, "terminal disease" means an incurable and irreversible disease that will, within reasonable medical judgment, produce death within six months; or
- (5) <u>Prescribed</u> while the state electronic prescription accountability system is nonfunctional."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

ACT 252

H.B. NO. 808

A Bill for an Act Relating to Shark and Ray Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 188-39.5, Hawaii Revised Statutes, is amended to read as follows:

"[[]**\$188-39.5**[] <u>Manta rays;</u>] <u>Rays; hīhīmanu; hāhālua; hailepo; lupe;</u> prohibitions, penalties, and fines. (a) [No] <u>Except as provided in subsection</u> (e), no person shall knowingly capture [or kill], take, possess, abuse, or entangle a [manta] ray, whether alive or dead, or kill any ray, within state marine waters.

(b) Any person violating this section or any rule adopted pursuant to this section shall be guilty of a misdemeanor and shall be fined:

- (1) \$500 for a first offense;
- (2) \$2,000 for a second offense; and
- (3) \$10,000 for a third or subsequent offense.

(c) In addition to any other penalty imposed under this section, a person violating this section shall be subject to:

- (1) An administrative fine of not more than \$10,000 for each [manta] ray captured, taken, possessed, abused, or entangled, whether alive or dead, or killed in violation of this section;
- (2) Seizure and forfeiture of any captured [manta] rays, commercial marine license, vessel, and fishing equipment; and
- (3) Assessment of administrative fees and costs[,] and attorney's fees and costs.

(d) The criminal penalties and administrative fines and costs shall be assessed per [manta] ray captured, taken, possessed, abused, or entangled, whether alive or dead, or killed in violation of this section.

(e) This section shall not [prohibit] <u>apply to</u> special activity permits allowed under section 187A-6[;] <u>or research permits authorized by law;</u> provided

that the permit issued does not allow a take that exceeds the potential biological removal level; and provided further that the department shall adopt rules <u>pursuant to chapter 91</u> to define a "take" and determine when a take exceeds the potential biological removal level.

(f) Nothing in this section shall be construed to restrict the exercise of traditional and customary rights protected pursuant to article XII, section 7, of the state constitution.

(g) For the purposes of this section, "ray" means any species of ray within the subclass elasmobranchii."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved July 5, 2019.)

ACT 253

H.B. NO. 1163

A Bill for an Act Relating to Savings Promotion Contests.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the federal American Savings Promotion Act was passed by Congress in 2014 to authorize certain financial institutions to conduct contests, known as "savings promotion raffle or prizelinked savings contests", in which the sole consideration required for a chance of winning designated prizes is the deposit of a specified amount of money in a savings account or program, and where each ticket or entry has an equal chance of being drawn. Since that time, twenty-nine states have passed similar legislation to provide individuals with an additional tool to build personal savings. These promotions have been demonstrated to successfully attract increased personal savings from non-savers, the asset-poor, and low- to moderate-income individuals.

The purpose of this Act is to authorize financial institutions that are depository institutions in the State to conduct savings promotion or prize-linked savings contests in which the institutions' account holders are contestants.

SECTION 2. Chapter 412, Hawaii Revised Statutes, is amended by adding a new section to article 4 to be appropriately designated and to read as follows:

"§412:4- Savings promotion or prize-linked savings contest. (a) Any financial institution that is a depository institution may conduct a savings promotion or prize-linked savings contest if the depository institution:

- (1) Conducts the savings promotion contest in a manner that ensures that each entry has a chance of winning the designated prize based on the number of entries;
- (2) Requires the deposit of a minimum specified amount of money in a savings account or other savings promotion or prize-linked savings contest program to qualify for a chance to win the designated prizes;

- (3) Offers an interest rate that is commensurate with the interest rate that the depository institution offers on comparable savings accounts or savings promotion or prize-linked savings programs that are not subject to a savings promotion or prize-linked savings contest;
- (4) Fully discloses the terms and conditions of the savings promotion or prize-linked savings contest to each of its account holders; and
- (5) Maintains records sufficient to facilitate an audit of the savings promotion or prize-linked savings contest.

(b) Deposits made by a consumer into a savings account or other savings program shall remain under the ownership of the consumer.

(c) A financial institution that offers a savings promotion or prizelinked savings contest shall comply with the requirements of the American Savings Promotion Act, Public Law 113-251, and the regulations promulgated by the federal prudential regulators of the financial institutions applicable to the savings promotion or prize-linked savings contest program.

(d) For the purposes of this section, "financial institution" shall have the same meaning as in section 412:1-109."

SECTION 3. Chapter 712, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

"§712- Savings promotion or prize-linked savings contest not gambling. A savings promotion or prize-linked savings contest conducted by a financial institution pursuant to section 412:4- is not gambling and shall not constitute a lottery unless the chance to win a prize requires consideration. Consideration shall not include:

- (1) The deposit of a specified minimum amount of money into a savings promotion or prize-linked savings account that results in an entry in a savings promotion or prize-linked savings contest;
- (2) The interest earned, if any, on the consumer's savings promotion or prize-linked savings account; or
- (3) Any fee or amount to administer or maintain the savings promotion or prize-linked savings account."

SECTION 4. Section 412:4-100, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval. (Approved July 5, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Plastic.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the local and global impact of the world's increasing waste stream is unsustainable and detrimental to the future of Hawaii's economy and people. There has been an exponential rise in single-use foodware items over the past few decades globally, with particularly high increases in plastics derived from fossils fuels. Single-use disposable foodware and packaging - including plastic bottles, caps, lids, straws, cups, and polystyrene and plastic containers – are major contributors to street and beach litter, ocean pollution, marine and other wildlife harm, and greenhouse gas emissions.

According to the United Nations, since the 1950s, the production of plastic has outpaced that of almost every other material. Much of the plastic produced is designed to be thrown away after being used only once. As a result, plastic packaging accounts for about half of the plastic waste in the world. Most of this waste is generated in Asia, while America, Japan, and the European Union are the world's largest producers of plastic packaging waste per capita. The world's ability to cope with plastic waste is already overwhelmed as seen by the closing of recycling markets in China and Thailand. Even when recycling markets were open, only nine per cent of the 9,000,000,000 tons of plastic produced has been recycled. Most plastic ends up in landfills, dumps, incinerators, or in the environment. If the growth in plastic production continues at its current rate, then by 2050, the plastics industry will likely account for twenty per cent of the world's total oil consumption.

Hawaii has a goal of carbon neutrality by 2045 and embraces the United Nations sustainable development goals, including achieving sustainable management and the efficient use of natural resources, sound waste management, encouraging corporate sustainability practices, strengthening the State's resilience and adaptive capacity to climate-related hazards and natural disasters, sustainably managing and protecting our marine and coastal ecosystems, and reducing pollution. Decreasing the import and use of fossil fuel-based products like single-use plastics should become part of a movement toward reaching those goals. For every one ton of waste seen at the end of life, seventy tons were created upstream in the extraction, production, and transportation sectors. Alternatives to plastics already exist for many take-out items and an industry of innovative change for packaging is advancing globally. Zero waste plastic reduction plans are moving forward all over the world, including within the European Union, Ethiopia, Costa Rica, and municipalities across the United States. The legislature finds that given the current trend, if Hawaii businesses are at the forefront of this movement, they will be less burdened by change.

Locally, plastic litter and debris can be increasingly found on every island and in every watershed and protected area from the remote Kalalau valley on Kauai to Kilauea caldera on Hawaii island. Hawaii's forests, streams, and beaches are strewn with plastic debris, including micro plastic debris smaller than grains of sand, which are consumed by the smallest of endangered birds to the humpback whale. Among other hazards, plastic debris attracts and concentrates ambient pollutants in seawater and freshwater, which can transfer to fish, other seafood, and salt that is eventually sold for human consumption. Globally, ninety-five per cent of plastic packaging is discarded after a single use, at a cost of \$80,000,000,000 to \$120,000,000.

The legislature further finds that cleaning up plastic is a significant cost to Hawaii taxpayers. The cost of increasing cleanups by government agencies,

businesses, and the general public is rising to account for expensive best management practices and mitigation. A study of over ninety counties in California recently concluded that taxpayers are paying \$428,000,000 per year to clean up plastic through storm drain management, street sweeping, and marine cleanups. San Diego county, which has an equivalent population to Hawaii at 1,300,000 people, spends \$14,000,000 annually cleaning up plastic. In January 2019, San Diego county passed legislation to phase out polystyrene foam and other singleuse plastics. The Hawaii department of transportation has produced a trash management plan that shows that polystyrene foam and plastic bags are the top two contributors to the waste stream and must be regularly removed from storm drains at a cost to the department.

Major news and research publications like *National Geographic* and 60 *Minutes* are reporting on plastic pollution as one of the pressing environmental issues currently facing the world. Minimizing packaging and utilizing alternatives derived from compostable materials, which are now widely available, can benefit the State's economy as it shifts toward a system of responsible conservation, recycling, recovery, and reuse, which is a foundational principle of Native Hawaiian culture. Additionally, the State's economy can become a leader in reducing and recovering plastic waste by collaboratively working with businesses, as well as researching and implementing feasible and innovative solutions for all packaging coming into the State of Hawaii.

SECTION 2. (a) There is established within the department of health for administrative purposes a plastic source reduction working group.

- (b) The working group shall:
- (1) Formulate a plan for reducing and recovering plastic from the Hawaii waste stream;
- (2) Develop strategies to encourage plastic reduction and reuse in the food service industry, such as reusable container incentive programs for customers;
- (3) Provide recommendations to encourage reuse, reduction, recycling, and recovery of waste and create value added products to innovate and responsibly manage the life cycle of existing resources;
- (4) Consult with each county that has already enacted ordinances related to single-use plastics such as plastic bags and polystyrene foam containers and develop recommendations for the implementation of a uniform, statewide policy for these items that can replace existing county ordinances and provide businesses with laws that are consistent throughout the State;
- (5) Consult with stakeholders to develop appropriate exemptions to address concerns of health and safety, lack of suitable alternative products on the market, and lack of infrastructure; and
- (6) Evaluate potential life-cycle and environmental implications of replacing plastic packaging with alternative products.
- (c) The membership of the working group shall be as follows:
- (1) The director of health or the director's designee;
- (2) The chairperson of the board of land and natural resources or the chairperson's designee;
- (3) The president and chief executive officer of the Hawaii tourism authority or the president and chief executive officer's designee;
- (4) Four members, one to be appointed by each of the respective mayors of the city and county of Honolulu and the counties of Hawaii, Kauai, and Maui;
- (5) The state sustainability coordinator;

- A representative of the Surfrider Foundation; A representative of Zero Waste Oahu; (6)
- (7)
- A representative of Sustainable Coastlines Hawaii: (8)
- (9) A representative of the Hawaii Food Industry Association;
- (10)A representative of the Hawaii Restaurant Association;
- (11)A representative of the Chamber of Commerce Hawaii:
- (12)A representative of the beverage industry;
- A representative from the plastic manufacturing industry; and (13)
- (14)A representative of the recycling industry.

The representatives in paragraphs (6) through (11) shall be selected by the director of health.

(d) The members of the working group shall serve without compensation but shall be reimbursed for reasonable expenses, including travel expenses, consulting fees, and administrative expenses such as photocopying, postage, stationery, and office supplies incidental to the performance of their duties.

(e) The working group shall work with the department of health, the carbon sequestration task force, private stakeholders, public stakeholders, or any other group or individuals the working group deems necessary.

The working group shall submit a report of its findings and recom-(f) mendations, including recommendations for pilot projects for Hawaii businesses to phase out single-use plastic packaging, promote reuse, and find sustainable alternatives for packaging, as well as any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2021.

SECTION 3. The working group shall cease to exist on June 30, 2022.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

ACT 255

S.B. NO. 535

A Bill for an Act Relating to Pharmacists Prescribing and Dispensing of Opioid Antagonist.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. During the 2018 legislative session, the legislature addressed the nationwide opioid epidemic by authorizing pharmacists, who received the appropriate education and training, to prescribe and dispense opioid antagonists to patients who are at risk for an opioid overdose or family member or caregiver of an individual at risk for an opioid overdose.

The legislature found that pharmacists are well situated to provide education and access to opioid antagonists to assist with the prevention of addressing opioid overdoses in Hawaii.

Accordingly, the purpose of this Act is to clarify the name on the prescription for the opioid antagonist, whether it is the individual who is at risk for an opioid overdose or the name of the family member or caregiver of an individual who is at risk for an opioid overdose who is requesting the opioid antagonist.

SECTION 2. Section 461-11.8, Hawaii Revised Statutes, is amended to read as follows:

"[[]§461-11.8[]] Opioid antagonist; authority to prescribe and dispense; requirements. (a) A pharmacist, acting in good faith and exercising reasonable care, may prescribe and dispense an opioid antagonist to an individual who is at risk for an opioid overdose or a family member or caregiver of an individual who is at risk of an opioid overdose regardless of whether the individual has evidence of a previous prescription for an opioid antagonist from a practitioner authorized to prescribe opioids. The opioid antagonist prescribed and dispensed for a family member or caregiver of an individual who is at risk for an opioid overdose may be prescribed and dispensed in the name of the individual who is to be treated with the opioid antagonist <u>or in the name of the individual who</u> <u>is requesting the opioid antagonist</u>, or an "Opioid Antagonist Recipient" or "OAR".

(b) A pharmacist who prescribes and dispenses opioid antagonists pursuant to subsection (a) shall:

- (1) Complete a training program related to prescribing opioid antagonists that is approved by the Accreditation Council for Pharmacy Education (ACPE), a curriculum-based program from an ACPEaccredited college of pharmacy, a state or local health department program, or a program recognized by the board;
- (2) Provide the individual who is receiving the opioid antagonist with information and written educational material on risk factors of opioid overdose, signs of an overdose, overdose response steps, and the use of the opioid antagonist; and
- (3) Dispense the opioid antagonist to the individual who is at risk for an opioid overdose, family member, [or] caregiver, or individual requesting the opioid antagonist for an individual at risk for an opioid overdose as soon as practicable after the pharmacist issues the prescription."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval, and shall be repealed on June 30, 2024; provided that section 461-11.8, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act.

(Approved July 5, 2019.)

ACT 256

S.B. NO. 536

A Bill for an Act Relating to Prescriptions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 329-38, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

- "(b) A schedule II controlled substance prescription shall:
- (1) Be filled within seven days following the date the prescription was issued to the patient; and
- (2) Be supplied to a patient only if the prescription has been filled and held by the pharmacy for not more than seven days[-]: provided that a prescription issued to a qualified patient pursuant to chapter 327L shall be supplied to the patient if the prescription has been filled and held by the pharmacy for not more than thirty days.

(c) Initial concurrent prescriptions for opioids and benzodiazepines shall not be for longer than seven consecutive days unless <u>the prescription is is</u> <u>sued for a qualified patient pursuant to chapter 327L or a supply of longer than</u> seven days is determined to be medically necessary for the treatment of:

- (1) Pain experienced while the patient is in post-operative care;
- (2) Chronic pain and pain management;
- (3) Substance abuse or opioid or opiate dependence;
- (4) Cancer;
- (5) Pain experienced while the patient is in palliative care; or
- (6) Pain experienced while the patient is in hospice care;

provided that if a prescribing practitioner issues a concurrent prescription for more than a seven-day supply of an opioid and benzodiazepine, the practitioner shall document in the patient's medical record the condition for which the practitioner issued the prescription and that an alternative to the opioid and benzodiazepine was not appropriate treatment for the condition."

SECTION 2. Section 329-38.2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) No prescriber shall prescribe a schedule II, III, or IV controlled substance without first requesting, receiving, and considering records of the ultimate user from the state electronic prescription accountability system as needed to reduce the risk of abuse of or addiction to a controlled substance, as needed to avoid harmful drug interactions, or as otherwise medically necessary; provided that this subsection shall not apply to:

- (1) Any prescription for a supply of three days or less that is made in an emergency situation, by an emergency medical provider, or in an emergency room; [and]
- (2) Any prescription written while the state electronic prescription accountability system is nonfunctional[-]: and
- (3) Any prescription written pursuant to chapter 327L."

SECTION 3. Section 329-38.5, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) For the purposes of this section, "qualifying opioid therapy patient" means:

- (1) A patient requiring opioid treatment for more than three months;
- (2) A patient who is prescribed benzodiazepines and opioids together; or
- (3) A patient who is prescribed a dose of opioids that exceeds ninety morphine equivalent doses[-];

provided that the term "qualifying opioid therapy patient" shall not apply to any qualifying patient who is issued or receives a prescription pursuant to chapter <u>327L.</u>"

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval; provided that the amendments made to section 329-38, Hawaii Revised Statutes, by section 1 of this Act shall not be repealed when that section is repealed and reenacted pursuant to Act 66, Session Laws of Hawaii 2017.

(Approved July 5, 2019.)

ACT 257

S.B. NO. 600

A Bill for an Act Relating to Firearms.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that state law requires that a person who arrives in the State and who brings or by any other manner causes to be brought into the State a firearm must register the firearm with the applicable county police department. However, Hawaii law does not explicitly require that the arriving person be of a certain age in order to bring the firearm into the State or subsequently register the firearm, even though Hawaii law requires that a person who is already in Hawaii and who wishes to apply for a permit to acquire the ownership of a firearm be at least twenty-one years old.

The purpose of this Act is to prohibit individuals who are less than twenty-one years of age from bringing or causing to be brought into the State any firearm.

SECTION 2. Section 134-3, Hawaii Revised Statutes, is amended to read as follows:

"§134-3 Registration, mandatory, exceptions. (a) Every person arriving in the State who brings or by any other manner causes to be brought into the State a firearm of any description, whether usable or unusable, serviceable or unserviceable, modern or antique, shall register the firearm within five days after arrival of the person or of the firearm, whichever arrives later, with the chief of police of the county of the person's place of business or, if there is no place of business, the person's residence or, if there is neither a place of business nor residence, the person's place of sojourn. A nonresident alien may bring firearms not otherwise prohibited by law into the State for a continuous period not to exceed ninety days; provided that the person meets the registration requirement of this section and the person possesses:

- (1) A valid Hawaii hunting license procured under chapter 183D, part II, or a commercial or private shooting preserve permit issued pursuant to section 183D-34;
- (2) A written document indicating the person has been invited to the State to shoot on private land; or
- (3) Written notification from a firing range or target shooting business indicating that the person will actually engage in target shooting.

The nonresident alien shall be limited to a nontransferable registration of not more than ten firearms for the purpose of the above activities.

Every person registering a firearm under this subsection shall be fingerprinted and photographed by the police department of the county of registration; provided that this requirement shall be waived where fingerprints and photographs are already on file with the police department. The police department shall perform an inquiry on the person by using the International Justice and Public Safety Network, including the United States Immigration and Customs Enforcement query, the National Crime Information Center, and the National Instant Criminal Background Check System, pursuant to section 846-2.7 before any determination to register a firearm is made.

(b) Every person who acquires a firearm pursuant to section 134-2 shall register the firearm in the manner prescribed by this section within five days of acquisition. The registration shall be on forms prescribed by the attorney general, which shall be uniform throughout the State, and shall include the following information: name of the manufacturer and importer; model; type of action;

caliber or gauge; serial number; and source from which receipt was obtained, including the name and address of the prior registrant. If the firearm has no serial number, the permit number shall be entered in the space provided for the serial number, and the permit number shall be engraved upon the receiver portion of the firearm [prior to] before registration. All registration data that would identify the individual registering the firearm by name or address shall be confidential and shall not be disclosed to anyone, except as may be required:

- (1) For processing the registration;
- (2) For database management by the Hawaii criminal justice data center;
- (3) By a law enforcement agency for the lawful performance of its duties; or
- (4) By order of a court.

(c) Dealers licensed under section 134-31 or dealers licensed by the United States Department of Justice shall register firearms pursuant to this section on registration forms prescribed by the attorney general and shall not be required to have the firearms physically inspected by the chief of police at the time of registration.

- (d) Registration shall not be required for:
- (1) Any device that is designed to fire loose black powder or that is a firearm manufactured before 1899;
- (2) Any device not designed to fire or made incapable of being readily restored to a firing condition; or
- (3) All unserviceable firearms and destructive devices registered with the Bureau of Alcohol, Tobacco, and Firearms of the United States Department of Justice pursuant to Title 27, Code of Federal Regulations.

(e) No fee shall be charged for the registration of a firearm under this section, except for a fee chargeable by and payable to the registering county for persons registering a firearm under subsection (a), in an amount equal to the fee charged by the Hawaii criminal justice data center pursuant to section 846-2.7. In the case of a joint registration, the fee provided for in this section may be charged to each person.

(f) No person less than twenty-one years of age shall bring or cause to be brought into the State any firearm."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

ACT 258

S.B. NO. 763

A Bill for an Act Relating to Advertising and Marketing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) The department of business, economic development, and tourism, in consultation with the department of agriculture, shall conduct

a study to assess the impacts of companies selling products in the United States using place-based marketing without any material ties to the State, including:

- (1) A calculation of the resultant gross domestic product lost due to the non-sale of Hawaii-grown fresh foods and consumer packaged goods that comply with section 486-119, Hawaii Revised Statutes; and
- (2) The economic impact on Hawaii's agricultural community and local businesses actually based in the State or using Hawaii-grown ingredients.

(b) The study will enable the State to protect itself from economic exploitation and protect consumers against dishonest or misleading marketing.

(c) For the purposes of this Act, the following definitions shall apply:

"Gross domestic product" shall mean the total taxable sales revenues from the alleged Hawaiian products or consumer packaged goods generated by companies exploiting the Hawaii brand.

"Material ties" shall mean an ingredient or ingredients that are grown or sourced in the State and explicitly marketed as ingredients derived from the State.

"Place-based marketing" includes but is not limited to the name of any Hawaiian island or district, or marketing the product as "Hawaiian".

(d) The department of business, economic development, and tourism shall submit a report of findings resulting from the study to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the department of business, economic development, and tourism, in consultation with the department of agriculture, to conduct a study to assess the impacts of companies selling products in the United States using place-based marketing without any material ties to the State.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

ACT 259

S.B. NO. 947

A Bill for an Act Relating to Families.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to protect the best interests of children parented or cared for by persons with disabilities by prohibiting the disability of a parent or caregiver from being considered as the sole factor in determining the fitness of any:

- (1) Foster parent or resource family;
- (2) Prospective adoptive parent of a minor;
- (3) Prospective guardian of a minor;
- (4) Person seeking custody or visitation of a minor child; or
- (5) Parent or caregiver when evaluating whether a child's family is willing and able to provide the child with a safe family home.

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§346- Department standards and requirements; disability. The department shall not consider the disability of a person to be the sole factor in making a determination under section 346-17 or section 346-19.7. If the department makes a determination to deny the petition of a disabled person under section 346-17 or section 346-19.7, the department shall make specific written findings stating the basis for the determination. The party attempting to demonstrate that the disability impairs a person's ability to parent must prove that the disability is a factor, and demonstrate a clear nexus between the disability and the alleged parental deficiency."

SECTION 3. Chapter 560, Hawaii Revised Statutes, is amended by adding a new section to article V, part 2 to be appropriately designated and to read as follows:

"§560:5- Judicial appointment of guardian; disability. The court shall not consider the disability of a prospective guardian to be the sole factor in the court's determination to approve or deny the appointment of a guardian pursuant to this part. If the court makes a determination to deny guardianship to a person who is disabled, the court shall make specific written findings stating the basis for this determination. The party attempting to demonstrate that the disability of a prospective guardian impairs the prospective guardian's ability to parent must prove that the disability is a factor, and demonstrate a clear nexus between the disability and the alleged parental deficiency."

SECTION 4. Chapter 571, Hawaii Revised Statutes, is amended by adding a new section to part V to be appropriately designated and to read as follows:

"§571- Criteria and procedure in awarding custody and visitation; disability. The court shall not consider the disability of a person seeking custody or visitation of a minor to be the sole factor in the court's determination made pursuant to this part. If the court makes a determination to deny custody or visitation to a person who is disabled, the court shall make specific written findings stating the basis for this determination. The party attempting to demonstrate that the disability of a person seeking custody or visitation impairs the person's ability to parent must prove that the disability is a factor, and demonstrate a clear nexus between the disability and the alleged parental deficiency."

SECTION 5. Chapter 587A, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

"§587A- Safe family home factors; disability. The court shall not consider the disability of a parent or caregiver to be the sole factor in the court's determination made pursuant to this part. If the court makes a determination that a child's family is unable to provide a safe family home and one or more of the child's parents or caregivers are disabled, the court shall make specific written findings stating the basis for this determination. The party attempting to demonstrate that the disability of a parent or caregiver impairs the parent's or caregiver's ability to parent must prove that the disability is a factor, and demonstrate a clear nexus between the disability and the alleged parental deficiency."

SECTION 6. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 7. New statutory material is underscored.¹

SECTION 8. This Act shall take effect upon its approval. (Approved July 5, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 260

S.B. NO. 972

A Bill for an Act Relating to Ship Repair Industry.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Pearl Harbor Naval Shipyard, one of four naval shipyards in the United States, comprises six per cent of Hawaii's gross domestic product. While the submarine footprint in Pearl Harbor will continue to grow slightly by 2025, the surface combatant fleet currently homeported in Pearl Harbor may be significantly reduced.

Based on the current Navy Workload Schedules, there are plans to relocate surface ships to San Diego for deep maintenance, with some of these ships at risk of not returning. These types of surface vessel repairs are typically outsourced to private-sector ship repair companies and constituted a major part of the estimated \$180,000,000 to \$200,000,000 in civilian ship repair activities in Hawaii during 2018.

The legislature finds that the impact of losing surface vessel repair work would be far-reaching and would directly cause the loss of military jobs associated with surface ships. The Navy's drydock capacity shortfalls will refocus nearly one hundred per cent of the current Pearl Harbor drydock capacity on submarine maintenance and displace nearly all surface ship drydock maintenance and modernization to the west coast. The adverse economic impacts of displaced ship repair activities over the next seven years include the loss of nearly \$1,310,000,000 in Hawaii gross domestic product, \$351,000,000 in lost labor earnings, and an annual average decrease of nine hundred jobs each year. The loss of Navy surface ship drydock maintenance to the Pearl Harbor private-sector ship repair community would significantly diminish the local ship repair industry to an unrecoverable degree.

The legislature further finds that the construction of a purpose-built floating drydock capable of accommodating any of the submarines and surface ships currently in and planned for at Pearl Harbor represents the best mitigating solution for the State. This floating drydock will protect private-sector maritime jobs that are expected to be lost and will stimulate overall job growth in the ship repair industry, prevent the erosion of Hawaii's private ship repair capability, and provide greater strength and stability to the Navy's Mid-Pacific Surface Force. The legislature believes that a ship repair industry tax credit will ultimately result in a fifth drydock. Given that a drydock's life cycle is fifty years or more, additional Pearl Harbor drydocking capacity will benefit the State's economy well into the future. The purpose of this Act is to establish the ship repair industry tax credit to incentivize construction of a new drydock at Pearl Harbor for use by the United States Navy.

SECTION 2. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§235- Ship repair industry tax credit. (a) There shall be allowed to each taxpayer subject to the taxes imposed by this chapter a ship repair industry tax credit that shall be deductible from the taxpayer's net income tax liability, if any, imposed by this chapter.

(b) The amount of the tax credit shall be equal to thirty per cent of the ship repair industry costs paid or incurred by the qualified entity to design and construct the purpose-built floating dry dock to be used by the United States Navy in Pearl Harbor; provided that:

- (1) A qualified entity may form a special purpose entity for the purposes of raising investor capital and claiming the credit on behalf of the qualified entity;
- (2) The qualified entity, together with all of its special purpose entities, including all partners and members of the qualified entity and its special purpose entities, shall not claim any credit in any one taxable year that exceeds \$6,000,000; however, if the total amount of credits applied for in any particular year exceeds the aggregate amount of credits allowed for such year under this section, the excess shall be treated as having been applied for in the subsequent year and shall be claimed in such year; provided that no excess shall be allowed to be claimed after December 31, 2026; and
- (3) In no event shall a qualified entity or any of its special purpose entities or any other taxpayer claim a credit under this section prior to January 1, 2022, or after December 31, 2026.

A qualified entity shall become eligible to claim a credit under this section only after construction of the floating drydock has been completed and the floating drydock has been placed into service.

(c) In the case of an entity taxed as a partnership, credit shall be determined at the entity level, but distribution and share of the credit may be determined notwithstanding sections 704 or 706 of the Internal Revenue Code.

(d) The credit allowed under this section shall be claimed against the net income tax liability for the taxable year. If the tax credit under this section exceeds the taxpayer's income tax liability, the excess of the tax credit over liability may be used as a credit against the taxpayer's net income tax liability in subsequent years until exhausted. All claims, including amended claims, for a tax credit under this section shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit.

(e) The director of taxation shall prepare any forms that may be necessary to claim a credit under this section. The director may also require the taxpayer to furnish information to ascertain the validity of the claim for credit made under this section. The director of taxation may adopt rules to effectuate the purposes of this section pursuant to chapter 91.

(f) Any taxpayer claiming a tax credit under this section, within ninety days of the end of the calendar year in which the credit is properly claimable, shall submit the following information to the department of taxation:

(1) The amount of the eligible costs for which the tax credit may be claimed; and

(2) The qualified entity that incurred the costs.

Failure to timely submit the information shall be subject to a penalty of \$5,000 per month or a fraction thereof, not to exceed \$25,000.

(g) This section shall not apply to taxable years beginning after December 31, 2026.

(h) For the purpose of this section:

"Net income tax liability" means income tax liability reduced by all other credits allowed under this chapter.

"Qualified entity" means an entity with the principal purpose of facilitating and enhancing the ship repair business in the State and that is involved in the design and construction of a purpose-built floating drydock to be used by the United States Navy in Pearl Harbor.

"Ship repair industry costs" means capital expenditures, as used in section 263 of the Internal Revenue Code and the regulations promulgated thereunder, or capital expenditures for real property, fixtures, structures, machinery, equipment, or capital assets that are paid or incurred in connection with the construction of a purpose-built floating drydock; provided that the ship repair industry costs shall not include amounts for which another credit is claimed or any amounts received in any form from the State."

SECTION 3. Section 235-17.5, Hawaii Revised Statutes, is repealed.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on January 1, 2020, and shall apply to taxable years beginning after December 31, 2021.

(Approved July 5, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 261

S.B. NO. 1314

A Bill for an Act Relating to Tax Credits.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. Section 235-20.5, Hawaii Revised Statutes, is amended to read as follows:

"§235-20.5 Tax administration special fund; established. (a) There is established a tax administration special fund, into which shall be deposited:

- (1) Fees collected under sections 235-20[,] and 235-110.9[, and 235-110.91];
- (2) Revenues collected by the special enforcement section pursuant to section 231-85; provided that in each fiscal year, of the total revenues collected by the special enforcement section, all revenues in excess of \$2,000,000 shall be deposited into the general fund; and
- (3) Fines assessed pursuant to section 237D-4.
- (b) The moneys in the fund shall be used for the following purposes:

- (1) Issuing comfort letters, letter rulings, written opinions, and other guidance to taxpayers;
- (2) Issuing certificates under sections 235-110.9 [and 235-110.91];
- (3) Administering the operations of the special enforcement section;
- (4) Funding support staff positions in the special enforcement section; and
- (5) Developing, implementing, and providing taxpayer education programs, including tax publications."

SECTION 2. Section 235-110.91, Hawaii Revised Statutes, is amended to read as follows:

"§235-110.91 Tax credit for research activities. (a) Section 41 (with respect to the credit for increasing research activities) and section 280C(c) (with respect to certain expenses for which the credit for increasing research activities are allowable) of the Internal Revenue Code shall be operative for the purposes of this chapter as provided in this section; provided that the federal tax provisions in section 41 of the Internal Revenue Code, as that section was enacted on December 31, 2011, irrespective of any subsequent changes to section 41 of the Internal Revenue Code, as enacted on December 31, 2011, irrespective of any subsequent code, as enacted on December 31, 2011, irrespective of any subsequent amendments to section 41 of the Internal Revenue Code, as enacted on December 31, 2011, irrespective of any subsequent amendments to section 41 of the Internal Revenue Code, shall apply only to expenses incurred for qualified research activities after December 31, 2012.

(b) All references to Internal Revenue Code sections within sections 41 and 280C(c) of the Internal Revenue Code shall be operative for purposes of this section[-]; provided that references to the base amount in section 41 of the Internal Revenue Code shall not apply, and credit for all qualified research expenses may be taken without regard to the amount of expenses for previous years.

(c) There shall be allowed to each qualified high technology business subject to the tax imposed by this chapter an income tax credit for qualified research activities equal to the credit for research activities provided by section 41 of the Internal Revenue Code and as modified by this section; provided that, in addition to any other requirements established in this section, in order to qualify for the tax credit established in this section, the qualified high technology business shall also claim a federal tax credit for the same qualified research activities under section 41 of the Internal Revenue Code, as enacted on December 31, 2011, irrespective of any subsequent amendments to section 41 of the Internal Revenue Code. The credit shall be deductible from the taxpayer's net income tax liability, if any, imposed by this chapter for the taxable year in which the credit is properly claimed.

(d) Every qualified high technology business, before March 31 of each year in which qualified research and development activity was conducted in the previous taxable year, shall submit a written, certified statement to the [director of taxation] department of business, economic development, and tourism identifying:

- (1) Qualified expenditures, if any, expended in the previous taxable year; and
- (2) The amount of tax credits claimed pursuant to this section, if any, in the previous taxable year.
- (e) The department of business, economic development, and tourism
- (1) Maintain records of the names and addresses of the taxpayers claiming the credits under this section and the total amount of the

shall:

qualified research and development activity costs upon which the tax credit is based;

- (2) Verify the nature of the qualifying research activity and the amount of the qualifying costs or expenditures;
- (3) Total all qualifying and cumulative costs or expenditures that the department certifies; and
- (4) Certify the amount of the tax credit for each taxable year and cumulative amount of the tax credit.

Upon each determination made under this subsection, the department <u>of business, economic development, and tourism</u> shall issue a certificate to the taxpayer verifying information submitted to the department[<u>-]</u> <u>of business, economic development, and tourism</u>, including the qualifying costs or expenditure amounts, the credit amount certified for each taxable year, and the cumulative amount of the tax credit during the credit period. The taxpayer shall file the certificate with the taxpayer's tax return with the department[<u>-] of taxation. Not-withstanding the authority of the department of business, economic development, and tourism under this section, the director of taxation may audit and adjust the tax credit amount to conform to the facts.</u>

The [director of taxation] department of business, economic development, and tourism may assess and collect a fee to offset the costs of certifying tax credit claims under this section. [All fees collected under this section shall be deposited into the tax administration special fund established under section 235-20.5.

(f) As used in this section:

"Qualified high technology business" shall have the same meaning as in section 235-7.3(c).

"Qualified research" shall have the same meaning as in section 41(d) of the Internal Revenue Code.

"Qualified research expenses" shall have the same meaning as in section 41(b) of the Internal Revenue Code; provided that it shall not include research expenses incurred outside of the State.]

(f) If in any taxable year the annual amount of certified credits reaches \$5,000,000 in the aggregate, the department of business, economic development, and tourism shall immediately discontinue certifying credits and notify the department of taxation. In no instance shall the department of business, economic development, and tourism certify a total amount of credits exceeding \$5,000,000 per taxable year. To comply with this restriction, the department of business, economic development, and tourism shall certify credits on a first come, first served basis.

The department of taxation shall not allow the aggregate amount of credits claimed to exceed that amount per taxable year.

(g) If the tax credit for qualified research activities claimed by a taxpayer exceeds the amount of income tax payment due from the taxpayer, the excess of the tax credit over payments due shall be refunded to the taxpayer; provided that no refund on account of the tax credit allowed by this section shall be made for amounts less than \$1.

(h) All claims for a tax credit under this section shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to properly claim the credit shall constitute a waiver of the right to claim the credit.

(i) A qualified high technology business that claims the credit under this section shall complete and file with the department of business, economic development, and tourism, through that department's website, an annual survey on electronic forms prepared and prescribed by the department of business, economic development, and tourism. The annual survey shall be filed before June 30 of each calendar year following the calendar year in which the credit may be claimed under this section. The department of business, economic development, and tourism may adjust the due date of the annual survey by rules adopted pursuant to chapter 91.

(j) The annual survey under subsection (i) shall include the following information for the time period or periods specified by the department of business, economic development, and tourism:

- Identification of the industry sector or sectors in which the qualified high technology business conducts business, as set forth in paragraphs (2) to (8) of the definition of "qualified research" in section 235-7.3(c);
- (2) Total expenditures and the qualified expenditures, if any, expended in the previous taxable year;
- (3) Revenue and expense data, including a breakdown of any licensing royalty or other forms of income generated from intellectual property;
- (4) Hawaii employment and wage data, including the numbers of fulltime and part-time employees retained, new jobs, temporary positions, external services procured by the business, and payroll taxes;
- (5) Filed intellectual property, including invention disclosures, provisional patents, and patents issued or granted; and
- (6) The number of new companies spun out or established to commercialize the intellectual property owned by the qualified high technology business.

The department of business, economic development, and tourism shall request information in each of these categories sufficient to measure the effectiveness of the tax credit under this section. The department of business, economic development, and tourism may request any additional information necessary to measure the effectiveness of the tax credit, such as information related to patents. In preparing the survey and requesting any additional information, the department of business, economic development, and tourism shall ensure that qualified high technology businesses are not subject to duplicative reporting requirements.

(k) The department of business, economic development, and tourism shall use information collected under this section and through its other reporting requirements to prepare summary descriptive statistics by category. The information shall be reported at the aggregate level to prevent compromising identities of qualified high technology business investors or other confidential information. The department of business, economic development, and tourism shall also identify each qualified high technology business that <u>applies for or</u> is the beneficiary of tax credits claimed under this section. The department of business, economic development, and tourism shall report the information required under this subsection to the legislature by September 1 of each year.

(1) The department of business, economic development, and tourism, in collaboration with the department of taxation, shall use the information collected to study the effectiveness of the tax credit under this section. The department of business, economic development, and tourism shall submit a report to the legislature on the following:

- (1) The amount of tax credits claimed and total taxes paid by qualified high technology businesses;
- (2) The number of qualified high technology businesses in each industry sector;
- (3) The numbers and types of jobs created by qualified high technology businesses;

- (4) External services and materials procured by the businesses;
- (5) The compensation levels of jobs provided by qualified high technology businesses;
- (6) Qualified research activities; and
- (7) Any other factors the department of business, economic development, and tourism deems relevant.

The department of business, economic development, and tourism shall submit the report to the legislature by September 1 of each year.

(m) The director of taxation may adopt any rules under chapter 91 and forms necessary to carry out this section.

(n) This section shall not apply to taxable years beginning after December 31, [2019.] 2024.

(o) As used in this section:

"Qualified high technology business" shall have the same meaning as in section 235-7.3(c).

"Qualified research" shall have the same meaning as in section 41(d) of the Internal Revenue Code.

"Qualified research expenses" shall have the same meaning as in section 41(b) of the Internal Revenue Code; provided that it shall not include research expenses incurred outside of the State."

PART II

SECTION 3. Section 235-110.91, Hawaii Revised Statutes, is repealed.

PART III

SECTION 4. Statutory material to be repealed is bracketed and stricken.¹ New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval; provided that:

- (1) Section 2 shall apply to taxable years beginning after December 31, 2019; and
- (2) Part II shall take effect on December 31, 2024.

(Approved July 5, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 262

S.B. NO. 1404

A Bill for an Act Relating to Loan Repayment for Health Care Professionals.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that many Hawaii residents are unable to obtain timely and appropriate health care due to shortages of primary health care providers in the State. These shortages not only threaten individual health but also cumulatively affect the State's health care costs. Rural areas of Hawaii, which have been designated by the federal government as medically underserved areas, have been most significantly affected by shortages of primary and behavioral health care providers. Social workers, marriage and family therapists, and nurses are also urgently needed. In many cases, the increasingly high cost of education for health care professionals binds graduates to a career path that provides sufficient income to repay often exorbitant student loans. These career paths most frequently lead to professional practice in highly specialized areas of care in urban areas rather than in general practice on the neighbor islands or in rural areas, where the need is greatest. The legislature further finds that counties in the United States with robust primary health care systems have lower costs and improved patient outcomes. Recognizing this correlation, many states have made the policy decision to dedicate public funds to the development of a strong primary health care workforce.

The only loan repayment program currently available in the State is administered by the John A. Burns school of medicine at the University of Hawaii at Manoa. This program leverages private donations to access matching federal funds through the State Loan Repayment Program of the National Health Service Corps of the Department of Health and Human Services. Since September 1, 2012, the loan repayment program has supported forty-two recipients in exchange for work in underserved geographic and practice areas in Hawaii. Currently, health care professionals who have benefited from the loan repayment program serve the communities of Waianae, Hilo, and Wailuku; at health clinics in Kalihi-Palama Health Center, Queen Emma Clinic, and Waikiki Health Center; and in public institutional settings at the Federal Detention Center in Honolulu and the Halawa correctional facility.

The legislature recognizes the considerable public outcomes achieved from the general funds allocated in each year of the 2017-2019 biennium to educate, train, and facilitate health care professionals to work in underserved areas. At this time, the loan repayment program supports twenty-four providers in Hawaii.

The purpose of this Act is to appropriate funds to the department of health to fund the health care provider loan repayment program administered through the John A. Burns school of medicine to provide loan repayment for physicians, physician assistants, psychologists, nurse practitioners, social workers, marriage and family therapists, and nurses who agree to work in a federallydesignated health professional shortage area or in a geographic area of Hawaii found to be underserved.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the health care provider loan repayment program; provided that no funds shall be released unless matched on a dollar-for-dollar basis by funds from a private or another public source.

The sum appropriated shall be expended by the department of health in coordination with the John A. Burns school of medicine at the University of Hawaii at Manoa for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

ACT 263

S.B. NO. 1494

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) There is established within the department of health a working group to evaluate current behavioral health care and related systems and identify steps that may be taken to promote effective integration to more effectively respond to and coordinate care for persons experiencing substance abuse, mental health conditions, and homelessness.

- (b) The working group shall consist of the following members:
- (1)The director of health, or the director's designee, who shall serve as chair:
- One representative from the behavioral health services administra-(2)tion of the department of health;
- (3) One representative of the department of public safety;
- One representative from the med-QUEST division of the depart-(4)ment of human services:
- One representative of the judiciary: (5)
- (6) One representative from the insurance division of the department of commerce and consumer affairs;
- (7)One or more representatives of the Hawaii Opioid Initiative executive steering committee;
- (8) One representative from each entity operating a health plan in the State, who the director of health shall invite to participate on the working group;
- (9) One or more members of the Hawaii Substance Abuse Coalition, who the director of health shall invite to participate on the working group;
- One representative of the Hawaii interagency council on (10)homelessness;
- (11)One clinical social worker licensed under chapter 467E, Hawaii Revised Statutes; and
- (12)Others as recommended by the working group.
- (c)
- The working group shall evaluate: Inventory of funding streams and their metrics; (1)
- (2)Currently existing barriers to treatment access;
- (3)Policies and practices that perpetuate or substantially contribute to access barriers;
- (4) Practices that would improve care coordination and increase access to care:
- (5) Policies or legislative actions that are recommended to effectuate coordinated entry and coordinated systems of behavioral health care; and
- (6) Defined roles and responsibilities recommended of state, county, and community entities.

(d) Members of the working group shall serve without compensation, but shall be reimbursed for reasonable expenses necessary for the performance of their duties, including travel expenses. No member of the working group shall be subject to chapter 84, Hawaii Revised Statutes, solely because of the member's participation in the working group.

Two or more members of the working group, but less than the num-(e) ber of members which would constitute a quorum for the working group, may discuss between themselves matters relating to official business of the working group to enable them to faithfully perform their duties to the working group and the organizations they represent, as long as no commitment to vote is made or sought. Such discussions shall be a permitted interaction under section 92-2.5, Hawaii Revised Statutes.

The working group shall submit a report of its findings and recom-(f) mendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

(g) The working group shall be dissolved on June 30, 2021.

SECTION 2. This Act shall take effect on July 1, 2019. (Approved July 5, 2019.)

ACT 264 H.B. NO. 1547

A Bill for an Act Making an Appropriation to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$4,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for athletics at the University of Hawaii.

The sums appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2019. (Approved July 8, 2019.)

ACT 265

H.B. NO. 654

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that liver cancer in Hawaii occurs at extremely high rates. According to the United States Centers for Disease Control and Prevention and the Hawaii Tumor Registry, Hawaii has had the highest or second-highest rate of liver cancer among all of the states in recent years.

Every year in Hawaii there are one hundred eighty-four newly diagnosed cases of liver cancer, including bile duct cancer, according to the Hawaii Tumor Registry. From 2004 to 2013, available data on liver cancer indicates an annual increase in Hawaii of 2.1 per cent in males and 1.3 per cent in females, while the incidence of many other cancers such as colon, lung, prostate, and stomach cancer declined. There are currently about one thousand patients in Hawaii fighting liver cancer and bile duct cancer, both of which are almost always fatal.

The legislature further finds that liver cancer, which starts in the liver and includes bile duct cancer, is most commonly caused by the hepatitis B virus, hepatitis C virus, and heavy alcohol consumption. In Hawaii, however, these factors are near the national average, which suggests that other factors may be contributing to the high occurrence of liver cancer in the State. Other factors that can cause liver cancer are non-alcoholic steatohepatitis (NASH or fatty liver); infectious agents such as liver fluke, a type of parasitic flatworm found in fish, shrimp, and vegetables grown in fresh water; and consumption of foods containing aflatoxins, a fungus abundant in warm and humid regions that can grow on foods, such as grains and nuts that are stored improperly. Almost all of these possible etiologies lead to chronic inflammation in the bile ducts. Such inflammation can result in genetic alterations in the liver and bile ducts, which predispose individuals to the development of cancer. The precise etiology of the increased incidence of liver and bile duct cancer in Hawaii is not known. Understanding this is essential in order to implement appropriate public health interventions to decrease the burden of this disease. Recent research at the University of Hawaii cancer center suggests that many individuals who are not obese can accumulate liver fat insidiously that may predispose them to cancer. Also, the prevalence of aflatoxins and cancer-causing liver fluke infections in Hawaii is not well-defined.

In addition, liver and bile duct cancer has racial and ethnic predispositions, with the highest incidence and mortality rates seen in Native Hawaiian males and Chinese females. The reason for the racial and ethnic disparities requires further study but may possibly be related to environmental exposures.

In order to better understand the etiologies of liver and bile duct cancer, the high incidence of this disease compared to other states, and the racial and ethnic disparities, the University of Hawaii cancer center is proposing a threeyear study with the following goals:

- (1) Examine the incidence of insidious fatty liver across diverse population groups in Hawaii and correlate with environmental and dietary exposures that may be causative;
- (2) Define the incidence of liver fluke infection and aflatoxin exposure in diverse population groups in Hawaii, correlate exposure to the development of chronic liver inflammation and cancer, develop biomarkers that can be utilized for diagnostic and prognostic purposes in exposed individuals, and develop cancer prevention interventions to mitigate the risk of future liver cancer development; and
- (3) Identify additional biomarkers, such as bile acid or intestinal microbiome composition, that may correlate with the development of liver and bile duct cancer in order to inform public health interventions for liver and bile duct cancer prevention.

Liver cancer is the leading cause of cancer deaths worldwide, but accounts for only 2.4 per cent of all new cancer cases in the United States. Therefore, it has not been a high priority for research funding from the National Institutes of Health. Since liver cancer is so widespread in Hawaii, where it is the fifth most common cause of cancer mortality, more resources need to be devoted to research. The University of Hawaii cancer center is preparing to examine the causes of liver and bile duct cancer with specific attention to disparities across different racial and ethnic groups in order to inform public health and medical interventions to reduce the burden of this disease.

The purpose of this Act is to appropriate funds to the University of Hawaii cancer center to determine the etiologies of the high incidence of liver and bile duct cancer in Hawaii.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$350,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the University of Hawaii cancer center to determine the etiologies of the high incidence of liver and bile duct cancer in Hawaii.

The sums appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 3. The University of Hawaii cancer center shall submit a report of its findings, including how the appropriated funds were spent, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 4. This Act shall take effect on July 1, 2019. (Approved July 8, 2019.)

ACT 266

A Bill for an Act Relating to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Filipino community in the State has grown since the first immigrants arrived from the Philippines in 1906. In the most recent United States Census Bureau's American FactFinder, people of Filipino ancestry were identified as the second-largest ethnic group in Hawaii, with fifteen per cent of residents identifying themselves as Filipino alone and twenty-six per cent of residents identifying themselves as Filipino and another race. The legislature finds that, in Hawaii, only seventeen per cent of residents of Filipino ancestry have a postsecondary degree, compared with forty-two per cent of residents of Caucasian ancestry and thirty-five per cent of residents of Japanese ancestry.

The legislature also finds that, at twenty-three per cent of the State's student population, students of Filipino ancestry are the second-largest ethnic group in the department of education. These students represent more than half of the student population at Farrington high school, Waipahu high school, Lanai high school, and Lanai elementary school.

The legislature further finds that, despite their high representation in the general population and in schools within the department of education, students of Filipino ancestry are underrepresented in the University of Hawaii system. While students of Filipino ancestry are well-represented at the University of Hawaii west Oahu and the University of Hawaii's community colleges at thirty-two per cent and twenty-five per cent of the student population, respectively, students of Filipino ancestry are severely underrepresented at the University of Hawaii at Manoa, comprising only ten per cent of undergraduate students and four per cent of graduate students. While students of Filipino ancestry outperform their non-Filipino peers in degree attainment at the University of Hawaii's community colleges to four-year campuses is low. Further, only five per cent of the University of Hawaii system's faculty are of Filipino ancestry, and only three per cent of faculty at the University of Hawaii at Manoa are of Filipino ancestry.

In 2008, the legislature adopted Senate Concurrent Resolution No. 120, requesting the University of Hawaii and the department of education to submit a report to the legislature on a plan to develop, offer, and expand Philippine language courses at public schools and University of Hawaii campuses. More than twenty Filipino community and student groups supported S.C.R. No. 120, in addition to the Filipino legislative caucus in the house of representatives, the University of Hawaii, and the department of education.

In response to S.C.R. No. 120, the University of Hawaii submitted a report recommending the establishment of a committee to consider the following tasks:

- (1) Surveying Philippine language courses and courses with significant Philippine or Filipino ethnic content;
- (2) Identifying and supporting public schools and University of Hawaii campuses interested in offering new classes or expanding access to existing courses in Ilokano and Tagalog and related areas;
- (3) Incorporating appropriate language and culture in pre-college and college recruitment and retention activities;
- (4) Offering workshops, mentoring, and other professional development activities for Ilokano and Tagalog language teachers;

- (5) Seeking funds for student support, co-curricular activities, and Philippine language courses; and
- (6) Requesting advice and resources from San Diego Philippine language experts, Hawaii organizations, such as KNDI radio and the Filipino Community Center, and other resources.

The legislature further finds that the University of Hawaii Pamantasan Council, with representation from Filipino students, faculty, and administrators, organizes annual conferences and periodic workshops on the status and aspirations of Filipinos at the University of Hawaii. The Pamantasan Council was established in 1987 to address:

- (1) Filipino student, faculty, and staff representation and success;
- (2) Philippine and Filipino-American courses in the curriculum;
- (3) Filipinos in the department of education;
- (4) Filipinos in jobs, careers, and community service; and
- (5) Relations between Philippine and American higher education institutions.

Furthermore, the Pamantasan Council has the capacity to engage in substantive discussions with and reach out to community groups, private organizations, and state agencies to improve the status of Filipino education at the University of Hawaii and the department of education.

The legislature finds that the activities proposed by the different campuses require funds and positions to ensure adequate faculty, student service personnel, lecturers, graduate assistants, and student staff. Over the years, the Pamantasan Council has identified priority activities to increase access and diversity by supporting annual conferences, workshops, curriculum development, exchange programs, internships, neighbor island travel, library material, distance education units, and community partnerships. As part of its duties, the Pamantasan Council multicampus program supports the University of Hawaii's Hawaii Graduation Initiative to "increase the educational capital of the state by increasing the participation and completion of students... and preparing them for success in the workforce and their communities."

Increased coordination, additional resources, and expansion of Philippine studies, Philippine language courses, and content on the Filipino-American experience in the University of Hawaii system and the department of education will increase academic interest, student success, and graduation among Filipino students.

The legislature further finds that support from the Filipino community will increase the representation of Filipino students and professionals in the education, health, legal, business, science, technology, engineering, and mathematics fields. In particular, the Pamantasan Council will provide insight to University of Hawaii administrators and other policy makers on programs and policies related to Philippine courses and Filipino students.

Accordingly, the purpose of this Act is to provide additional resources to the University of Hawaii Pamantasan Council to help the State and the University of Hawaii meet strategic goals for access, diversity, and workforce development.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$195,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 to fund two full-time equivalent positions (2.0 FTE) for the University of Hawaii system-wide Pamantasan Council, including instructional faculty, student personnel, and graduate assistantships.

The sums appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019. (Approved July 8, 2019.)

ACT 267 S.B. NO. 1394

A Bill for an Act Relating to Historic Preservation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§235- Historic preservation income tax credit. (a) Notwithstanding any law to the contrary, there shall be allowed to each taxpayer subject to the tax imposed by this chapter a historic preservation income tax credit for substantial rehabilitation of a certified historic structure that shall be deductible from the taxpayer's net income tax liability, if any, imposed by this chapter for the taxable year in which the tax credit is properly claimed.
(b) In the case of a partnership, S corporation, estate, trust, or any de-

(b) In the case of a partnership, S corporation, estate, trust, or any developer of a rehabilitated certified historic structure, the tax credit allowable shall be as provided under subsection (d) for the taxable year. The cost upon which the credit is computed shall be determined at the entity level and the distribution and share of the tax credit shall be determined pursuant to section 704(b) of the Internal Revenue Code.

If a deduction is taken under section 179 (with respect to election to expense depreciable business assets) of the Internal Revenue Code, no tax credit shall be allowed for that portion of the qualified expense for which the deduction is taken.

The basis of eligible property for depreciation or accelerated cost recovery system purposes for state income taxes shall be reduced by the amount of credit allowable and claimed. In the alternative, the taxpayer shall treat the amount of the credit allowable and claimed as a taxable income item for the taxable year in which it is properly recognized under the method of accounting used to compute taxable income.

(c) The amount of a historic preservation income tax credit that is certified by qualified staff of the state historic preservation division of the department of land and natural resources shall be thirty per cent of the qualified rehabilitation expenditures.

(d) The tax credit allowed under this section shall be available in the taxable year in which the substantially rehabilitated certified historic structure is placed into service. In the case of projects completed in phases, the tax credit shall be prorated to the substantially rehabilitated identifiable portion of the certified historic structure placed into service during that taxable year.

(e) If the tax credit under this section exceeds the taxpayer's income tax liability, the excess of the credit over liability may be used as a credit against the taxpayer's income tax liability in subsequent years until either the credit is exhausted, or for a period of ten years, whichever is earlier.

All claims for the tax credit under this section, including amended claims, shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit.

(f) The state historic preservation division shall adopt rules pursuant to chapter 91 establishing standards and criteria for the approval of rehabilita-

tion of certified historic structures for which the tax credit under this section is sought. These standards and criteria shall take into account whether the rehabilitation of a certified historic structure will preserve the historic character of the building.

(g) Following the completion of rehabilitation of a certified historic structure:

- (1) The taxpayer shall notify the state historic preservation division that the rehabilitation has been completed and shall provide the state historic preservation division with documentation and certification of the costs incurred in rehabilitating the historic structure;
- (2) Qualified staff of the state historic preservation division shall review the rehabilitation and verify the rehabilitation project's compliance with the rehabilitation plan;
- (3) Upon each determination made under this subsection, the state historic preservation division shall issue a certificate to the taxpayer verifying that the rehabilitation has been completed in accordance with the approved rehabilitation plan; and
- (4) The taxpayer shall file the certificate with the taxpayer's tax return with the department.

The department of land and natural resources may offset the costs of certifying tax credit claims under this section by assessing and collecting a fee, which shall be deposited into the Hawaii historic preservation special fund established under section 6E-16.

(h) The director of taxation shall prepare any forms that may be necessary to claim the tax credit under this section. The director may also require the taxpayer to furnish reasonable information to ascertain the validity of the claim for credit made under this section and may adopt rules necessary to effectuate the purposes of this section pursuant to chapter 91.

(i) The aggregate amount of the tax credits claimed for qualified rehabilitation projects shall not exceed:

- (1) \$1,000,000 for the 2020 taxable year;
- (2) \$1,000,000 for the 2021 taxable year;
- (3) \$1,000,000 for the 2022 taxable year;
- (4) \$1,000,000 for the 2023 taxable year; and
- (5) \$1,000,000 for the 2024 taxable year.

(j) Each taxpayer claiming a tax credit under this section, no later than the last day of the twelfth month following the close of the taxable year in which qualified costs were expended, shall submit a written, certified statement to the state historic preservation division containing the qualified rehabilitation expenditures incurred by the taxpayer and any other information the state historic preservation division or department of taxation may require.

Any taxpayer failing to submit information to the state historic preservation division in a manner prescribed by the state historic preservation division prior to the last day of the twelfth month following the close of the tax year in which qualified costs were expended shall not be eligible to receive the tax credit for those expenses, and any credit already claimed for that taxable year shall be recaptured in total. The amount of the recaptured tax credit shall be added to the taxpayer's tax liability for the taxable year in which the recapture occurs.

All information in the statement submitted under this section shall be a public document, except for information that is otherwise exempt from public disclosure in accordance with chapter 92F.

(k) Recapture of a previously claimed tax credit shall be required from any taxpayer who received a credit under this section if any of the following occur:

- (1) The projected qualified expenditures do not materialize; or
- (2) The rehabilitation of the certified historic structure does not proceed in a timely manner and in accordance with the approved rehabilitation plan.

Any credit under this section shall be recaptured following the close of the taxable year for which the credit is claimed if the department of land and natural resources notifies the department that the taxpayer has failed to comply with the requirements of this section or its related rules promulgated by the state historic preservation division.

(Î) The state historic preservation division, in consultation with the department of taxation, shall determine the information necessary to enable a quantitative and qualitative assessment of the outcomes of the tax credit and submit a report to the legislature evaluating the effectiveness of the tax credit no later than twenty days prior to the convening of each regular legislative session. The report shall include findings and recommendations to improve the effectiveness of the tax credit in order to further encourage the rehabilitation of historic properties.

(m) For the purposes of this section:

"Certified historic structure" means any structure that is:

- (1) Individually listed in the Hawaii register of historic places or the national register of historic places;
- (2) Located in a historic district that is listed in the Hawaii register of historic places or the national register of historic places, and certified by the state historic preservation division as contributing to the significance of the historic district; or
- (3) A structure that the state historic preservation division has determined to be eligible for inclusion in the Hawaii register of historic places, and that is subsequently listed in the Hawaii register of historic places by the date of certification by the administrator of the state historic preservation division in accordance with subsection (g).

"Qualified rehabilitation expenditures" means any costs incurred for the physical rehabilitation, renovation, or construction of a certified historic structure pursuant to a rehabilitation plan; provided that the term shall not include the taxpayer's personal labor.

"Qualified staff" means a staff person meeting the Secretary of the Interior's Historic Preservation Professional Qualification Standards for an architectural historian or historic architect.

"Rehabilitation plan" means any construction plans and specifications for the proposed rehabilitation of a historic structure in sufficient detail for evaluation of compliance with the rules adopted by the state historic preservation division.

"Substantial rehabilitation" means that the qualified rehabilitation expenditures on a certified historic structure exceed twenty-five per cent of the assessed value of the structure."

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect on July 1, 2019, and shall be repealed on December 31, 2024.

(Approved July 8, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 268

H.B. NO. 1586

A Bill for an Act Relating to the Structure of Government.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 206E, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . STADIUM DEVELOPMENT DISTRICT

§206E- Stadium development district; purpose; findings. The legislature finds that the aloha stadium and lands under the jurisdiction of the stadium authority and department of accounting and general services are underutilized. The stadium facility has been in dire need of significant repair and maintenance for many years. The stadium authority has considered repairing, upgrading, and replacing the existing facility to optimize the public's enjoyment and ensure public safety. Redeveloping, renovating, or improving these public lands in a manner that will provide suitable recreational, residential, educational, and commercial areas, where the public can live, congregate, recreate, attend schools, and shop, as part of a thoughtfully integrated experience, is in the best interests of the State and its people.

This part establishes the stadium development district to make optimal use of public land for the economic, residential, educational, and social benefit of the people of Hawaii.

The legislature finds that the jurisdiction of the authority shall include development within the stadium development district. Any development within the district shall require a permit from the authority.

§206E- Definitions. As used in this part, unless the context otherwise requires:

"District" means the stadium development district established by this part.

§206E- District; established; boundaries. (a) The stadium development district is established and shall be composed of all land under the jurisdiction of the stadium authority established pursuant to section 109-1.

(b) The authority shall facilitate the development of all property belonging to the State within the district; provided that development is carried out in accordance with any county transit-oriented development plans for lands surrounding the district. In addition to any other duties that the authority may have pursuant to this chapter, the authority's duties shall include:

- (1) Coordinating with the federal government regarding the ownership and use of, or restrictions on, properties within the district that were previously owned or are currently owned by the federal government;
- (2) Coordinating with other state entities during the conveyance of properties and conducting remediation activities for the property belonging to the State within the district;
- (3) Developing the infrastructure necessary to support the development of all property belonging to the State within the district; and
- (4) Providing, to the extent feasible, maximum opportunity for the reuse of property belonging to the State within the district by private enterprise or state and county government.

§206E- Development guidance policies. The following shall be the development guidance policies generally governing the authority's actions in the district:

- (1) Development shall be in accordance with any county transit-oriented development plan, unless modified by the authority pursuant to paragraph (2);
- (2) With the approval of the governor, the authority, upon the concurrence of a majority of its voting members, may modify and make changes to a transit-oriented development plan with respect to the district to respond to changing conditions; provided that before amending a transit-oriented development plan, the authority shall conduct a public hearing to inform the public of the proposed changes and receive public input;
- (3) The authority shall seek to promote economic development and employment opportunities by fostering diverse land uses and encouraging private sector investments that use the opportunities presented by the high-capacity transit corridor project consistent with the needs of the public, including mixed use housing and housing in transit-oriented developments;
- (4) The authority may engage in planning, design, and construction activities within and outside the district; provided that activities outside the district shall relate to infrastructure development, area-wide drainage improvements, roadway realignments and improvements, business and industrial relocation, and other activities the authority deems necessary to carry out development of the district and implement this part. The authority may undertake studies or coordinating activities in conjunction with the county and appropriate state agencies and may address facility systems, industrial relocation, and other activities;
- (5) Hawaiian archaeological, historic, and cultural sites shall be preserved and protected;
- (6) Endangered species of flora and fauna shall be preserved to the extent feasible;
- (7) Land use and development activities within the district shall be coordinated with and, to the extent possible, complement existing county and state policies, plans, and programs affecting the district; and
- (8) Public facilities within the district shall be planned, located, and developed to support the development policies established by this chapter for the district and rules adopted pursuant to this chapter.

§206E- Stadium development district governance; memorandum of agreement. Notwithstanding section 206E-3, for matters affecting the stadium development district, the executive director of the authority, state comptroller, and the stadium authority shall execute a memorandum of agreement with the appropriate state agencies.

§206E- Annual comprehensive report. Not less than twenty days prior to the convening of each regular session of the legislature, the authority shall submit to the legislature an annual comprehensive status report on the progress of development within the stadium development district."

SECTION 2. Section 206E-14, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The authority may, without recourse to public auction, sell, or lease for a term not exceeding sixty-five years, all or any portion of the real or personal property constituting a redevelopment project to any person, upon such terms and conditions as may be approved by the authority, if the authority finds that the sale or lease is in conformity with the community development plan.

For the stadium development district, leases shall not exceed a term of ninety-nine years."

SECTION 3. (a) Notwithstanding any other law to the contrary, the department of land and natural resources shall transfer the fee simple interest in all parcels of land under the control or jurisdiction of the stadium authority, including all existing improvements thereon, to the stadium authority as grantee, as is, where is; provided that the legal instrument transferring the fee simple interest shall prohibit the stadium authority from selling, exchanging, or otherwise relinquishing the State's title to any ceded lands. The parcels to be transferred shall include:

- (1) TMK 99003055:0000;
- (2) TMK 99003061:0000;
- (3) TMK 99003070:0000;
- (4) TMK 99003071:0000; and
- (5) Any other parcels under the jurisdiction of the stadium authority.

(b) The department of land and natural resources shall prepare, execute, and record, in the land court or bureau of conveyances, as appropriate, a quitclaim deed to convey each above-listed parcel with all existing improvements, subject to the property boundaries determined pursuant to subsection (a), to the stadium authority, as grantee. As these are conveyances in which the State and its agencies are the only parties, the tax imposed by section 247-1, Hawaii Revised Statutes, shall not apply. Effective on the date of transfer, every reference to the present titleholder or the head of the department or agency in each instrument, if the titleholder is a department or an agency, shall be construed as a reference to the stadium authority.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the establishment and development of the stadium development district for public use.

The sum appropriated shall be expended by the Hawaii community development authority for the purposes of this Act; provided that the appropriation shall not lapse at the end of the fiscal year for which the appropriation is made; provided further that all moneys unencumbered as of June 30, 2022, shall lapse as of that date.

SECTION 5. The legislature finds and declares that the issuance of revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare. Pursuant to part III, chapter 39, Hawaii Revised Statutes. Accordingly, the Hawaii community development authority, with the approval of the governor, may issue in one or more series revenue bonds in a total amount not to exceed \$180,000,000 for the Hawaii community development authority to implement the stadium development district as provided for in part _____, chapter 206E, Hawaii Revised Statutes.

The proceeds of the revenue bonds shall be deposited into the Hawaii community development revolving fund created in section 206E-16, Hawaii Revised Statutes.

The revenue bonds authorized under this Act shall be issued pursuant to part III, chapter 39, Hawaii Revised Statutes. The authorization to issue revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. The director of finance is authorized to issue general obligation bonds in the sum of \$150,000,000 or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2019-2020 to the Hawaii community development authority for the stadium development district.

SECTION 7. The appropriation made for the capital improvement project authorized by section 6 of this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all moneys from the appropriation unencumbered as of June 30, 2022, shall lapse as of that date.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved July 8, 2019.)

ACT 269

H.B. NO. 622

A Bill for an Act Relating to Public Charter Schools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302D-8, Hawaii Revised Statutes, is amended to read as follows:

"§302D-8 Conflict of interests. (a) A member of the state public charter school commission shall not be eligible to serve on the commission if the member was affiliated with any public charter school within one year preceding appointment to the commission.

As used in this subsection, "affiliated" means attached or connected as a current or previous employee, governing board member, vendor, contractor, agent, or representative.

(b) [No] <u>An</u> employee, trustee, agent, or representative of an authorizer [may] <u>shall not</u> simultaneously serve as an employee, trustee, agent, representative, vendor, or contractor of a public charter school authorized by that authorizer. Authorizer members shall disclose to the authorizer a list of all charter schools in which the member has previously been an employee, governing board member, vendor, contractor, agent, or representative."

SECTION 2. Section 302D-17, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) An authorizer shall continually monitor the performance and legal compliance of the public charter schools it oversees, including collecting and analyzing data to support ongoing evaluation according to the charter contract. Every authorizer shall have the authority to conduct or require oversight activities that enable the authorizer to fulfill its responsibilities under this chapter, including conducting appropriate inquiries, financial reviews, audits, and investigations, so long as those activities are consistent with the intent of this chapter and adhere to the terms of the charter contract. Upon the request of its authorizer, each public charter school shall provide to the authorizer full access to its fiscal and accounting books, documents, and files."

SECTION 3. Section 302D-28, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) To enable charter schools to access state funding prior to the start of each school year, foster their fiscal planning, enhance their accountability, and avoid over-allocating general funds to charter schools based on self-reported enrollment projections, authorizers shall:

- (1) Provide sixty per cent of a charter school's per-pupil allocation based on the charter school's projected student enrollment no later than July 20 of each fiscal year; provided that the charter school shall have submitted to its authorizer a projected student enrollment no later than May 15 of each year;
- (2) Provide an additional thirty per cent of a charter school's per-pupil allocation no later than December 1 of each year, based on the October 15 student enrollment, as reviewed and verified by the authorizer[, only to schools]; provided that the school is in compliance with all financial reporting requirements; and
- (3) Retain no more than the balance of the remaining ten per cent of a charter school's per-pupil allocation, as a contingency balance to ensure fiscal accountability and compliance, no later than June 30 of each year;

provided that authorizers may make adjustments in allocations based on noncompliance with charter contracts and the board may make adjustments in allocations based on noncompliance with board policies made in the board's capacity as the state education agency, department directives made in the department's capacity as the state education agency, the board's administrative procedures, and board-approved accountability requirements."

SECTION 4. Section 302D-32, Hawaii Revised Statutes, is amended to read as follows:

"§302D-32 Annual audit [or financial review]. Each charter school shall annually complete an independent financial audit that complies with the requirements of its authorizer and the department[; provided that the authorizer shall have the discretion to allow a financial review in lieu of an independent financial audit]. The authorizer shall select three independent auditors, from which the charter school shall select one independent auditor to comply with this section."

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2019. (Approved July 9, 2019.)

ACT 270 S.B. NO. 383

A Bill for an Act Relating to Youth Suicide Prevention.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to part III, subpart F to be appropriately designated and to read as follows:

"§302A- Youth suicide awareness and prevention protocol. (a) The department, in collaboration with the department of health, shall develop a mandatory youth suicide awareness and prevention training program and a model risk referral protocol for complex areas and charter schools based on the department of health's existing suicide awareness and prevention curriculum and materials, which shall be provided to teachers, teacher assistants, administrators, and counselors.

(b) By September 15 of each year, each complex area shall report to the department on prior school year training prevention activities completed as described by this section.

(c) Neither the department nor any of its agencies, boards, members, personnel, designees, agents, or volunteers shall be liable in civil damages to any party for any act or omission of an act relating to the provision of, participation in, or implementation of the components of the training program or protocol required by this section unless that act or omission amounts to gross negligence, wilful and wanton conduct, or intentional wrongdoing.

(d) The department may adopt rules pursuant to chapter 91 to include and require contracted workers to participate in and comply with the suicide awareness and prevention training program and risk referral protocol requirements under this section and section 302D- ...

SECTION 2. Chapter 302D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§302D- Youth suicide awareness and prevention protocol. (a) Each charter school shall provide a youth suicide awareness and prevention training program and risk referral protocol to school personnel who work directly with students in kindergarten through grade twelve on an annual basis in accordance with section 302A-

(b) By September 15 of each year, each charter school shall report to the department on prior school year training prevention activities completed as described under section 302A-.

(c) Neither the department nor any of its agencies, boards, members, personnel, designees, agents, or volunteers shall be liable in civil damages to any party for any act or omission of an act relating to the provision of, participation in, or implementation of the components of the training program or protocol required by this section unless that act or omission amounts to gross negligence, wilful and wanton conduct, or intentional wrongdoing."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2019, and shall apply beginning with the 2019-2020 school year.

(Approved July 9, 2019.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 271

S.B. NO. 388

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that children living in poverty who have one or more parents incarcerated, are the victims of abuse or neglect, or are

homeless often experience a range of traumatic and toxic stress. This stress can harm the child's brain development and physical, social, mental, emotional, and behavioral health and well-being.

The legislature further finds that in 2013, the Healthcare Association of Hawaii conducted a comprehensive study on Kauai to, among other things, uncover the needs of vulnerable populations, many of which have individuals of native Hawaiian ancestry. The study revealed that teens who drop out of school have a diminished ability to advocate for their own health and wellness compared to their peers still enrolled in school. Compounding this problem is that in 2017, 14.2 per cent of the students in department of education schools dropped out, amounting to 25,546 students.

The legislature finds that since high school dropouts are more likely to experience incarceration and poverty, it is imperative that the department of education identify vulnerable students who are likely to drop out, assess their needs, and provide them with the services they need to succeed.

The purpose of this Act is to require the department of education to establish a task force to create a system for evaluating and assessing all children and those who are exhibiting emergent or persistent behaviors, academic challenges, or chronic absenteeism and are in need of appropriate supports and interventions accessible within the continuum of a multi-tiered system of supports.

SECTION 2. (a) The department of education shall establish a task force to create a system for evaluating and assessing all children and those who are exhibiting emergent or persistent behaviors, academic challenges, or chronic absenteeism and are in need of appropriate supports and interventions accessible within the continuum of a multi-tiered system of supports.

- (b) The following individuals shall serve as members of the task force:
- (1) The superintendent of education or the superintendent's designee, who shall serve as the chairperson of the task force;
- (2) The director of health or the director's designee;
- (3) The director of human services or the director's designee;
- (4) An intermediate or middle school principal or the principal's designee, to be determined by the complex area superintendent;
- (5) A high school principal or the principal's designee, to be determined by the complex area superintendent;
- (6) The director of alternative learning programs;
- (7) The assistant superintendent of the office of student support services or the assistant superintendent's designee;
- (8) Representatives from the office of student support services, including the multi-tiered system of supports educational specialist and school based behavioral health educational specialist;
- (9) Two school-level representatives to be determined by the elementary school principal and secondary school principal; and
- (10) One school based behavioral health educational specialist.

(c) The chairperson shall invite the following community members and organizations to serve as part of the task force and provide a constituent voice and technical and practitioner advisement:

- (1) The executive director of Kinai 'Eha;
- (2) Two representatives from Kinai 'Eha;
- (3) One representative from the strategy and innovation division for Kamehameha Schools;
- (4) One representative from the Hawaii youth correctional facility;
- (5) One representative from the systems change division of the Queen Liliuokalani Trust;

- (6) One representative from the Partners in Development Foundation;
- (7) One representative from Assets School; and
- (8) One representative from Adult Friends for Youth.

(d) Members of the task force shall serve without compensation but shall be reimbursed for reasonable expenses, including travel expenses, incurred in relation to the performance of duties required pursuant to this Act.

(e) The task force shall convene no less than four times a year with the initial meeting of the task force being held no later than September 12, 2019.

- (f) The task force shall:
- (1) Consider best practices and evidence-based strategies when reviewing current policies, programs, and assessments and making recommendations for the establishment of protocol to identify students in need of appropriate supports and interventions due to the experience of trauma;
- (2) Identify essential components and promote the use of multi-tiered system of supports innovative evidence-based strategies, research-based approaches, and practices; and review the use of assessments to identify students of trauma;
- (3) Utilize the adverse childhood experiences assessment protocol by coordinating and assembling the strongest components of resources from the department of education and community networks to effectively respond to the challenge of reducing and preventing adverse childhood experiences while providing flexibility for communities and all related agencies to design responses that are appropriate for the children;
- (4) Establish a seventh and ninth grade pilot program for the adverse childhood experiences assessment and identify a complex area for the pilot program; provided that middle school participation is subject to the approval of the complex area's superintendent. The task force shall collect and analyze the data from participating pilot schools and make recommendations regarding the implementation of the adverse childhood experiences assessment statewide;
- (5) Develop a system of data collection and implementation framework for statewide use;
- (6) Aggregate the data within and across agencies to inform treatment interventions, systems responses to trauma, and public policies to address and prevent childhood trauma;
- (7) Examine the evaluation of suspended students to identify and provide services for any social disorder, emotional disorder, or learning difference; and
- (8) Examine lowering the threshold age for alternative or vocational schools from sixteen to fourteen.

(g) The task force shall submit a preliminary report of its findings and recommendations, including any proposed legislation, to the legislature by July 19, 2020.

SECTION 3. This Act shall take effect on July 1, 2019.

(Approved July 9, 2019.)

ACT 272

S.B. NO. 1303

A Bill for an Act Relating to Public Lands.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that Act 155, Session Laws of Hawaii 2013 (Act 155), was approved by the governor on June 21, 2013. The purpose of Act 155 was to optimize the use of public school lands to generate opportunities to improve public school facilities and infrastructure to meet the challenges of the twenty-first century and to improve the overall quality of education in Hawaii. In particular, Act 155 established a pilot program to generate revenue from uses of public school lands for public purposes, such as workforce housing, to build and retrofit twenty-first century schools and create more school-centered communities. The pilot program laid important groundwork for a statewide approach and plan to optimize the use of public school lands and modernize public school facilities.

Pursuant to subsequent discussions with government agencies and private developers, the legislature finds that the existing fifty-five-year lease term allowed in Act 155 would be problematic in financing redevelopment projects. Also, the department of education has been working closely with the Hawaii housing finance and development corporation for assistance in the implementation of redevelopment projects on department of education-controlled lands. The Hawaii housing finance and development corporation is pursuing ninety-nine-year leasehold condominiums for some of their housing projects on state-owned lands. Extending the lease terms for redevelopment under Act 155 would allow prospective developers flexibility in securing financing, as well as ensure a better long-term return to the State for the use of its lands.

The purpose of this part is to allow the department of education to lease public school lands for a term of not more than ninety-nine years per lease to provide prospective developers flexibility in securing financing.

SECTION 2. Section 302A-1151.1, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Notwithstanding sections 171-13 and 302A-1151, or any other law to the contrary, the department may lease public school land on terms it deems appropriate, including a leaseback of all or a portion of the improvements constructed; provided that:

- (1) The board may identify and select up to five public school land sites as candidates for participation in the pilot program; provided that:
 - (A) During the identification and selection process, the board shall be subject to chapter 92, shall hold at least one public meeting in each affected community, and shall foster school and community participation; and
 - (B) If the site is on land owned by the county, the department shall consult with the county;
- (2) The department may lease public school land for no more than three public school land sites identified and selected by the board pursuant to paragraph (1) under leases for a term of not more than [fifty-five years per lease, unless extended pursuant to section 171-36;] ninety-nine years per lease, to lessees who shall be required to modify, construct, or utilize facilities to benefit public educational

purposes, in accordance with specific request for proposal or request for information guidelines;

- (3) Each lease shall stipulate that the lessee may retain any revenue generated from the facilities; provided that:
 - (A) The lessee shall be obligated to maintain and operate the facilities to benefit public educational purposes for the length of the lease;
 - (B) The lessee shall be obligated to pay to the county all applicable property tax on the value of any improvements;
 - (C) A leasehold premium may be charged to the lessee for the right to use the public school land based on a competitive process that complies with applicable sections of chapter 103D;
 - (D) Upon the expiration of the lease, the facilities shall revert to the department; and
 - (E) All revenues and proceeds derived by the State under this section shall be deposited in the school facilities subaccount pursuant to section 302A-1151.2; and
- (4) Notwithstanding any law to the contrary, the department may enter into leaseback agreements that allow the department to lease or sublease the property to a third party. The department may lease back the property from the third-party lessee or sublessee for a contractual period of time, after which the department shall own any improvements."

PART II

SECTION 3. The legislature finds that Act 206, Session Laws of Hawaii 2017 (Act 206), became law on July 12, 2017. The purpose of Act 206, in part, was to transfer public lands under existing department of education facilities from the city and county of Honolulu to the State, with the department of land and natural resources designated as the agency to accept the properties.

The legislature further finds that, rather than have the lands transferred from the city and county of Honolulu to the department of land and natural resources and then to the department of education, Act 206 should be amended to allow the city and county of Honolulu to transfer the lands directly to the department of education in a manner similar to that in Act 210, Session Laws of Hawaii 2018.

The purpose of this part is to amend Act 206, Session Laws of Hawaii 2017, to allow the city and county of Honolulu to transfer lands under existing department of education facilities directly to the department of education, rather than to the department of land and natural resources.

SECTION 4. Act 206, Session Laws of Hawaii 2017, section 2, is amended by amending subsections (a), (b), and (c) to read as follows:

"(a) Notwithstanding any other law to the contrary, the fee simple interest to the following parcels of land with the existing improvements thereon (hereinafter "the properties") (but not including submerged land, accreted land, or any land makai of the shoreline), shall be conveyed by the city and county of Honolulu to the department of [land and natural resources] education as grantee, as is, where is:

- (1) TMK 1-4-5-34-14 (Castle High);
- (2) TMKs 1-5-6-6-9, 1-5-6-6-10, and 1-5-6-6-25 (Kahuku High and Elementary);
- (3) TMK 1-4-4-34-24 (Kalaheo High);

- (4) TMK 1-9-1-1-2 (portion) (Campbell High);
- (5) TMK 1-8-5-15-1 (Waianae High);
- (6) TMK 1-9-4-8-20 (Waipahu High);
- (7) TMK 1-9-8-31-17 (Aiea High);
- (8) TMK 1-7-4-18-1 (Leilehua High);
- (9) TMK 1-9-9-2-23 (Radford High);
- (10) TMK 1-6-7-2-10 (Waialua High and Intermediate);
- (11) TMKs 1-6-003-048, 1-6-021-005 (Farrington High);
- (12) TMK 2-7-024-001 (Kaimuki High);
- (13) TMK 3-9-005-027 (Kaiser High); and
- (14) TMK 3-5-020-004 (Kalani High).

(b) The city and county of Honolulu shall prepare, execute, and record, in the land court or bureau of conveyances, as appropriate, a quitclaim deed to convey each above-listed parcel with all existing improvements, subject to the property boundaries determined pursuant to subsection (d), to the department of [land and natural resources,] education, as grantee. As these are conveyances in which the city and county of Honolulu and the State and its agencies are the only parties, the tax imposed by section 247-1, Hawaii Revised Statutes, shall not apply to them. Effective on the date of transfer pursuant to subsection (e), every reference to the present titleholder or the head of the department or agency in each instrument, if the titleholder is a department or an agency, shall be construed as a reference to the department of [land and natural resources.] education.

(c) The department of [land and natural resources] education shall accept the properties in their existing condition. All claims and liabilities against the city and county of Honolulu, if any, which the department of [land and natural resources] education has, may have had, or may have in the future, regarding any injury, loss, cost, damage, or liability, including reasonable attorney's fees, concerning the physical, environmental, soil, economic, and legal conditions of the conveyed properties, are released, waived, and extinguished."

PART III

SECTION 5. Section 171-2, Hawaii Revised Statutes, is amended to read as follows:

"§171-2 Definition of public lands. "Public lands" means all lands or interest therein in the State classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to that date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or in any other manner; including lands accreted after May 20, 2003, and not otherwise awarded, submerged lands, and lands beneath tidal waters that are suitable for reclamation, together with reclaimed lands that have been given the status of public lands under this chapter, except:

- (1) Lands designated in section 203 of the Hawaiian Homes Commission Act, 1920, as amended;
- (2) Lands set aside pursuant to law for the use of the United States;
- (3) Lands being used for roads and streets;
- (4) Lands to which the United States relinquished the absolute fee and ownership under section 91 of the Hawaiian Organic Act prior to the admission of Hawaii as a state of the United States unless subsequently placed under the control of the board of land and natural resources and given the status of public lands in accordance with the state constitution, the Hawaiian Homes Commission Act, 1920, as amended, or other laws;

- (5) Lands to which the University of Hawaii holds title;
- (6) Lands to which the Hawaii housing finance and development corporation in its corporate capacity holds title;
- (7) Lands to which the Hawaii community development authority in its corporate capacity holds title;
- (8) Lands set aside by the governor to the Hawaii public housing authority or lands to which the Hawaii public housing authority in its corporate capacity holds title;
- (9) Lands to which the department of agriculture holds title by way of foreclosure, voluntary surrender, or otherwise, to recover moneys loaned or to recover debts otherwise owed the department under chapter 167;
- [(9)] (10) Lands that are set aside by the governor to the Aloha Tower development corporation; lands leased to the Aloha Tower development corporation by any department or agency of the State; or lands to which the Aloha Tower development corporation holds title in its corporate capacity;
- [(10)] (11) Lands that are set aside by the governor to the agribusiness development corporation; lands leased to the agribusiness development corporation by any department or agency of the State; or lands to which the agribusiness development corporation in its corporate capacity holds title;
- $\begin{array}{c} \hline (11) \\ \hline (12) \hline \hline (12$
- [(12)] (13) Lands to which the department of education holds title;

provided that, except as otherwise limited under federal law and except for state land used as an airport as defined in section 262-1, public lands shall include the air rights over any portion of state land upon which a county mass transit project is developed after July 11, 2005."

SECTION 6. Section 171-64.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) This section applies to all lands or interest therein owned or under the control of state departments and agencies classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to that date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or any other manner, including accreted lands not otherwise awarded, submerged lands, and lands beneath tidal waters that are suitable for reclamation, together with reclaimed lands that have been given the status of public lands under this chapter, including:

- (1) Land set aside pursuant to law for the use of the United States;
- (2) Land to which the United States relinquished the absolute fee and ownership under section 91 of the Organic Act prior to the admission of Hawaii as a state of the United States;
- (3) Land to which the University of Hawaii holds title;
- (4) Land to which the Hawaii housing finance and development corporation in its corporate capacity holds title;
- (5) Land to which the department of agriculture holds title by way of foreclosure, voluntary surrender, or otherwise, to recover moneys loaned or to recover debts otherwise owed the department under chapter 167;
- (6) Land that is set aside by the governor to the Aloha Tower development corporation; or land to which the Aloha Tower development corporation holds title in its corporate capacity;

- (7) Land that is set aside by the governor to the agribusiness development corporation; or land to which the agribusiness development corporation in its corporate capacity holds title;
- (8) Land to which the Hawaii technology development corporation in its corporate capacity holds title; [and]
- (9) Land to which the department of education holds title[-]; and
- (10) Land to which the Hawaii public housing authority in its corporate capacity holds title."

PART IV

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2019. (Approved July 9, 2019.)

ACT 273

H.B. NO. 1383

A Bill for an Act Relating to Marijuana.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii and thirty-two other states, the United States territories of Guam, Puerto Rico, and the Northern Mariana Islands, and the District of Columbia have legalized the use of marijuana for medicinal purposes. Twenty-two states and the District of Columbia have decriminalized offenses pertaining to certain amounts of marijuana, and ten states and the District of Columbia have legalized certain amounts of marijuana for non-medical use.

Accordingly, the purpose of this Act is to:

- (1) Provide for the expungement of criminal records pertaining solely to the possession of three grams or less of marijuana;
- (2) Decriminalize the possession of three grams or less of marijuana and establish that possession of that amount is a violation punishable by a monetary fine of \$130; and
- (3) Establish a marijuana evaluation task force to make recommendations on changing marijuana use penalties and outcomes in the State.

SECTION 2. Section 706-622.5, Hawaii Revised Statutes, is amended to read as follows:

***\$706-622.5** Sentencing for drug offenders; expungement. (1) Notwithstanding section 706-620(3), a person convicted for the first or second time for any offense under section 329-43.5, except offenses under subsections (a) and (b) of that section which constitute violations, involving the possession or use of drug paraphernalia or any felony offense under part IV of chapter 712 involving the possession or use of any dangerous drug, detrimental drug, harmful drug, intoxicating compound, marijuana, or marijuana concentrate, as defined in section 712-1240, but not including any offense under part IV of chapter 712 involving the distribution or manufacture of any such drugs or substances and not including any methamphetamine offenses under sections 712-1240.7, 712-1240.8 as that section was in effect [prior to] before July 1, 2016, 712-1241,

and 712-1242, is eligible to be sentenced to probation under subsection (2) if the person meets the following criteria:

- (a) The court has determined that the person is nonviolent after reviewing the person's criminal history, the factual circumstances of the offense for which the person is being sentenced, and any other relevant information;
- (b) The person has been assessed by a certified substance abuse counselor to be in need of substance abuse treatment due to dependency or abuse under the applicable Diagnostic and Statistical Manual and Addiction Severity Index; and
- (c) Except for those persons directed to substance abuse treatment under the supervision of the drug court, the person presents a proposal to receive substance abuse treatment in accordance with the treatment plan prepared by a certified substance abuse counselor through a substance abuse treatment program that includes an identified source of payment for the treatment program.

A person eligible under subsection (1) may be sentenced to proba-(2)tion to undergo and complete a substance abuse treatment program if the court determines that the person can benefit from substance abuse treatment and, notwithstanding that the person would be subject to sentencing as a repeat offender under section 706-606.5, the person should not be incarcerated to protect the public. If the person fails to complete the substance abuse treatment program and the court determines that the person cannot benefit from any other suitable substance abuse treatment program, the person shall be subject to sentencing under the applicable section under this part. As a condition of probation under this subsection, the court may direct the person to undergo and complete substance abuse treatment under the supervision of the drug court if the person has a history of relapse in treatment programs. The court may require other terms and conditions of probation, including requiring that the person contribute to the cost of the substance abuse treatment program, comply with deadlines for entering into the substance abuse treatment program, and reside in a secure drug treatment facility.

(3) For the purposes of this section, "substance abuse treatment program" means drug or substance abuse treatment services provided outside a correctional facility by a public, private, or nonprofit entity that specializes in treating persons who are diagnosed with having substance abuse or dependency and preferably employs licensed professionals or certified substance abuse counselors.

(4) Upon written application from a person sentenced under this part or a probation officer, the court shall issue a court order to expunge the record of conviction for that particular offense; provided that a person has successfully completed the substance abuse treatment program and complied with other terms and conditions of probation. A person sentenced to probation under this section who has not previously been sentenced under this section shall be eligible for one time only for expungement under this subsection.

(5) Upon motion from a person convicted for the possession of marijuana under section 712-1249 arising from a set of facts and circumstances that resulted in no other criminal charge, the court shall grant an expungement order pertaining to the conviction for the offense; provided that the amount of marijuana for which the person was convicted of possessing was three grams or less.

[(5)] (6) Nothing in this section shall be construed to give rise to a cause of action against the State, a state employee, or a treatment provider."

SECTION 3. Section 712-1249, Hawaii Revised Statutes, is amended by amending subsection (2) to read as follows:

"(2) Promoting a detrimental drug in the third degree is a petty misdemeanor[-]; provided that possession of three grams or less of marijuana is a violation, punishable by a fine of \$130."

SECTION 4. (a) There shall be established a marijuana evaluation task force to be administratively attached to the department of the attorney general. The marijuana evaluation task force shall examine other states' laws, penalties, and outcomes pertaining to marijuana use, other than marijuana use for medical purposes, and make recommendations on amending marijuana use penalties and outcomes in the State.

(b) The marijuana evaluation task force shall comprise the following members or their designees:

- (1) The chair of the senate standing committee on judiciary, who shall serve as a co-chair of the task force;
- (2) The chair of the house standing committee on judiciary, who shall serve as a co-chair of the task force;
- (3) The attorney general;
- (4) The state public defender; and
- (5) A prosecuting attorney to be selected by the co-chairs of the task force.

(c) The co-chairs of the task force may invite other interested parties to participate in the task force.

(d) The marijuana evaluation task force shall submit a report of its findings and recommendations, including any proposed legislation, no later than twenty days before the convening of the 2021 regular session.

(e) The marijuana evaluation task force shall be dissolved on June 30, 2021.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on January 11, 2020.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 274

H.B. NO. 1433

A Bill for an Act Relating to Address Confidentiality.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that on July 5, 2018, Governor David Ige signed Act 115, Session Laws of Hawaii 2018, known as the Address Confidentiality Program Act, into law. This law provides survivors of domestic abuse, sexual offenses, or stalking with a substitute address to be used by state and local government agencies instead of their physical address. The substitute

address may be used whenever an address is required for public records. Mail is received at the substitute address and forwarded to the survivor's actual address.

The legislature finds that the office of the lieutenant governor, rather than the department of the attorney general, may be the appropriate governmental entity to administer this program.

Accordingly, the purpose of this Act is to amend chapter 801G, Hawaii Revised Statutes, to change the governmental entity responsible for administration of the address confidentiality program from the department of the attorney general to the office of the lieutenant governor.

SECTION 2. Section 801G-1, Hawaii Revised Statutes, is amended by deleting the definition of "department".

[""Department" means the department of the attorney general."]

SECTION 3. Section 801G-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established the address confidentiality program in the [department of the attorney general] office of the lieutenant governor to protect the confidentiality of the actual address of a victim of domestic abuse, a sexual offense, or stalking and to prevent the victim's assailants or potential assailants from finding the victim through public records. The program shall:

- (1) Assign a substitute address to the program participant that shall be used by agencies;
- (2) Receive first-class, certified, or registered mail sent to a program participant at the substitute address and forward the mail to the program participant at no cost to the program participant; provided that the program shall not be required to track or maintain records of mail or to forward packages, bulk mail, or pre-sorted mail; provided further that the program shall maintain a log of certified or registered mail or service of legal process received on behalf of a program participant; and
- (3) Act as the agent of the program participant for purposes of service of all legal process in the State."

SECTION 4. Section 801G-7, Hawaii Revised Statutes, is amended to read as follows:

"[[]§801G-7[]] Appeal. Within thirty days of the date of the notice of denial of an application or of certification cancellation, an applicant or program participant may submit a written appeal to the [department;] office of the lieutenant governor; provided that [the]:

- (1) <u>The</u> appeal shall not be treated as a contested case as defined in chapter 91[, and the]:
- (2) <u>The appeal process shall not include a hearing; and [the department's]</u>
- (3) <u>The office of the lieutenant governor's</u> final determination shall not be subject to judicial review."

SECTION 5. Section 801G-13, Hawaii Revised Statutes, is amended to read as follows:

"[[]§801G-13[]] Rulemaking authority. The [attorney general] office of the lieutenant governor shall adopt rules pursuant to chapter 91 as necessary to carry out the purposes of this chapter."

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 7. This Act shall take effect on July 1, 2019. (Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 275

S.B. NO. 33

A Bill for an Act Relating to Economic Development.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that the film industry in Hawaii is an important component of a diversified economy. The legislature also finds that the motion picture, digital media, and film production income tax credit has been effective in stimulating the economy and creating quality jobs while promoting Hawaii as a visitor destination.

The purpose of this Act is to increase the annual cap on the motion picture, digital media, and film production income tax credit and require the University of Hawaii, West Oahu campus and the Hawaii technology development corporation to execute a memorandum of understanding no later than December 31, 2020, that commits the parties to enter into a no-cost lease agreement by December 31, 2021, for no less than sixty years and provides for the transfer within six years to the Hawaii technology development corporation of title to a certain parcel of University of Hawaii, West Oahu campus land.

PART II

SECTION 2. Section 235-17, Hawaii Revised Statutes, is amended by amending subsection (l) to read as follows:

"(1) The total amount of tax credits allowed under this section in any particular year shall be [\$35,000,000;] \$50,000,000; however, if the total amount of credits applied for in any particular year exceeds the aggregate amount of credits allowed for such year under this section, the excess shall be treated as having been applied for in the subsequent year and shall be claimed in such year; provided that no excess shall be allowed to be claimed after December 31, 2025."

PART III

SECTION 3. No later than December 31, 2020, the University of Hawaii, West Oahu and the Hawaii technology development corporation shall execute a memorandum of understanding that commits the parties to enter into a no-cost lease agreement by December 31, 2021, for no less than sixty years, and which includes a provision for the transfer within six years to the Hawaii technology development corporation of title to the thirty-acre parcel of University of Hawaii, West Oahu campus land adjacent to the intersection of Farrington Highway and Kapolei Golf Course Road, generally described by the following parameters within tax map key (TMK) #1-9-1-016-179-0000:

- (1) Segment 1: 1145 feet north along the western boundary of the TMK beginning at the westernmost point along Farrington Highway;
- (2) Segment 2: 1145 feet east along the southern boundary of the TMK beginning at the westernmost point along Farrington Highway and the southernmost point of segment 1;

- (3) Segment 3: The parallel of segment 1 connecting to the easternmost point of segment 2; and
- (4) Segment 4: The parallel of segment 2 connecting the northernmost point of segment 3 and segment 1.

The executive director of the Hawaii technology development corporation shall promptly notify the director of taxation upon successful transfer of title to the parcel described herein to the Hawaii technology development corporation.

PART IV

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. The provisions of this Act are not severable.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval; provided that part II, upon taking effect, shall apply to taxable years beginning after December 31 of the calendar year prior to the year in which part II takes effect.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, State Constitution.)

ACT 276

S.B. NO. 78

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

PART I PURPOSE

SECTION 1. The legislature finds that there is a public benefit from substantial investment in high-quality, developmentally appropriate early learning programs. These investments have been driven by significant and continuing research affirming the positive effects of high-quality early learning programs on the physical, cognitive, linguistic, social, emotional, and economic outcomes of young children. Provided with such opportunities, children are more likely to succeed in kindergarten and beyond as well as grow into healthy, capable, and contributing adults.

Longitudinal studies have also proven that high-quality early learning programs are especially effective for high-risk children, including low-income and otherwise disadvantaged children, with great potential to alter their lifetime trajectories. Well-executed and well-targeted early learning programs have immediate and long-term benefits not only for the children participating in the programs but also for the societies in which they live, which boast higher levels of educational attainment; reduced homelessness, crime, and substance abuse; improved health; and better overall social and economic well-being.

The legislature further finds that although the department of education administers programs of education and public instruction throughout the State, the executive office on early learning, under policies established by the early learning board, should have administrative authority over all state-funded prekindergarten programs and private partnership-funded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs that the department currently administers.

Since Act 178, Session Laws of Hawaii 2012, the legislature has enacted a series of laws to clarify that the authority for preschool and prekindergarten lies with the early learning board and the executive office on early learning, as the bodies charged with formulating statewide policy relating to early learning, and developing a cohesive, comprehensive, and sustainable system of early learning for Hawaii's children from prenatal to age five, respectively. The purpose of Act 108, Regular Session of Hawaii 2015, was in part to "(a)mend or repeal various early childhood education provisions of chapter 302A ... that fall under the purview of the executive office on early learning, and not the department of education." The purpose of Act 175, Regular Session of Hawaii 2018, was in part to "(make) housekeeping amendments to remove preschools from the Superintendent's scope of authority."

While the legislature recognizes the independence and authority of the executive office on early learning, it also recognizes the transition and alignment that is needed to ensure a continuum of early childhood development and learning from prenatal to the year before kindergarten, and through kindergarten and beyond. The recently finalized Hawaii Early Childhood State Plan 2019-2024, which provides a roadmap for stakeholders statewide to work together to reach our desired outcomes for young children, confirms the need for information-sharing and collaboration between diverse settings to support children and families as they move between settings and transition into kindergarten and the primary grades – and thus help ensure children's long-term success. It identifies as a priority for collective action the coordination of support and advocacy for such aligned and seamless transition practices, especially for children transitioning from preschool to kindergarten. One of the responsibilities of the executive office on early learning toward the State Plan is to coordinate and advocate for such transitions.

Therefore, the purpose of this Act is to:

- Clearly establish the executive office on early learning as the administrative authority for state-funded prekindergarten programs, and private partnership-funded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs;
- (2) Expand the executive office on early learning public prekindergarten program by transferring to the office:
 - (A) From the department of education, State-funded prekindergarten programs, private partnership-funded prekindergarten programs in the public schools, and classrooms to provide general education settings for children whose individualized education programs require such placement; and
 - (B) From the state public charter school commission, the eighteen classrooms at eleven charter schools across the state that are currently funded through the federal preschool development grant from the United States Department of Education and United States Department of Health and Human Services, which will end after the 2018-2019 school year,

and thus make strides toward building a coordinated system of early learning that is of consistent high-quality as intended by the legislature;

- (3) More clearly define the roles and responsibilities of the executive office on early learning and department of education as related to the executive office on early learning public prekindergarten program; and
- (4) Require the department of education in its implementation of Title-I funded prekindergarten classrooms to adhere to certain quality standards and work with the executive office on early learning.

PART II

ADMINISTRATIVE AUTHORITY FOR PREKINDERGARTEN PROGRAMS

SECTION 2. Section 26-12, Hawaii Revised Statutes, is amended to read as follows:

"§26-12 Department of education. The department of education shall be headed by an executive board to be known as the board of education.

Under policies established by the board, the superintendent shall administer programs of education and public instruction throughout the State, including education at the primary and secondary school levels, adult education, school library services, health education and instruction (not including dental health treatment transferred to the department of health), special education and Title I funded programs at the prekindergarten level, and such other programs as may be established by law[-]; provided that the department shall not establish general education prekindergarten classrooms, including private partnership-funded classrooms and classrooms to provide general education settings for children whose individualized education programs require such placement; provided further that the department may establish Title I-funded prekindergarten classrooms. The department shall collaborate with the executive office on early learning to coordinate services for children who are placed through their individualized education programs in a general education prekindergarten setting in a classroom offered by the executive office on early learning public prekindergarten program. Under policies established by the early learning board, the executive office on early learning shall have administrative authority over all state-funded prekindergarten programs, and private partnership-funded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs. The state librarian, under policies established by the board of education, shall be responsible for the administration of programs relating to public library services and transcribing services for the blind.

The functions and authority exercised by the department relating to state-funded prekindergarten programs, private partnership-funded prekindergarten programs in the public schools, and classrooms to provide general education settings for children whose individualized education programs require such placement, except for special education and Title I-funded prekindergarten programs, shall be transferred to the executive office on early learning; provided that the department shall continue to provide, and have administrative authority over, services generally provided to the schools excluding those services related to curriculum, instruction, assessment, and professional learning support, for any facility on a department school campus at which the executive office on early learning administers programs.

The functions and authority heretofore exercised by the department of education (except dental health treatment transferred to the department of health), library of Hawaii, Hawaii county library, Maui county library, and the transcribing services program of the bureau of sight conservation and work with the blind, as heretofore constituted are transferred to the public library system established by this chapter.

The management contract between the board of supervisors of the county of Kauai and the Kauai public library association shall be terminated at the earliest time after November 25, 1959, permissible under the terms of the contract and the provisions of this paragraph shall constitute notice of termination, and the functions and authority heretofore exercised by the Kauai county library as heretofore constituted and the Kauai public library association over the public libraries in the county of Kauai shall thereupon be transferred to the public library system established by this chapter.

The management contracts between the trustees of the library of Hawaii and the Friends of the Library of Hawaii, and between the library of Hawaii and the Hilo library and reading room association, shall be terminated at the earliest time after November 25, 1959, permissible under the terms of the contracts, and the provisions of this paragraph shall constitute notice of termination.

Upon the termination of the contracts, the State or the counties shall not enter into any library management contracts with any private association; provided that in providing library services, the board of education may enter into contracts approved by the governor for the use of lands, buildings, equipment, and facilities owned by any private association.

Notwithstanding any law to the contrary, the board of education may establish, specify the membership number and quorum requirements for, appoint members to, and disestablish a commission in each county to be known as the library advisory commission, which shall in each case sit in an advisory capacity to the board of education on matters relating to public library services in their respective county."

SECTION 3. Section 302A-101, Hawaii Revised Statutes, is amended by deleting the definition of "early childhood education":

[""Early childhood education" means a developmentally appropriate early childhood development and education program for children from birth until the time they enter kindergarten."]

SECTION 4. Section 302A-1111, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Under policies established by the board, the superintendent shall be designated as the chief executive officer of the public school system having jurisdiction over the internal organization, operation, and management of the public school system, as provided by law; and shall administer programs of education and public instruction throughout the State, including education at the primary and secondary school levels, and such other programs as may be established by law[-]; provided that all state-funded prekindergarten programs, and private partnership-funded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs, shall be under the administrative authority of the executive office on early learning; provided further that the department shall continue to provide, and have administrative authority over, services generally provided to the schools excluding those services related to curriculum, instruction, assessment, and professional learning support, for any facility on a department school campus at which the executive office on early learning administers programs.

(b) Except as otherwise provided, the superintendent shall sign all drafts for the payment of moneys, all commissions and appointments, all deeds, official acts, or other documents of the department[-]; provided that the director of the executive office on early learning shall be the final authority on drafts for

the payment of moneys, all commissions and appointments, all deeds, official acts, or other documents related to the executive office on early learning. The superintendent and director of the executive office on early learning may use a printed facsimile signature in approving appointments, contracts, and other documents."

SECTION 5. Section 302A-1128, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1128 Department powers and duties. The department shall have entire charge and control and be responsible for the conduct of all affairs pertaining to public instruction in the public schools the department establishes and operates, including operating and maintaining the capital improvement and repair and maintenance programs for department and school facilities[-]: provided that all state-funded prekindergarten programs, and private partnershipfunded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs, shall be under the administrative authority of the executive office on early learning; provided further that the department shall continue to provide, and have administrative authority over, services generally provided to the schools excluding those services related to curriculum, instruction, assessment, and professional learning support, but including operating and maintaining capital improvement and repair and maintenance programs for any facility on a department school campus at which the executive office on early learning administers programs, and evaluation of teaching staff. The department may establish and maintain schools for secular instruction at such places and for such terms as in its discretion it may deem advisable and the funds at its disposal may permit. The schools may include high schools, kindergarten schools, schools or classes for [early childhood education,] special education or Title I-funded prekindergarten, boarding schools, Hawaiian language medium education schools, and evening and day schools. The department may also maintain classes for technical and other instruction in any school where there may not be pupils sufficient in number to justify the establishment of separate schools for these purposes."

SECTION 6. Section 302A-1303.6, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1303.6 Weighted student formula. Based upon recommendations from the committee on weights, the board of education may adopt a weighted student formula for the allocation of moneys to public schools that takes into account the educational needs of each student[-]; provided that weighted student formula moneys shall not be used for state-funded prekindergarten programs, except for special education and Title I-funded prekindergarten programs. The department, upon the receipt of appropriated moneys, shall use the weighted student formula to allocate funds to public schools. Principals shall expend moneys provided to the principals' schools. This section shall only apply to charter schools for fiscal years in which the charter schools elect pursuant to section 302D-29 to receive allocations according to the procedures and methodology used to calculate the weighted student formula allocation."

SECTION 7. Section 302L-1.5, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

- "(c) The director shall be responsible for:
- (1) Serving as the principal officer in state government responsible for the performance, development, and control of programs, policies, and activities under the jurisdiction of the office from prenatal care

to entrance into kindergarten[;], including all state-funded prekindergarten programs and private partnership-funded prekindergarten programs in the public schools, except for special education and Title I-funded prekindergarten programs;

- (2) [Overseeing, supervising,] Supervising and directing the performance of the director's subordinates in various activities, including planning, evaluation, and coordination of early learning programs;
- (3) Administering funds allocated for the office and applying for, receiving, and disbursing grants and donations from all sources for early learning programs and services;
- (4) Assessing the policies and practices of other agencies impacting early learning and conducting advocacy efforts for early learning;
- (5) Advising agencies on new legislation, programs, and policy initiatives relating to early learning;
- (6) Employing and retaining staff as may be necessary for the purposes of this section; and
- (7) Contracting for services that may be necessary for the purposes of this section, including through master contracts, memoranda of understanding, and memoranda of agreement with other state agencies receiving federal and state funds for programs and services for early learning, and purchase of service agreements with appropriate agencies."

PART III TITLE I-FUNDED PREKINDERGARTEN

SECTION 8. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

"§302A- Title I-funded prekindergarten. (a) The department in its implementation of Title I-funded prekindergarten classrooms shall adhere to the quality standards incorporated by the executive office on early learning in the executive office on early learning public prekindergarten program pursuant to section 302L-7; provided that if any quality standard incorporated in the executive office on early learning public prekindergarten program is found to be in conflict with federal requirements that are a prescribed condition for the allocation of federal funds to the State, the department shall adhere to the federal requirements with respect to the conflicting standard, and this finding does not affect the requirement that the department adhere to the remainder of the quality standards incorporated in the executive office on early learning public prekindergarten program in its implementation of Title I-funded prekindergarten classrooms.

(b) The department shall work with the executive office on early learning regarding curriculum, instruction, assessment, family engagement, and transition of children in and out of the prekindergarten classroom.

(c) The department and executive office on early learning shall enter into a memorandum of agreement or memorandum of understanding for the executive office on early learning to provide ongoing professional development support for teachers and principals of Title I-funded prekindergarten classrooms.

(d) The department shall submit an annual report to the executive office on early learning on its implementation of Title I-funded prekindergarten classrooms, regarding curriculum, instruction, assessment, family engagement, and transition in and out of the classroom."

PART IV EOEL PUBLIC PREKINDERGARTEN PROGRAM

SECTION 9. Section 302L-1, Hawaii Revised Statutes, is amended by amending the definition of "at-risk children" to read as follows:

"At-risk children" means children who, because of their home and community environment, are subject to language, cultural, economic, and other disadvantages that cause them to be at risk for school failure, including children:

- (1) Who are [eligible for special education services;] placed through their individualized education programs in a general education setting;
- (2) Who are English as a second language learners;
- (3) Who reside within a public school district, established under chapter 302A, that is in need of improvement based on the criteria of the federal No Child Left Behind Act of 2001 (Public Law 107-110), as amended; or]
- (3) Who are in foster care;
- (4) Who are homeless; or
- (4) (5) Whose family income is no more than three hundred per cent of the federal poverty level."

SECTION 10. Section 302L-7, Hawaii Revised Statutes, is amended to read as follows:

(§302L-7 Executive office on early learning public prekindergarten program; public preschools. (a) There is established within the early learning system an early childhood education program to be known as the executive office on early learning public prekindergarten program and to be administered by the office pursuant to rules adopted by the office. The program shall:

- Be provided through the executive office on early learning, which [may] shall partner with the department of education[;] and state public charter school commission through either a memorandum of agreement or memorandum of understanding pursuant to the requirements of this section;
- (2) Prepare children for school and active participation in society through the use of either of the State's two official languages; and
- (3) Provide access to high-quality early learning that addresses children's physical, cognitive, linguistic, social, and emotional development.

(b) The office shall implement an application process for schools that are interested in participating in the program. The criteria to prioritize applications shall include:

- (1) <u>Community need, including:</u>
 - (A) The percentage of the population in the school or community that meets the definitions of at-risk and underserved children pursuant to section 302L-1; and
 - (B) The availability and capacity of existing early learning programs or services for four-year-old children on the school campus and in the surrounding area;
- (2) The availability of a classroom and outdoor play area that meet department of human services requirements for health and safety for four-year-old children; and
- (3) The commitment of the principal to implementing a high-quality prekindergarten program including through active participation in professional development sessions offered through the office, and to promoting continuity and alignment between and across other early

learning programs in the community and other grade levels in the school to ensure the positive outcomes of children are sustained.

[(b)] (c) The program shall serve children in the year prior to the year of kindergarten eligibility, with priority extended to underserved or at-risk children, as defined in section 302L-1[-], and follow the academic year schedule of the department of education and be aligned with the full-day kindergarten class-room schedule of each school. Enrollment priority shall be given but is not limited to children who attend prekindergarten at schools to which the children will be assigned upon entering kindergarten under section 302A-1143.

(d) The program shall include students with disabilities based on individualized education program placement, recognizing that the in-classroom ratio of students with disabilities to the general population shall be based on the inclusion of children with disabilities in proportion to their presence in the general population; provided that application of this principle does not anticipate or permit imposing caps or quotas on the number of children with disabilities in a program or not individualizing services for children with disabilities under the Individuals with Disabilities Education Act of 2004 (20 U.S.C. 1400-1409, 1411-1419, 1431-1444, 1450-1482). The department of education shall collaborate with the office to coordinate services for students with disabilities who are placed in the classroom offered through the program. Funding for all costs associated with implementation of the individualized education programs of students shall be provided through the department of education.

[(c)] (c) Enrollment in the program shall be voluntary. A child who is [enrolled in, or is eligible to attend, a public elementary school, or who is] required to attend school pursuant to section 302A-1132, shall not be eligible for enrollment in the program.

(f) The program shall enroll a maximum of twenty children per classroom.

[(d)] (g) The program shall incorporate high-quality standards pursuant to rules adopted by the office. High-quality standards shall be researchbased, developmentally-appropriate practices associated with better educational outcomes for children, such as:

- Positive teacher-child interactions[;] that shall be evaluated through observations conducted by the office using a tool several times a year; provided that the observations shall not be used for the purposes of teacher evaluation;
- (2) Use of individual child assessments that are used for ongoing instructional planning, [based upon] relating to all areas of childhood development and learning, including cognitive, linguistic, social, and emotional approaches to learning and health and physical development;
- (3) Family engagement[; and] in partnership with the schools, including conducting outreach for enrollment and engagement of families in their children's education;
- (4) Alignment with the Hawaii early learning and development standards, which align with department of education standards, state content and performance standards, and general learner outcomes for grades kindergarten to twelve, to facilitate a seamless and highquality educational experience for children[-];
- (5) A teacher who has coursework in early childhood education pursuant to Hawaii teacher standards board licensing requirements for a prekindergarten teacher. For program purposes, a teacher shall satisfy the Hawaii teacher standards board licensing requirements for a prekindergarten teacher or be enrolled in a State-approved teacher

education program and working toward satisfying the Hawaii teacher standards board licensing requirements; and

(6) An educational assistant who has a child development associate credential or the associated coursework. For program purposes, an educational assistant shall have a current child development associate credential, coursework for a certificate that meets the requirements for child development associate credential preparation, or is enrolled in and working toward completing a program that prepares the individual to obtain the credential.

The office shall monitor implementation of the high-quality educational experience for children.

[(e)] (h) Prior to opening a public prekindergarten class in a school, the principal, and other school personnel as required by the office, shall participate in an early learning induction program.

[(f)] (i) The office shall provide support to incorporate the highquality standards developed pursuant to subsection [(d),] (g), including support related to teacher-child interactions, individual child assessments, and family engagement. Teaching staff participating in the program shall participate in coaching and mentoring offered through the office; provided that the office shall cover the associated travel and substitute teacher costs. The office may extend this support, excluding travel and substitute teacher costs, to individuals who are not participating in the program to promote alignment between all grade levels, programs, and settings.

(j) The teacher and educational assistant teaching in the classroom through the program shall provide direct services solely to students enrolled in the program and shall be provided time for meetings regarding program implementation in the program.

(k) The teacher and educational assistant teaching in the classroom through the program shall be included in school meetings and activities to promote alignment between all grade levels and settings, including school-wide professional development relating to social emotional learning, cultural and place-based instructional strategies, and transition to kindergarten.

(1) Each school participating in the program shall work with the office to develop and annually update a written two- to three-year plan to promote, within the school and community, alignment of and transitions between highquality learning experiences, and submit to the office and the appropriate complex area superintendent a report on progress made toward the plan by the end of each school year.

[(g)] (m) The office shall coordinate with other agencies and programs to facilitate comprehensive services for early learning.

(n) To promote the development of a cohesive, comprehensive, and sustainable early learning system, the office shall partner with the schools participating in the program to collaborate with:

- (1) Other early learning providers, including those providing the programs and services specified in section 302L-2(A)(2), to promote alignment between prekindergarten and elementary school programs and to support children and their families in making successful transitions from prekindergarten into kindergarten; and
- (2) Early intervention programs.

(h) (o) The office shall collect data with assistance from the department of education and state public charter school commission, based on a schedule to be determined by the office, to:

- (1) Evaluate the services provided;
- (2) Inform policy; and

(3) Make any improvements to the program.

[(i)] (p) The department of education and any public charter school existing pursuant to chapter 302D, may use available classrooms for public preschool programs statewide. The office shall give priority to public charter schools that serve high populations of underserved or at-risk children. Preschool classrooms established pursuant to this section shall be in addition to any classrooms used for the pre-plus program established pursuant to [rules adopted by the department pursuant to chapter 91.] section 302L-1.7.

[(j)] (q) The office shall adopt rules pursuant to chapter 91 necessary to carry out the purposes of this section, including compliance with all applicable state and federal laws."

SECTION 11. Section 346-152, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- "(a) Nothing in this part shall be construed to include:
- (1) A person caring for children related to the caregiver by blood, marriage, or adoption;
- (2) A person, group of persons, or facility caring for a child less than six hours a week;
- (3) A kindergarten, school, or child care program licensed or certified by the department of education or the United States Department of Defense and located on federal property;
- (4) <u>A classroom administered by the executive office on early learning pursuant to section 302L-7;</u>
- [(4)] (5) A program that provides exclusively for a specialized training or skill development for children, including but not limited to programs providing activities such as athletic sports, foreign language, the Hawaiian language, dance, drama, music, or martial arts;
- [(5)] (6) A multiservice organization or community association, duly incorporated under the laws of the State, that operates for the purpose of promoting recreation, health, safety, or social group functions for eligible pupils in public and private schools through seventeen years of age;
- [(6)] (7) Programs for children four years of age and older that operate for no more than two consecutive calendar weeks in a three-month period;
- [(7)] (8) A provider agency operating or managing a homeless facility or any other program for homeless persons authorized under part XVII;
- [(8)] (9) After-school, weekend, and summer recess programs conducted by the department of education pursuant to section 302A-408;
- [(9)] (10) Child care programs conducted by counties pursuant to section 302A-408; provided that each county adopts rules for its programs;
- [(10)] (11) Any person who enters a home in a child caring capacity and only cares for children who are of that household;
- [(11)] (12) A person caring for two or fewer children unrelated to the caregiver by blood, marriage, or adoption; and
- [(12)] (13) A child care program licensed by the Hawaii council of private schools. A child care program claiming an exemption under this paragraph shall submit an application for the exemption on a form provided by the department and shall provide to the department evidence that the licensing standards of the Hawaii council of private schools meet or exceed the department's standards for

a comparable program, including a monitoring component. Upon application of a child care program for the exemption under this paragraph, the department shall have the discretion to determine whether the licensing standards of the Hawaii council of private schools meet or exceed the department's standards."

PART V

REPORT TO THE LEGISLATURE

SECTION 12. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§302L-1 Public prekindergarten classrooms; annual report to the legislature. The department shall submit to the legislature an annual report regarding special education and Title I-funded prekindergarten programs, to include, as related to each type of program:

- (1) The number and location of classrooms;
- (2) Numbers of students served and aggregated by birth month as of the date on which the official enrollment count is taken;
- (3) Sources of funding for each classroom;
- (4) Quality of teacher-child interactions relating to social emotional support, classroom structure, and quality of learning experiences, as assessed using a formative assessment tool; and
- (5) Child outcomes relating to all areas of childhood development and learning, including cognitive, linguistic, social, and emotional approaches to learning and health and physical development, as assessed using a formative assessment tool."

SECTION 13. Chapter 302L, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§302L- Public prekindergarten classrooms; annual report to the legislature. The office shall submit to the legislature an annual report regarding State-funded prekindergarten programs and private partnership-funded prekindergarten programs in the public schools, except special education and Title I-funded prekindergarten programs, to include, as related to each type of program:

- (1) The number and location of classrooms;
- (2) Numbers of students served and aggregated by birth month as of the date on which the official enrollment count is taken;
- (3) Sources of funding for each classroom;
- (4) Quality of teacher-child interactions relating to social emotional support, classroom structure, and quality of learning experiences, as assessed using a formative assessment tool selected by the office; and
- (5) Child outcomes relating to all areas of childhood development and learning, including cognitive, linguistic, social, and emotional approaches to learning and health and physical development, as assessed using a formative assessment tool selected by the office.

The department and state public charter school commission shall share data with the office necessary for the purposes of this report."

PART VI APPROPRIATIONS

SECTION 14. There is appropriated out of the general revenues of the State of Hawaii the sum of \$362,000 or so much thereof as may be necessary for fiscal year 2019-2020 and \$989,120 or so much thereof as may be necessary for fiscal year 2020-2021 to the executive office on early learning for operational costs to expand the executive office on early learning public prekindergarten program by 10 additional classrooms, which shall be allocated as follows:

- (1) \$110,000 for fiscal year 2019-2020 for the early learning induction program;
- (2) \$59,000 for fiscal year 2020-2021 for the early learning academy;
- \$252,000 for fiscal year 2019-2020 and \$93,000 for fiscal year 2020-2021 for classroom furniture, supplies, and administrative costs;
- (4) \$546,220 for fiscal year 2020-2021 for 10 full-time equivalent (10.0 FTE) preschool teacher positions; and
- (5) \$290,900 for fiscal year 2020-2021 for 10 full-time equivalent (10.0 FTE) educational assistant III positions.

The sum appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 15. The director of finance is authorized to issue general obligation bonds in the sum of \$6,500,000 or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2019-2020 for the purpose of retrofitting 10 classrooms on department school campuses that will be used to expand the executive office on early learning public prekindergarten program.

The sum appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 16. There is appropriated out of the general revenues of the State of Hawaii the sum of \$885,000 or so much thereof as may be necessary for fiscal year 2019-2020 and \$681,000 or so much thereof as may be necessary for fiscal year 2020-2021 to expand the executive office on early learning public prekindergarten program with prekindergarten classrooms transferred from the department of education to the executive office on early learning pursuant to this Act.

The sums appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 17. There is appropriated out of the general revenues of the State of Hawaii the sum of \$115,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the executive office on early learning to provide professional learning support for teachers and principals of prekindergarten classrooms in the department of education.

The sums appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 18. There is appropriated out of the general revenues of the State of Hawaii the sum of \$4,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 and \$4,000,000 or so much thereof as may be necessary for fiscal year 2020-2021 to continue the currently existing eighteen federally funded charter school prekindergarten classrooms that were provided for by the

federal preschool development grant, by adding them as new classrooms in the executive office on early learning public prekindergarten program that are subject to a memorandum of agreement or memorandum of understanding that is entered into with the executive office on early learning pursuant to the requirements of section 302L-7, Hawaii Revised Statutes. This appropriation shall be exempt from section 302D-28, Hawaii Revised Statutes.

The sum appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 19. There is appropriated out of the general revenues of the State of Hawaii the sum of \$132,037 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for additional positions to support the executive office on early learning public prekindergarten program, which shall be allocated as follows:

- (1) \$91,909 for fiscal year 2019-2020 and \$91,909 for fiscal year 2020-2021 for one full-time equivalent (1.00 FTE) permanent educational specialist II position; and
- \$40,128 for fiscal year 2019-2020 and \$40,128 for fiscal year 2020-2021 for one full-time equivalent (1.00 FTE) permanent secretary IV position.

The sum appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 20. There is appropriated out of the general revenues of the State of Hawaii the sum of \$145,123 or so much thereof as may be necessary for fiscal year 2019-2020 and \$126,423 or so much thereof as may be necessary for fiscal year 2020-2021 to the executive office on early learning for additional operating costs and positions to support the executive office on early learning public prekindergarten program, which shall be allocated as follows:

- (1) \$8,200 for fiscal year 2019-2020 for computer equipment;
- \$3,028 for fiscal year 2019-2020 and \$528 for fiscal year 2020-2021 for phones and phone lines;
- (3) \$8,000 for fiscal year 2019-2020 for furniture;
- \$93,231 for fiscal year 2019-2020 and \$93,231 for fiscal year 2020-2021 for one full-time equivalent (1.0 FTE) institutional analyst I position; and
- (5) \$32,664 for fiscal year 2019-2020 and \$32,664 for fiscal year 2020-2021 for one full-time equivalent (1.0 FTE) office assistant IV position.

The sums appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 21. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,128 or so much thereof as may be necessary for fiscal year 2019-2020 and \$528 or so much thereof as may be necessary for fiscal year 2020-2021 to the executive office on early learning for additional operating costs to support the systems-building work of the office, which shall be allocated as follows:

- (1) \$8,200 for fiscal year 2019-2020 for computer equipment;
- (2) \$3,928 for fiscal year 2019-2020 and \$528 for fiscal year 2020-2021 for phones and phone lines; and
- (3) \$8,000 for fiscal year 2019-2020 for furniture.

The sum appropriated shall be expended by the executive office on early learning for the purposes of this Act.

SECTION 22. Provided that of the general funds appropriated pursuant to section 3, item G-9, of the General Appropriations Act of 2019 (H.B. 2, H.D. 1, S.D. 1, C.D.1),² the following positions are authorized:

- One full-time equivalent (1.00 FTE) permanent program specialist V position for fiscal year 2019-2020 and fiscal year 2020-2021 to coordinate efforts in the development of Hawaii's early childhood workforce; and
- (2) One full-time equivalent (1.00 FTE) permanent communication specialist position for fiscal year 2019-2020 and fiscal year 2020-2021 to facilitate communication needs of the executive office on early learning and the early learning board.

The sum appropriated shall be expended by the executive office on early learning for the purposes of this Act.

PART VII TURNOVER SAVINGS AND TRANSFERS

SECTION 23. There is appropriated out of the general revenues of the State of Hawaii the sum of \$153,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for teacher certification incentives; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 24. There is appropriated out of the general revenues of the State of Hawaii the sum of \$155,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for school climate and student safety initiatives; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 25. There is appropriated out of the general revenues of the State of Hawaii the sum of \$774,110 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for school-based budgeting; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 26. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for early college programs in high schools.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 27. There is appropriated out of the general revenues of the State of Hawaii the sum of \$575,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for teacher license fees; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 28. There is appropriated out of the general revenues of the State of Hawaii the sum of \$226,640 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for school support; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 29. There is appropriated out of the general revenues of the State of Hawaii the sum of \$7,608,587 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for skilled nursing services; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 30. There is appropriated out of the general revenues of the State of Hawaii the sum of \$422,091 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for state administration; provided that the sum appropriated shall be considered a recurring adjustment to the base budget.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 31. Provided that of the general funds appropriated pursuant to section 3, item G-2, of the General Appropriations Act of 2019 (H.B. 2, H.D. 1, S.D. 1, C.D.1),² the sum of 1,800,183 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 shall be expended for other current expenses and personal services for applied behavioral analysis services; provided further that the sum appropriated pursuant to this section shall be transferred from personal services to other current expenses and personal services for applied behavioral analysis services by the department of education for the purposes of this section.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

PART VIII MISCELLANEOUS

SECTION 32. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the entire Act shall be invalidated, and the Act shall not be given effect, and to this end the provisions of this Act are non-severable.

SECTION 33. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.³

SECTION 34. This Act shall take effect on July 1, 2019.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Notes

2. Act 5.

3. Edited pursuant to HRS §23G-16.5.

^{1.} So in original.

A Bill for an Act Relating to Bail.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 804, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§804- Unsecured bail. (a) The court may order the defendant released upon the execution of an unsecured financial bond for all or part of the bail amount by the defendant and any additional obligors as may be required by the court, upon the deposit of cash or other security as described in section 804-11.5 for any remaining bail amount not covered by the unsecured financial bond, and subject to any other conditions of release that will reasonably assure the appearance of the defendant in court as required and protect the public.

(b) In the event that a defendant fails to appear in court as required or breaches any other condition of release, the court shall enter an order of forfeiture of the unsecured financial bond.

- (c) In granting or denying unsecured bail, the court may consider:
- (1) The defendant's:
 - (A) Employment status and history;
 - (B) Family relationships, specifically the nature and extent of those relationships;
 - (C) Past and present residences;
 - (D) Character and reputation;
 - (E) Ties to the community;
 - (F) Financial circumstances; and
 - (G) Prior criminal record, if any, and any prior failures to appear in court;
- (2) The agreement of any person to assist the defendant to appear in court when required and to satisfy the conditions of release;
- (3) The results of an empirical and validated pretrial risk assessment;
- (4) The offense charged and any potential sentence; and
- (5) Any other facts the court finds relevant to the defendant's likelihood to appear in court and satisfy the conditions of release."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Agricultural Lands.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The office of planning, in consultation with the land use commission, the real estate commission, and the department of planning and permitting of the city and county of Honolulu shall study the land subdivision and condominium property regime laws as they relate to agricultural land on Oahu and how these laws interact with city and county of Honolulu zoning ordinances, to:

- (1) Determine whether they contain potential ambiguities, omissions, or other deficiencies through which a landowner might develop land contrary to the legislative intent of those laws; and
- (2) Propose legislation to remedy any deficiencies found.

SECTION 2. In conducting its research for the study required in section 1, the office of planning shall conduct a public hearing to gather information from the general public.

SECTION 3. The office of planning shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the regular session of 2021.

SECTION 4. Section 514B-6, Hawaii Revised Statutes, is amended to read as follows:

"[[]§514B-6[]] Supplemental county rules governing a condominium property regime. [Whenever any county deems it proper, the county may] No later than July 1, 2022, the counties shall adopt supplemental rules governing condominium property regimes, including agricultural lands that are held in condominium property regimes, established under this chapter in order to implement this program; provided that any of the supplemental rules adopted shall not conflict with this chapter or with any of the rules adopted by the commission to implement this chapter."

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

A Bill for an Act Relating to Professional and Vocational Licensing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 189-2, Hawaii Revised Statutes, is amended to read as follows:

"§189-2 Commercial marine license. (a) No person shall take marine life for commercial purposes whether the marine life is caught or taken within or outside of the State, without first obtaining a commercial marine license as provided in this section.

(b) Additionally, any person providing vessel charter services in the State for the taking of marine life in or outside of the State shall obtain a commercial marine license.

(c) The department may adopt rules pursuant to chapter 91 necessary for the purpose of this section and to set fees for commercial marine licensing.

(d) The fees for commercial marine licenses and duplicate commercial marine licenses shall be established by the department by rules adopted in accordance with chapter 91.

(e) The department shall suspend, shall refuse to renew, reinstate, or restore, or shall deny any license issued under this section if the department has received certification from the child support enforcement agency pursuant to section 576D-13 that the licensee or applicant is not in compliance with an order of support or has failed to comply with a subpoena or warrant relating to a paternity or child support proceeding. The department shall issue, renew, reinstate, or restore [such a] an affected license only upon receipt of authorization from the child support enforcement agency, the office of child support hearings, or the family court.

[(f) The department shall not renew or reinstate, or shall deny or suspend any license or application, if the department has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education, or has failed to comply with a repayment plan.

The department in receipt of a certification pursuant to chapter 436C shall, as applicable, and without further review or hearing:

- (1) Suspend the license;
- (2) Deny the application or request for renewal of the license; or
- (3) Deny the request for reinstatement of the license,

and unless otherwise provided by law, shall renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.]"

SECTION 2. Section 302A-807, Hawaii Revised Statutes, is amended to read as follows:

***\$302A-807** Refusal, suspension, revocation, and reinstatement of licenses. (a) The board shall serve as the final adjudicator for appeals relating to licensing, including the issuance or nonissuance of licenses, and the condition, suspension, nonrenewal, and revocation of licenses.

(b) The board shall establish procedures for the conduct of proceedings for the consideration of requests filed with the board. In every case to condition, revoke, or suspend a license, the board shall give the person concerned written notice that a request has been filed with the board. The board shall conduct a hearing in conformity with chapter 91, and shall provide for confidentiality of the proceedings to protect the parties. In all proceedings before it, the board may administer oaths, compel the attendance of witnesses and production of documentary evidence, and examine witnesses. In case of disobedience by any person to any order of the board or to any subpoena issued by the board, or the refusal of any witness to testify to any matter that the person may be questioned lawfully, any circuit judge, on application of the board or a member thereof, shall compel obedience in the case of disobedience of the requirements of a subpoena issued by a circuit court or a refusal to testify.

(c) Any applicant who has been refused a license, or any licensee whose license has been conditioned, suspended, or revoked, shall have the right to appeal the board's decision to the circuit court of the circuit in which the applicant or licensee resides in the manner provided in chapter 91; provided that out-of-state resident applicants shall file their appeals in the first circuit court.

(d) Upon revocation of a license, the board may disclose the name, birthdate, social security number, and any other pertinent information about the former holder of the license:

- (1) To the department;
- (2) To the commission; and
- (3) For the purpose of exchanging information under chapter 315 with other national or state teacher certification agencies about school personnel who have had licenses revoked.

personnel who have had licenses revoked. [(e) The board shall not renew or reinstate, or shall deny or suspend any license or application, if the board has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education, or has failed to comply with a repayment plan.

The board in receipt of a certification pursuant to chapter 436C shall, as applicable, and without further review or hearing:

- (1) Suspend the license;
- (2) Deny the application or request for renewal of the license; or
- (3) Deny the request for reinstatement of the license,

and unless otherwise provided by law, shall renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.]"

SECTION 3. Section 321-15, Hawaii Revised Statutes, is amended to read as follows:

"§321-15 Biennial registration; fees, failure to register; denial, suspension, or revocation of a license. (a) Every person holding a license to practice any occupation specified in section 321-13(a)(1) shall reregister with the department of health every other year in accordance with the rules of the department, before February 1 except where superseded by federal law, and shall pay a reregistration fee. The failure, neglect, or refusal of any person holding a license to reregister or pay the reregistration fee, after thirty days of delinquency, shall constitute a forfeiture of the person's license; provided that the license shall be restored upon written application therefor together with a payment of all delinquent fees and an additional late reregistration fee that may be established by the director of health. All fees collected pursuant to this section shall be deposited into the sanitation and environmental health special fund established under section 321-27.

(b) The department shall suspend, refuse to renew, reinstate, or restore, or deny any license or application if the department has received certification from the child support enforcement agency pursuant to the terms of section 576D-13 that the licensee or applicant is not in compliance with an order of

support as defined in section 576D-1 or has failed to comply with a subpoena or warrant relating to a paternity or child support proceeding. Unless otherwise provided by law, the department shall grant, renew, restore, or reinstate a license only upon receipt of an authorization from the child support enforcement agency, office of child support hearings, or family court.

[(c) The department shall not renew or reinstate, or shall deny or suspend any license or application, if the department has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education, or has failed to comply with a repayment plan.

The department in receipt of a certification pursuant to chapter 436C shall, as applicable, and without further review or hearing:

- (1) Suspend the license;
- (2) Deny the application or request for renewal of the license; or
- (3) Deny the request for reinstatement of the license,

and unless otherwise provided by law, shall grant, renew, or reinstate the license only upon receipt of an authorization from the administering entity.]"

SECTION 4. Section 431:9-235, Hawaii Revised Statutes, is amended to read as follows:

"§431:9-235 Denial, suspension, revocation of licenses. (a) The commissioner may suspend, revoke, or refuse to extend any license issued under this article for any cause specified in any other provision of this article, or for any of the following causes:

- (1) For any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner;
- (2) If the licensee wilfully violates or knowingly participates in the violation of any provision of this code;
- (3) If the licensee has obtained or attempted to obtain any license issued under this article through wilful misrepresentation or fraud, or has failed to pass any examination required by section 431:9-206;
- (4) If the licensee has misappropriated, converted to the licensee's own use, or illegally withheld moneys required to be held in a fiduciary capacity;
- (5) If the licensee, with intent to deceive, has materially misrepresented the terms or effect of any insurance contract; or has engaged or is about to engage in any fraudulent transaction;
- (6) If the licensee has been guilty of any unfair practice or fraud as defined in article 13;
- (7) If in the conduct of the licensee's affairs under the license, the licensee has shown oneself to be a source of injury and loss to the public; or
- (8) If the licensee has dealt with, or attempted to deal with, insurance or to exercise powers relative to insurance outside the scope of the licensee's licenses.

(b) The license of any partnership or corporation may be so suspended, revoked, or refused for any of the causes that relate to any individual designated in the license to exercise its powers.

(c) The holder of any license, which has been revoked or suspended, shall surrender the license certificate to the commissioner at the commissioner's request.

[(d) The commissioner shall not renew or reinstate, or shall deny, suspend, or revoke any license or application, if the commissioner has received

certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education, or has failed to comply with a repayment plan.

The commissioner in receipt of a certification pursuant to chapter 436C shall, as applicable, and without further review or hearing:

- (1) Suspend the license;
- (2) Deny the application or request for renewal of the license; or
- (3) Deny the request for reinstatement of the license,

and unless otherwise provided by law, shall renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.

(e) The commissioner may suspend, revoke, or refuse to extend any license for any cause specified in this article by an order:

- (1) Given to the licensee not fewer than fifteen days prior to the effective date thereof, subject to the right of the licensee to have a hearing as provided in section 431:2-308, and pending that hearing, the license shall be suspended; or
- (2) Made after a hearing, conducted as provided in section 431:2-308, effective ten days after the date the order is given to the licensee, subject to the right of the licensee to appeal to the circuit court of the first judicial circuit of this State as provided in chapter 91.]"

SECTION 5. Section 431:9A-112, Hawaii Revised Statutes, is amended to read as follows:

(%431:9A-112 License denial, nonrenewal, suspension, or revocation. (a) The commissioner may deny, place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license and may levy a civil penalty in accordance with articles 2 and 3, or any combination of these actions, for any of the following causes:

- (1) Providing incorrect, misleading, incomplete, or materially untrue information in the license application;
- (2) Violating any law, or violating any rule, subpoena, or order of the commissioner or of another state's commissioner;
- (3) Obtaining or attempting to obtain a license through misrepresentation or fraud;
- (4) Improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing business;
- (5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;
- (6) Having been convicted of a felony;
- (7) Having admitted to or been found to have committed any insurance unfair trade practice or fraud;
- (8) Using fraudulent, coercive, or dishonest practice or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere;
- (9) Having an insurance producer license or its equivalent denied, placed on probation, suspended, or revoked in any other state, province, district, or territory;
- (10) Forging another's name on an application or on any document related to a transaction;
- (11) Improperly using notes or any other reference material while taking an examination for an insurance license;
- (12) Accepting insurance business from a person who is not licensed;

- (13) Failing to comply with an administrative or court order imposing a child support obligation; or
- (14) Failing to pay federal or state income taxes or failing to comply with any administrative or court order directing payment of federal or state income taxes[; or
- (15) Receiving certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education, or has failed to comply with a repayment plan].

(b) If the commissioner takes action pursuant to subsection (a), the commissioner shall notify the applicant or licensee in writing of the reason for that action. The applicant or licensee may make written demand upon the commissioner within ten days of the date of receipt of the notice for a hearing before the commissioner to determine the reasonableness of the commissioner's action. The hearing shall be held within thirty days of receipt of the written demand and shall be held pursuant to chapter 91[; provided that this subsection shall not apply to an action taken pursuant to subsection (a)(15)], and following that action, unless otherwise provided by law, the commissioner shall without further review or hearing renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.

[(c) The commissioner shall not renew or reinstate any license and shall deny, suspend, or revoke any license or application if the commissioner has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or is in breach of any obligation under any student loan, student loan repayment contract, or scholarship contract, or has failed to comply with a repayment plan. Unless otherwise provided by law, if the commissioner has received such certification, the commissioner shall renew, reinstate, or grant a license only upon receipt of authorization from the administering entity.

(d)] (c) The license of a business entity may be sanctioned pursuant to subsection (a) if the commissioner finds, after hearing, that any other licensee of the business entity has engaged in misconduct under subsection (a) that was known or should have been known by one or more of the entity's partners, officers, or managers acting on behalf of the entity and the violation was neither reported to the commissioner by the entity nor corrective action taken by the entity.

[(e)] (d) In addition to or in lieu of any applicable sanction under subsection (a), a licensee may, after hearing, be subject to a civil fine according to article 2.

[(f)] (e) The commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this article, chapter 431, 432, or 432D, against any person who is under investigation for or charged with a violation of this article, chapter 431, 432, or 432D, even if that person's license or registration has been surrendered or has lapsed by operation of law."

SECTION 6. Section 457-9, Hawaii Revised Statutes, is amended to read as follows:

"§457-9 Renewal of license; [denial, suspension, or revocation of license for default of student loan, student loan repayment contract, or scholarship contract;] inactivation and reactivation of license; restoration of forfeited license. (a) The license of every person licensed or granted prescriptive authority shall expire on June 30 of every odd-numbered year and shall be renewed biennially, except as provided in this section. Biennially in each odd-numbered year, the board shall make available an application for renewal of license before the deadline set forth by the board to every person to whom a license was issued or renewed during the biennium. The applicant shall complete the application and submit it to the board with a renewal fee, and shall also submit, beginning with the July 1, 2019, licensing biennium, a full set of electronic fingerprints for the purpose of obtaining federal and state criminal history record checks in accordance with section 846-2.7 directly to the Hawaii criminal justice data center for processing with the Federal Bureau of Investigation. The applicant shall bear the cost of the fingerprint processing and the application shall not be considered complete until the results of the criminal history record check has been received by the board; and all required documents on or before the deadline set by the board. The applicant shall provide documents from proper agencies or parties of any criminal conviction or any disciplinary action taken or pending in this State or any other state in the United States or any territory or possession under the jurisdiction of the United States within the two years prior to application for renewal of license. Upon receipt of the application and fee, the board shall verify the accuracy of the application and issue to the applicant a certificate of renewal for the biennium expiring two years hence on the deadline set by the board. The renewal shall render the holder thereof a legal practitioner of nursing for the period stated on the renewal form.

(b) Any licensee who fails to renew a license as provided in subsection (a) but continues to practice shall be considered an illegal practitioner and shall be subject to the penalties provided for violations of this chapter. The failure to timely renew a license, the failure to pay all applicable fees, the dishonoring of any check upon first deposit, or the failure to comply with any other requirement provided by law shall cause the license to be automatically forfeited; provided that the person's license may be restored by the board within two years after the date of forfeiture upon compliance with the licensing renewal fees, penalty fees, and compliance resolution fund fees.

A nurse who does not intend to practice nursing in the State and elects to be placed on inactive status shall so indicate in writing during the license renewal period or by so indicating on the license renewal application, and paying inactivation and all appropriate fees. Should the nurse wish to resume nursing at some future time, the nurse shall notify the board in writing and remit the reactivation and renewal fees; submit an application form as provided in subsection (a); and beginning with the July 1, 2019, licensing biennium, submit a full set of electronic fingerprints for the purpose of obtaining federal and state criminal history record checks in accordance with section 846-2.7 directly to the Hawaii criminal justice data center for processing with the Federal Bureau of Investigation. The applicant shall bear the cost of the fingerprint processing and the application shall not be considered complete until the results of the criminal history record check has been received by the board. A nurse who has not actively practiced in this State or any other state in the United States or any territory or possession under the jurisdiction of the United States for more than five years may be required by the board to submit proof of continued competency by retaking and passing the licensing examination or successfully completing appropriate continuing education recognized by the board.

[(c) Notwithstanding any provision in this chapter to the contrary, the board shall not renew or reinstate, or shall deny, suspend, or revoke, any license or application if the board has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education, or has failed to comply with a repayment plan. The board, in receipt of a certification pursuant to chapter 436C, as applicable, and without further review or hearing, shall:

- (1) Suspend the license;
- (2) Deny the application or request for renewal of the license; or
- (3) Deny the request for reinstatement of the license,

and unless otherwise provided by law, shall renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.]"

SECTION 7. Section 466J-8, Hawaii Revised Statutes, is amended to read as follows:

"§466J-8 Denial, revocation, or suspension of license. (a) The board shall have the power to deny, revoke, or suspend any license issued or applied for in accordance with this chapter, upon proof that the person:

- (1) Is guilty of fraud or deceit in procuring or attempting to procure a license to practice as a radiographer or as a radiation therapy technologist;
- (2) Is mentally incompetent;
- (3) Is guilty of unprofessional conduct; or
- (4) Has knowingly or repeatedly violated this chapter.

(b) Before denying, suspending, or revoking any license pursuant to subsection (a), the board shall furnish the licensee a notice in writing as prescribed by section 91-9 and shall afford the licensee an opportunity to be heard in person and by or with counsel. Any order denying a license, or suspending or revoking a license shall be rendered not later than fifteen days after the hearing, and any aggrieved person may appeal the order as provided in chapter 91.

(c) The board shall suspend, refuse to renew, reinstate, or restore, or deny any license or application if the board has received certification from the child support enforcement agency pursuant to the terms of section 576D-13 that the licensee or applicant is not in compliance with an order of support or has failed to comply with a subpoena or warrant relating to a paternity or child support proceeding. Unless otherwise provided by law, the board shall issue, renew, restore, or reinstate the license only upon receipt of an authorization from the child support enforcement agency, office of child support hearings, or family court. Subsection (b) shall not apply to a license suspension pursuant to this subsection.

[(d) The board shall not renew or reinstate, or shall deny or suspend, any license or application if the board has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant either: is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applieant's education; or has failed to comply with a repayment plan.

Upon receipt of a certification pursuant to chapter 436C, the board, without further review or hearing shall, as applicable:

(1) Suspend the license;

(2) Deny the application or request for renewal of the license; or

(3) Deny the request for reinstatement of the license.

Unless otherwise provided by law, the board shall renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.]"

SECTION 8. Section 605-1, Hawaii Revised Statutes, is amended to read as follows:

"§605-1 Attorneys, qualifications. (a) The supreme court may examine, admit, and reinstate as practitioners in the courts of the State, such persons as it may find qualified for that purpose, who have taken the prescribed oath of

office. The supreme court shall have the sole power to revoke or suspend the license of any such practitioner.

(b) In order to be licensed by the supreme court, a person shall be of good moral character, and shall satisfy such residence and other requirements as the supreme court may prescribe.

(c) In addition to other qualifications for licensure and conditions for continuing eligibility to hold a license, applicants for licensure, licensees renewing their licenses, and existing licensees shall be in compliance with an order of support as defined in section 576D-1 and has not failed to comply with a subpoena or warrant relating to a paternity or child support hearing.

[(d) In addition to other qualifications for licensure and conditions for continuing eligibility to hold a license, applicants for licensure, licensees renewing their licenses, and existing licensees shall be in compliance with any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education or shall be in compliance with a repayment plan as provided in chapter 436C.

The licensing authority shall not renew or reinstate, or shall deny or suspend any license or application, if the licensing authority has received certification from an administering entity pursuant to chapter 436C that the licensee or applicant is in default or breach of any obligation under any student loan, student loan repayment contract, or scholarship contract that financed the licensee's or applicant's education or has failed to comply with a repayment plan.

The licensing authority in receipt of a certification pursuant to chapter 436C shall, as applicable, and without further review or hearing:

- (1) Suspend the license;
- (2) Deny the application or request for renewal of the license; or
- (3) Deny the request for reinstatement of the license,

and unless otherwise provided by law, shall renew, reinstate, or grant the license only upon receipt of an authorization from the administering entity.]"

SECTION 9. Section 436B-19.6, Hawaii Revised Statutes, is repealed.

SECTION 10. Chapter 436C, Hawaii Revised Statutes, is repealed.

SECTION 11. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 12. Statutory material to be repealed is bracketed and stricken.¹ New statutory material is underscored.

SECTION 13. This Act shall take effect upon its approval.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Electric Vehicles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 249-31, Hawaii Revised Statutes, is amended to read as follows:

"§249-31 State registration fee. (a) All vehicles and motor vehicles in the State as defined in section 249-1, including antique motor vehicles, except as otherwise provided in sections 249-4, 249-6, and 249-31.5, shall be subject to a \$45 annual vehicle registration fee[-]; provided that electric vehicles and alternative fuel vehicles shall pay an annual vehicle registration surcharge fee of \$50, which shall be assessed and collected beginning with the first registration renewal for every electric vehicle and alternative fuel vehicle and shall be deposited into the state highway fund established under section 248-8. The fee shall be paid each year together with all other taxes and fees levied by this chapter on a staggered basis as established by each county as authorized by section 286-51, and the state registration for that county shall likewise be staggered so that the state registration fee is due and payable at the same time and shall be collected together with the county fee. The state registration fee shall be deemed delinquent if not paid with the county registration fee. The respective counties shall collect this fee together with the vehicle registration tax collected for the county and shall transfer the moneys collected under this section to the State.

(b) [From] In addition to the annual vehicle registration surcharge fee, for each annual motor vehicle registration fee, the director shall deposit \$40 into the state highway fund and \$5 into the emergency medical services special fund."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on January 1, 2020.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 281

S.B. NO. 414

A Bill for an Act Relating to Criminal Procedure.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the goal of a police investigation is to apprehend the person or persons responsible for the commission of a crime. Mistaken eyewitness identification contributed to approximately seventy per cent of the more than three hundred fifty wrongful convictions overturned by DNA evidence in the United States. Over the past thirty years, a large body of peer-reviewed, scientific research and practice has emerged showing that simple systemic changes in administering eyewitness identification procedures can greatly improve the accuracy of eyewitness identifications. Policies and procedures to improve the accuracy of eyewitness identifications, such as those recommended by the National Institute of Justice, the American Bar Association, the New Jersey Office of the Attorney General, the Wisconsin Office of the Attorney General, the California Commission on the Fair Administration of Justice, and the North Carolina Center on Actual Innocence, are readily available for review.

The legislature further finds that more accurate eyewitness identifications increase the ability of police and prosecutors to solve crime, convict the guilty, and protect the innocent. The integrity of the State's criminal justice process is enhanced by adherence to best practices in evidence gathering. The people of the State of Hawai'i will benefit from the improvement of the accuracy of eyewitness identifications.

The purpose of this Act is to create procedural and administrative requirements for law enforcement agencies for evewitness identifications of suspects in criminal investigations.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER EYEWITNESS IDENTIFICATION PROCEDURES

-1 Definitions. As used in this chapter, unless the context clearly § requires otherwise:

"Administrator" means the person conducting the photo lineup, live lineup, or showup for law enforcement.

"Blind" means the administrator does not know the identity of the suspect in the identification procedure.

"Blinded" means the administrator may know who the suspect is, but by virtue of the use of procedures or technology, does not know which lineup member is being viewed by the evewitness.

"Contamination" means the alteration, replacement, or impairment of an eyewitness' memory of a person or event as a result of exposure to extrinsic information related to that person or event.

"Eyewitness" means a person who observes another person at or near the scene of an offense.

"Filler" means either a person or a photograph of a person who is not suspected of an offense and is included in an identification procedure.

"Identification" means the identification by the evewitness of a specific person as the possible perpetrator.

"Identification procedure" means a live lineup, a photo lineup, or a

showup. "Law enforcement" means any law enforcement entity conducting an investigation.

"Live lineup" means an identification procedure in which a group of persons, including the suspect and other persons acting as fillers, is displayed to an evewitness for the purpose of determining whether the evewitness identifies the suspect as the possible perpetrator.

"Photo lineup" means an identification procedure in which an array of photographs, including a photograph of the suspect and additional photographs of other persons not suspected of the offense, is displayed to an eyewitness either in hard copy form or via computer or other electronic means for the purpose of determining whether the eyewitness identifies the suspect as the possible perpetrator.

"Showup" means an identification procedure in which an evewitness is presented in-person with a single suspect for the purpose of determining whether the eyewitness identifies this individual as the possible perpetrator.

"Suspect" means the person believed by law enforcement to be the possible perpetrator of the crime.

§ -2 Eyewitness identification procedures for live lineups and photo lineups. (a) Any law enforcement entity conducting eyewitness identification procedures shall adopt specific procedures for conducting photo lineups and live lineups that comply with the following requirements:

- (1) Prior to a photo lineup or live lineup, law enforcement shall record in writing as complete a description as possible of the possible perpetrator provided by the eyewitness in the eyewitness' own words. This statement shall also include information regarding the conditions under which the eyewitness observed the possible perpetrator including location, time, distance, obstructions, lighting, weather conditions, and other impairments, including but not limited to alcohol, drugs, stress, and visual or auditory disabilities;
- (2) The eyewitness shall also be asked if the eyewitness' vision needs correction by glasses or contact lenses and whether the eyewitness was wearing them at the time of the offense. The administrator shall note whether the eyewitness was wearing glasses or contact lenses at the time of the identification procedure;
- (3) All live lineups and photo lineups shall be conducted blind unless to do so would place an undue burden on law enforcement or the investigation; and
- (4) The eyewitness shall be instructed, without other eyewitnesses present, prior to any live lineup or photo lineup, that:
 - (A) The suspect may or may not be among the persons in the identification procedure;
 - (B) The administrator does not know the identity of the suspect, if applicable;
 - (C) The eyewitness should not feel compelled to make an identification;
 - (D) The investigation will continue whether or not an identification is made;
 - (E) The procedure requires the administrator to ask the eyewitness to make a statement, in the eyewitness' own words, if the eyewitness makes an identification; and
 - (F) Speaking with other witnesses or the media may hinder prosecution.
- (b) The administrator shall comply with the following:
- (1) In a photo lineup, any photograph of the suspect shall be contemporary and shall resemble the suspect's appearance at the time of the offense;
- (2) In a photo lineup, there shall be no characteristics of the photographs themselves or the background context in which they are placed that makes any of the photographs unduly stand out;
- (3) A photo lineup or live lineup shall be composed so that the fillers generally resemble the eyewitness' description of the possible perpetrator, while ensuring that the suspect does not unduly stand out from the fillers;
- (4) In a photo lineup or live lineup, the administrator shall comply with the following:
 - (A) All fillers selected shall resemble the eyewitness' description of the possible perpetrator in significant features including but not limited to face, weight, build, and skin tone;

- (B) At least five fillers shall be included in a photo lineup in addition to the suspect;
- (C) At least four fillers shall be included in a live lineup in addition to the suspect; and
- (D) If the eyewitness has previously viewed a photo lineup or live lineup in connection with the identification of another person suspected of involvement in the offense, the fillers in the lineup in which the instant suspect participates shall be different from the fillers used in any prior lineups;
- (5) In a live lineup, no identifying actions, such as speech, gestures, or other movements, shall be performed by lineup participants;
- (6) In a live lineup, all lineup participants shall be out of view of the eyewitness prior to the identification procedure;
- (7) In a photo lineup or live lineup, nothing shall be said to the eyewitness regarding the suspect's position in the lineup; and
- (8) In a photo lineup or live lineup, nothing shall be said to the eyewitness that might influence the eyewitness' identification of any particular lineup member.

(c) If there are multiple eyewitnesses, the administrator shall comply with the following:

- (1) Each eyewitness shall view photo lineups or live lineups separately;
- (2) The suspect shall be randomly positioned in the live lineup or photo lineup for each eyewitness; and
- (3) The eyewitnesses shall not be permitted to communicate with each other until all identification procedures have been completed.

(d) In any identification procedure, no writings or information concerning the current investigation or any previous arrest, indictment, or conviction of the suspect shall be visible or made known to an eyewitness.

(e) When there are multiple suspects, each identification procedure shall include only one suspect.

(f) In any identification procedure where an eyewitness makes an identification, the administrator shall seek and document a clear statement from the eyewitness at the time of the identification in the eyewitness' own words.

(g) In any identification procedure where an eyewitness makes an identification, the eyewitness shall not be provided with any information concerning the person identified before the administrator obtains the eyewitness' statement about the identification.

(h) Law enforcement shall make a record of each identification procedure, including all identification and non-identification results obtained, undertaken during all investigations. Each identification procedure record shall be signed by the relevant eyewitness.

(i) When it is impracticable for a blind administrator to conduct a lineup, the investigator shall state in writing, in the identification procedure record, the reason therefor.

§ -3 Eyewitness identification procedures for showups. (a) The administrator shall comply with the following in conducting a showup:

- (1) Where possible, the administrator shall perform a live lineup or photo lineup instead of a showup;
- (2) A showup shall only be performed using a live suspect and only in exigent circumstances that require the immediate display of a suspect to an eyewitness;
- (3) All showups shall be conducted blind unless to do so would place an undue burden on law enforcement or the investigation;

- (4) An administrator shall not conduct a showup with a photograph. If investigators wish to determine if an eyewitness can make an identification using a photograph, a photo lineup shall be used;
- (5) Prior to any showup, law enforcement shall record in writing as complete a description as possible of the possible perpetrator provided by the eyewitness in the eyewitness' own words. This record shall also include information regarding the conditions under which the eyewitness observed the possible perpetrator including location, time, distance, obstructions, lighting, weather conditions, and other impairments including but not limited to alcohol, drugs, stress, and visual or auditory disabilities;
- (6) The eyewitness shall also be asked if the eyewitness' vision needs correction by glasses or contact lenses and whether the eyewitness was wearing them at the time of witnessing the offense. The administrator shall note whether the eyewitness was wearing glasses or contact lenses at the time of the identification procedure;
- (7) The eyewitness shall be transported to a neutral, non-law enforcement location where the suspect is being detained for the purposes of a showup;
- (8) The eyewitness shall be instructed, without other eyewitnesses present, prior to any showup that:
 - (A) The suspect may or may not be the person that is presented to the eyewitness;
 - (B) The administrator does not know the identity of the suspect, if applicable;
 - (C) The eyewitness should not feel compelled to make an identification;
 - (D) The investigation will continue whether or not an identification is made;
 - (E) The procedure requires the administrator to ask the eyewitness to make a statement, in the eyewitness' own words, if the eyewitness makes an identification; and
 - (F) Speaking with other witnesses or the media may hinder prosecution.

(b) At any showup, in order to reduce potentially damaging or prejudicial inferences that may be drawn by the eyewitness, the administrator shall:

- (1) Refrain from suggesting, through statements or nonverbal conduct, that the suspect is or may be the perpetrator of the crime;
- (2) Refrain from removing the suspect from a squad car in front of the eyewitness; and
- (3) When practicable, present the suspect to the eyewitness without handcuffs.
- (c) When there are multiple eyewitnesses, the following procedure shall

apply:

- (1) Only one eyewitness at a time shall be present at the location of the showup to participate in the showup; and
- (2) If a positive identification is made and an arrest is justified, subsequent eyewitnesses shall be shown live lineups or photo lineups.

(d) If there are multiple suspects, the suspects shall be separated and participate in separate showups.

(e) If an eyewitness makes an identification, the administrator shall seek and document a clear statement from the eyewitness, at the time of the identification and in the eyewitness' own words.

(f) The administrator shall photograph each suspect or cause the suspect to be photographed at the time and place of the showup to preserve a record of the appearance of the suspect at the time of the showup.

(g) When it is impracticable for a blind administrator to conduct a showup, the investigator shall state in writing the reason therefor.

§ -4 Video record of identification procedures; impracticability; alternative record. (a) Unless impracticable, a video record of each identification procedure shall be made that includes the following information:

- (1) All identification and non-identification results obtained during the identification procedure, signed by each eyewitness;
- (2) The names of all persons present at the identification procedure, including the name of the administrator and whether the administrator was blind, blinded, or non-blind;
- (3) If an administrator other than a blind administrator was used, the reason therefor;
- (4) The date and time of the identification procedure;
- (5) In a photo lineup or live lineup, any eyewitness identifications of fillers; and
- (6) In a photo lineup or live lineup, the names of the lineup members and other relevant identifying information, and the sources of all photographs or persons used in the lineup.

(b) If a video record of the identification procedure is impracticable, the administrator shall document the reason therefor, and an audio record of the identification procedure shall be made. The audio record shall be supplemented by the following:

- (1) All of the photographs used in a photo lineup; and
- (2) Photographs of all of the individuals used in a live lineup or showup.

(c) If both a video and audio record of the identification procedure are impracticable, the administrator shall document in writing the reason therefor, and a written record of the identification procedure shall be made. The written record shall be supplemented by the following:

- (1) All of the photographs used in a photo lineup; and
- (2) Photographs of all of the individuals used in a live lineup or showup.

§ -5 Training by law enforcement entities. Law enforcement entities shall include in their training programs for law enforcement officers and recruits information on the methods, technical aspects, and scientific findings regarding the basis of the eyewitness identification practices and procedures referenced in this chapter."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. This Act shall take effect on June 1, 2020.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that "Hawaii was the first state to enact statutory provisions enabling the creation of condominiums." <u>State Savings</u> <u>& Loan Association v. Kauaian Development Company</u>, 50 Haw. 540, 546, 445 P.2d 109, 115 n.8 (1968). Brought into being by the legislature through Act 180, Session Laws of Hawaii 1961, condominiums are "creature[s] of statute," <u>State</u> <u>Savings & Loan Association</u>, 50 Haw. at 546, 445 P.2d at 115, which are governed by *statutes*, as well as their governing documents.

The legislature finds that condominiums provide a valuable housing resource in Hawaii, especially with limited space available for new development. The structure of condominium ownership requires each owner to share in the total cost of maintaining common areas such as building exteriors, landscaping, pool, and recreation rooms, in addition to paying insurance premiums. All owners pay for such maintenance through fees or dues. The legislature further finds that it is crucial that condominium associations be able to secure timely payment of dues to provide services to all residents of a condominium community.

In 1999, the legislature noted "that more frequently associations of apartment owners are having to increase maintenance fee assessments due to increasing delinquencies and related enforcement expenses. This places an unfair burden on those non-delinquent apartment owners who must bear an unfair share of common expenses" Moreover, lengthy delays in the judicial foreclosure process exacerbated the financial burden on association owners. The legislature determined that associations needed a more efficient alternative, such as power of sale foreclosures, to provide a remedy for recurring delinquencies.

Additionally, the legislature finds that condominium associations, since 1999, have been authorized to conduct nonjudicial foreclosures regardless of the presence or the absence of power of sale language in an association's governing documents. Beginning in 1998 with the passage of Act 122, Session Laws of Hawaii 1998, and codified in section 667-40, Hawaii Revised Statutes, condominium associations were authorized to conduct nonjudicial foreclosures if a "law or written document contains, authorizes, permits, or provides for a power of sale, a power of sale foreclosure, a power of sale remedy, or a nonjudicial foreclosure." However, in 1999, the legislature passed Act 236, Session Laws of Hawaii 1999, "[c]larify[ing] that associations of apartment owners may enforce liens for unpaid common expenses by non-judicial power of sale foreclosure procedures, as an alternative to legal action" by:

- (1) Specifying that condominium associations may foreclose liens by nonjudicial or power of sale foreclosure within the statute governing the priority of a condominium association lien (section 514A-90, Hawaii Revised Statutes (repealed January 1, 2019)); and
- (2) Incorporating into the bylaws of all condominium associations a provision authorizing condominium associations to enforce liens by nonjudicial or power of sale foreclosure pursuant to chapter 667, Hawaii Revised Statutes (section 514A-82, Hawaii Revised Statutes (repealed January 1, 2019)).

Thus, Act 236, Session Laws of Hawaii 1999, provided a statutory grant of power and an incorporation into written documents authorizing condominium associations to utilize nonjudicial foreclosure under sections 667-5 (repealed June 28, 2012) and 667-40, Hawaii Revised Statutes, to enforce their liens. The legislature also finds that this intent was not abrogated by the recodification of chapter 514A, Hawaii Revised Statutes. First, through Act 164, Session Laws of Hawaii 2004, the language of section 514A-90, Hawaii Revised Statutes, was incorporated with limited amendments while retaining the authorization that condominium associations may foreclose liens by nonjudicial or power of sale foreclosure. Second, while the new statute governing bylaws no longer contained a provision authorizing condominium associations to enforce liens by nonjudicial or power of sale foreclosure, it was not removed out of an intention to revoke this authority from condominium law. As stated in the *Final Report to the Legislature: Recodification of Chapter 514A, Hawaii Revised Statutes (Condominium Property Regimes)*, the "statutory requirements for condominium governing documents should be minimized while incorporating certain provisions . . . in more appropriate statutory sections."

Further, the legislature finds that the intent was not abrogated by the creation of the nonjudicial foreclosure process specifically for condominium associations, codified as part VI of chapter 667, Hawaii Revised Statutes, through Act 182, Session Laws of Hawaii 2012. This is evidenced by the lack of a provision constricting its application similar to the language in section 667-40, Hawaii Revised Statutes.

Since the enactment of part VI of chapter 667, Hawaii Revised Statutes, associations have conducted nonjudicial foreclosures as part of their efforts to collect delinquencies and sustain their financial operations. Associations have done so subject to the restrictions on nonjudicial foreclosures and other collection options imposed by the legislature, which include:

- (1) Prohibiting the use of nonjudicial foreclosure to collect fines, penalties, legal fees, or late fees;
- (2) Requiring associations to give an owner sixty days to cure a default before proceeding with the nonjudicial foreclosure and to accept reasonable payment plans of up to twelve months; and
- (3) Requiring associations to provide owners with contact information for approved housing counselors and approved budget and credit counselors.

However, the intermediate court of appeals in <u>Sakal v. Association of</u> <u>Apartment Owners of Hawaiian Monarch</u>, 143 Haw. 219, 426 P.3d 443 (2018), held that the legislature intended that associations can only conduct nonjudicial foreclosures if they have specific authority to conduct nonjudicial foreclosures in their declaration or bylaws or in an agreement with the owner being foreclosed upon.

The legislative history indicates this was not the intent of the legislature in 1999, nor in legislatures that have made subsequent amendments. Therefore, this Act confirms the legislative intent that condominium associations should be able to use nonjudicial foreclosure to collect delinquencies regardless of the presence or absence of power of sale language in an association's governing documents.

This Act also provides an additional consumer protection by requiring the foreclosing association to offer mediation with any notice of default and intention to foreclose and the procedures when mediation is chosen by the consumer.

SECTION 2. Chapter 514B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§514B- Association fiscal matters; supplemental nonjudicial foreclosure notices; restrictions on power of sale. (a) Any notice of default and intention to foreclose given by an association under section 667-92(a) shall, in addition to the requirements of that section, also include a statement that the unit owner may request mediation by delivering a written request for mediation to the association by certified mail, return receipt requested, or hand delivery within thirty days after service of a notice of default and intention to foreclose on the unit owner.

If the association does not receive a request for mediation within the thirty-day period, the association may proceed with nonjudicial or power of sale foreclosure, subject to all applicable provisions of this chapter and chapter 667. If the association receives a request for mediation, as set forth in this subsection, from a unit owner within thirty days after service of a notice of default and intention to foreclose upon the unit owner, the association shall agree to mediate and shall be prohibited from proceeding with nonjudicial or power of sale foreclosure until the association has participated in the mediation or the time period for completion of the mediation has elapsed. The mediation shall be completed within sixty days of the date upon which the unit owner delivers a request for mediation upon the association; provided that if the mediation is not commenced or completed within sixty days or the parties are unable to resolve the dispute by mediation, the association may proceed with nonjudicial or power of sale foreclosure, subject to all applicable provisions of this chapter and chapter 667.

(b) In addition to the wording required by section 667-92(b), any notice of default and intention to foreclose given by an association under section 667-92(a) shall also contain wording substantially similar to the following in all capital letters and printed in not less than fourteen-point font:

"THIS NOTICE PERTAINS TO AMOUNTS DUE AND OW-ING TO THE ASSOCIATION FOR WHICH THE ASSOCIATION HAS A STATUTORY OR RECORDED LIEN. THIS NOTICE DOES NOT PERTAIN TO OBLIGATIONS OWED BY YOU TO OTHER CREDITORS, INCLUDING ANY OUTSTANDING MORTGAGE DEBT. YOU SHOULD CONSULT YOUR OTHER CREDITORS, INCLUDING YOUR MORTGAGEES, IF ANY, AS TO THE EF-FECT THE FORECLOSURE OF THE ASSOCIATION'S LIEN WILL HAVE ON YOUR OTHER OUTSTANDING DEBTS."

(c) The association's power of sale provided in section 514B-146(a) may not be exercised against:

- (1) Any lien that arises solely from fines, penalties, legal fees, or late fees, and the foreclosure of any such lien shall be filed in court pursuant to part IA of chapter 667;
- (2) Any unit owned by a person who is on military deployment outside of the State of Hawaii as a result of active duty military status with any branch of the United States military. The foreclosure of any such lien shall be filed in court pursuant to part IA of chapter 667, this subsection shall not apply if the lien of the association has been outstanding for a period of one year or longer; or
- (3) Any unit while the nonjudicial or power of sale foreclosure has been stayed pursuant to section 667-92(c)."

SECTION 3. Section 514B-146, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) All sums assessed by the association but unpaid for the share of the common expenses chargeable to any unit shall constitute a lien on the unit with priority over all other liens, except:

(1) Liens for real property taxes and assessments lawfully imposed by governmental authority against the unit; and

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(2)Except as provided in subsection (i), all sums unpaid on any mortgage of record that was recorded prior to the recordation of a notice of a lien by the association, and costs and expenses including attornevs' fees provided in such mortgages;

provided that a lien recorded by an association for unpaid assessments shall expire six years from the date of recordation unless proceedings to enforce the lien are instituted prior to the expiration of the lien; provided further that the expiration of a recorded lien shall in no way affect the association's automatic lien that arises pursuant to this subsection or the declaration or bylaws. Any proceedings to enforce an association's lien for any assessment shall be instituted within six years after the assessment became due; provided that if the owner of a unit subject to a lien of the association files a petition for relief under the United States Bankruptcy Code (11 U.S.C. §101 et seq.), the period of time for instituting proceedings to enforce the association's lien shall be tolled until thirty days after the automatic stay of proceedings under section 362 of the United States Bankruptcy Code (11 U.S.C. §362) is lifted.

The lien of the association may be foreclosed by action or by nonjudicial or power of sale foreclosure [procedures set forth in chapter 667], regardless of the presence or absence of power of sale language in an association's governing documents, by the managing agent or board, acting on behalf of the association and in the name of the association; provided that no association may exercise the nonjudicial or power of sale remedies provided in chapter 667 to foreclose a lien against any unit that arises solely from fines, penalties, legal fees, or late fees, and the foreclosure of any such lien shall be filed in court pursuant to part IA of chapter 667.

In any such foreclosure, the unit owner shall be required to pay a reasonable rental for the unit, if so provided in the bylaws or the law, and the plaintiff in the foreclosure shall be entitled to the appointment of a receiver to collect the rental owed by the unit owner or any tenant of the unit. If the association is the plaintiff, it may request that its managing agent be appointed as receiver to collect the rent from the tenant. The managing agent or board, acting on behalf of the association and in the name of the association, unless prohibited by the declaration, may bid on the unit at foreclosure sale, and acquire and hold, lease, mortgage, and convey the unit. Action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the unpaid common expenses owed."

SECTION 4. Section 667-1, Hawaii Revised Statutes, is amended by amending the definition of "power of sale" to read as follows: ""Power of sale" or "power of sale foreclosure" means a nonjudicial fore-

closure when [the]:

- The mortgage contains, authorizes, permits, or provides for a power (1)of sale, a power of sale foreclosure, a power of sale remedy, or a nonjudicial foreclosure[-]: or
- For the purposes of part VI, an association enforces its claim of an (2)association lien, regardless of whether the association documents provide for a power of sale, a power of sale foreclosure, a power of sale remedy, or a nonjudicial foreclosure."

SECTION 5. Sections 3 and 4 of this Act shall be applied retroactively to any case, action, proceeding, or claim arising out of a nonjudicial foreclosure under section 667-5 (repealed June 28, 2012), Hawaii Revised Statutes, and parts II and VI of chapter 667, Hawaii Revised Statutes, that arose before the effective

date of this Act and in which a final non-appealable judgment has not yet been entered.

SECTION 6. This Act shall not be applied so as to impair any contract existing as of the effective date of this Act in a manner violative of either the Hawaii State Constitution or Article I, section 10, of the United States Constitution.

SECTION 7. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect upon its approval; provided that the amendments made to section 514B-146(a), Hawaii Revised Statutes, by section 3 of this Act shall not be repealed when that section is reenacted on June 30, 2020, pursuant to section 6 of Act 195, Session Laws of Hawaii 2018.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 283

S.B. NO. 767

A Bill for an Act Relating to Contractors.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that chapter 444, Hawaii Revised Statutes, requires that a licensed contractor be hired for any construction work that costs more than \$1,000 or that requires a building permit. However, the handyman exemption to chapter 444, Hawaii Revised Statutes, allows the hiring of a person not licensed as a contractor if the total value of the project, including labor and materials, is equal to or less than \$1,000.

The legislature further finds that as housing costs have increased in Hawaii, the cost of housing materials has also increased. As a result, small home repair projects may easily exceed \$1,000. Additionally, Act 195, Session Laws of Hawaii 2009, increased the monetary sanctions for engaging in contracting without the required license in violation of the contractors licensing law. Fines were increased from \$500 to \$2,500 for the first offense and from \$1,000 to \$3,500 for the second offense. This represents a fivefold increase in the amount of the first offense fine and over a threefold increase in the second offense fine.

Despite an increase in costs and a shortage of licensed contractors, the handyman exemption amount has not been increased since 1992. Accordingly, the legislature finds that in order to combat high housing costs, the handyman exemption should be expanded to provide faster, easier access to construction services for smaller projects.

The legislature finds that it is necessary to raise the handyman exemption for several reasons. First, increasing the exemption threshold brings the exemption more in line with the increased fines imposed by Act 195 and reduces that law's potential impact on handymen who take on small projects in good faith and face rising materials costs. Second, raising the handyman exemption will help landlords and homeowners reduce the costs of maintaining a home or for repairs to make rentals marketable. Third, in rural parts of the State, it is often difficult to find licensed contractors for these projects because the job is either too small or contractors are not available. Finally, if the exemption threshold remains as it is, senior citizens who are unable to find contractors may be forced to attempt dangerous repairs themselves, thereby placing senior citizen homeowners at risk of injury.

The purpose of this Act is to broaden the contractor licensing law's handyman exemption threshold amount by removing all costs other than labor and materials from its calculation and raising the amount to \$1,500.

SECTION 2. Section 444-2, Hawaii Revised Statutes, is amended to read as follows:

"§444-2 Exemptions. This chapter shall not apply to:

- (1) Officers and employees of the United States, the State, or any county while in the performance of their governmental duties;
- (2) Any person acting as a receiver, trustee in bankruptcy, personal representative, or any other person acting under any order or authorization of any court;
- (3) A person who sells or installs any finished products, materials, or articles of merchandise that are not actually fabricated into and do not become a permanent fixed part of the structure, or to the construction, alteration, improvement, or repair of personal property;
- (4) Any project or operation for which the aggregate contract price for labor[,] and materials[, taxes, and all other items] is not more than [\$1,000.] \$1,500. This exemption shall not apply in any case where a building permit is required regardless of the aggregate contract price, nor where the undertaking is only a part of a larger or major project or operation, whether undertaken by the same or a different contractor or in which a division of the project or operation is made in contracts of amounts not more than [\$1,000] \$1,500 for the purpose of evading this chapter or otherwise;
- (5) A registered architect or professional engineer acting solely in the person's professional capacity;
- (6) Any person who engages in the activities regulated in this chapter as an employee with wages as the person's sole compensation;
- (7) Owner-builders exempted under section 444-2.5;
- (8) Any joint venture if all members thereof hold licenses issued under this chapter;
- (9) Any project or operation where it is determined by the board that less than ten persons are qualified to perform the work in question and that the work does not pose a potential danger to public health, safety, and welfare; or
- (10) Any public works project that requires additional qualifications beyond those established by the licensing law and which is deemed necessary and in the public interest by the contracting agency."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 4. This Act shall take effect on July 1, 2019.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 284

SB NO 817

A Bill for an Act Relating to Self-Service Storage.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that self-service storage facilities offer occupants stored property insurance as an insurance option if those occupants do not have a homeowners' or renters' insurance policy. Stored property insurance policies typically insure the contents within a storage unit located at a storage facility.

The legislature also finds that some occupants of self-service storage facilities do not have homeowners' or renters' insurance policies and are unlikely to seek insurance from the traditional insurance market for the property in their storage facility unit.

Affording individuals the opportunity to purchase insurance at the point of rental will provide an accessible means to obtain coverage for their stored property.

The purpose of this Act is to:

- Establish regulations for the sale of stored property insurance by (1)self-service storage facility owners; and
- (2)Require owners to hold a limited lines license to sell, solicit, or offer coverage under a stored property insurance policy.

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new part to article 9A to be appropriately designated and to read as follows:

"PART . LIMITED LINES SELF-SERVICE STORAGE STORED PROPERTY INSURANCE

§431:9A-A Definitions. For purposes of this part:

'Commissioner" means the insurance commissioner as defined in section 431:2-102.

"Occupant" has the same meaning as in section 507-61.

"Owner" means any business entity that owns or is authorized to manage a self-service storage facility, or to receive rent from an occupant under a rental agreement, and no real estate license is required.

"Self-service storage facility" has the same meaning as in section 507-61. "Stored property insurance" means insurance under a group, individual, corporate, commercial, or master policy to provide insurance coverage to occupants of a self-service storage facility for the loss of, or damage to, tangible personal property that is contained in a storage space located at a self-service storage facility or is in transit during the term of a self-service storage facility rental agreement.

"Supervising entity" means a business entity that is a licensed insurer or insurance producer that is appointed or authorized by an insurer to supervise the administration of a stored property insurance program.

§431:9A-B Licensure of owners. (a) An owner of a self-service storage facility shall hold a limited lines license to sell, solicit, or offer coverage under a policy of stored property insurance. An owner is not required to hold a license solely to display and make available to occupants and prospective occupants brochures and other promotional materials created by or on behalf of an authorized insurer.

(b) A limited lines license issued under this part shall authorize any employee or authorized representative of the owner to sell, solicit, and offer coverage under a policy of stored property insurance to an occupant at each location at which the owner engages in self-service storage transactions.

(c) The supervising entity shall maintain a registry of owner locations, employees, and representatives that are authorized to sell, solicit, or offer stored property insurance coverage in the State. Upon request by the commissioner and with notice to the supervising entity consistent with the commissioner's authority under this article, the registry shall be open to inspection and examination by the commissioner during regular business hours of the supervising entity.

(d) Notwithstanding any law to the contrary, a license issued pursuant to this part shall authorize the licensee and its employees and authorized representatives to engage in the activities that are permitted in this part.

§431:9A-C Requirements for sale of stored property insurance. At every location at which stored property insurance is offered, brochures or other written or electronic materials shall be made available to occupants. The brochures or other written or electronic materials shall:

- (1) Disclose that stored property insurance may provide a duplication of coverage already provided by an occupant's homeowner's insurance policy, renter's insurance policy, or other source of coverage;
- (2) State that purchase by the occupant of the stored property insurance offered by the owner is not required to rent storage space or that, if renting storage space does require the occupant to have property insurance, the occupant may satisfy the requirement by providing evidence that the occupant has coverage from another source of property insurance;
- (3) Contain the actual material terms of the insurance coverage, or summarize the material terms of the insurance coverage, including:(A) The identity of the insurer;
 - (B) The identity of the supervising entity; and
 - (C) The price, deductible, benefits, exclusions, and conditions or other limitations of the coverage;
- (4) Summarize the process for filing a claim in the event the occupant elects to purchase coverage;
- (5) Disclose that the employee of the self-service storage facility is not qualified or authorized to evaluate the adequacy of the occupant's existing coverages, unless otherwise licensed;
- (6) State that the occupant may cancel enrollment for coverage under a stored property insurance policy at any time and the person paying the premium shall receive a refund of any applicable unearned premium; and
- (7) State that stored property insurance may also be purchased through licensed property and casualty producers, who may have more general knowledge and experience selling insurance and may better assist the occupant. Owners and employees selling stored property insurance under a limited lines license are not required to meet all of the requirements of a licensed insurance producer.

§431:9A-D Authority of owners. (a) The employees and authorized representatives of owners may sell, solicit, and offer stored property insurance and shall not be subject to licensure as an insurance producer under this chapter; provided that:

- (1) The owner obtains a limited lines license to authorize its employees and authorized representatives to sell, solicit, and offer stored property insurance pursuant to this part;
- (2) The insurer issuing the stored property insurance either directly supervises or appoints a supervising entity to supervise the administration of a stored property insurance program, including development of a training program for employees and authorized representatives of the owner. The training shall comply with the following:
 - (A) Prior to an employee or authorized representative directly engaging in the activity of selling, soliciting, or offering stored property insurance, the employee or authorized representative shall receive the training set forth in this section;
 - (B) The training may be conducted in electronic form; provided that, if the training is conducted in an electronic form, the supervising entity shall implement a supplemental education program regarding the stored property insurance product that is conducted and overseen by a licensed employee of the supervising entity; and
 - (C) Each employee and authorized representative directly engaged in the activity of selling, soliciting, or offering stored property insurance shall receive basic instruction about the stored property insurance offered to occupants and the disclosures required under section 431:9A-C; and
- (3) No employee or authorized representative of an owner shall advertise, represent, or otherwise portray the employee or authorized representative as a non-limited lines licensed insurance producer, unless so licensed.

(b) The charges for stored property insurance coverage may be billed and collected by the owner. Any charge to the enrolled occupant for coverage that is not included in the cost associated with the rental of storage space or related services shall be separately itemized on the enrolled occupant's bill. If the stored property insurance coverage is included with the rental of storage space or related services, the owner shall clearly and conspicuously disclose to the enrolled occupant that the stored property insurance coverage is included with the rental of storage space or related services. An owner that bills and collects the charges shall not be required to maintain the funds in a segregated account; provided that the owner is authorized by the insurer or supervising entity to hold the funds in an alternative manner and remits the funds to the insurer or supervising entity within sixty days of receipt. All premiums received by an owner from an enrolled occupant for the sale of stored property insurance shall be held in a fiduciary capacity for the benefit of the insurer.

§431:9A-E Sanctions for violations. An owner or its employee or authorized representative shall be subject to sanctions pursuant to this chapter for the violation of any provision of this chapter.

§431:9A-F Application for license and fees. (a) A sworn application for a license under this part shall be filed with the commissioner on forms prescribed and furnished by the commissioner.

(b) The application for a license shall provide the following:

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- (1) Name, residence address, electronic-mail address, and other information required by the commissioner for an employee or officer of the owner or supervising entity that is designated by the applicant as the person responsible for the owner's compliance with the requirements of this part; provided that, if the owner derives more than fifty per cent of its revenue from the sale of stored property insurance, the information in this paragraph shall be provided for all officers, directors, and shareholders of record having beneficial ownership of ten per cent or more of any class of securities registered under the federal securities law; and
- (2) Location of the applicant's home office.

(c) Any owner engaging in stored property insurance transactions on or before the effective date of Act , Session Laws of Hawaii 2019, shall apply for licensure within ninety days of the date the application is made available by the commissioner. Any applicant commencing operations after the effective date of Act , Session Laws of Hawaii 2019, shall obtain a license prior to offering stored property insurance.

(d) Initial and renewed licenses issued pursuant to this part shall be valid for periods consistent with this article.

(e) Each owner licensed under this part shall pay to the commissioner the limited lines producer's application fee and license fee pursuant to section 431:7-101."

SECTION 3. Section 431:9A-107.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Notwithstanding any other provision of this article, the commissioner may issue:

- (1) A limited license to persons selling travel tickets of a common carrier of persons or property who shall act only as to travel ticket policies of accident and health or sickness insurance or baggage insurance on personal effects;
- (2) A limited license to each individual who has charge of vending machines used in this State for the effectuation of travel insurance;
- (3) A limited license to any individual who sells policies of accident and health or sickness insurance as a promotional device to improve the circulation of a newspaper in this State; [or]
- (4) A limited line credit insurance producer license to any individual who sells, solicits, or negotiates limited line credit insurance[-]; or
- (5) <u>A limited license to any owner of a self-service storage facility, as defined in section 507-61, to sell stored property insurance, as defined in section 431:9A-A.</u>"

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. The revisor of statutes shall insert the effective date of this Act in the appropriate places in section 2 of this Act.

SECTION 6. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on January 1, 2020.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 285

S.B. NO. 976

A Bill for an Act Relating to Public Libraries.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 312, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§312- Pilot program for lease of public library land. (a) There shall be established a pilot program for the lease of public library land, including facilities. The state librarian, in consultation with the board of education and any other appropriate agency, shall serve as the facilitator of the pilot program.

(b) Notwithstanding section 171-11 or any other law to the contrary, the board of education may lease public library land without review by or approval of the board of land and natural resources on terms it deems appropriate, including a leaseback of all or a portion of the improvements constructed; provided that:

- (1) In consultation with the state librarian, the board may identify and select up to five public library land sites as candidates for participation in the pilot program; provided that:
 - (A) Any library site with outstanding general obligation bond debt shall be excluded from consideration as a candidate for participation in the pilot program; and
 - (B) If the site is on land owned by a county, the department of education shall consult with the county;
- (2) The board of education may lease no more than three public library land sites identified and selected by the board pursuant to paragraph (1) under leases for a term of not more than ninety-nine years per lease, unless extended pursuant to section 171-36, to lessees who may be required to modify, construct, or utilize facilities to meet the mission of the public libraries, in accordance with specific request for proposal or request for information guidelines;
- (3) Each lease shall stipulate that the lessee may retain any revenue generated from the facilities; provided that:
 - (A) The lessee shall be obligated to maintain and operate the facilities to meet the mission of the public libraries for the length of the lease;
 - (B) The lessee shall be obligated to pay to the county all applicable property taxes on the value of any improvements;
 - (C) A leasehold premium may be charged to the lessee for the right to use the public library land based on a competitive process that complies with applicable sections of chapter 103D;
 - (D) Upon the expiration of the lease, the facilities shall revert to the board; and

- (E) All revenues and proceeds derived by the State under this section shall be deposited in the library facilities fund pursuant to subsection (f); and
- (4) Notwithstanding any law to the contrary, the board of education may enter into leaseback agreements that allow the board to lease or sublease the property to a third party. The board may lease back the property from the third-party lessee or sublessee for a contractual period of time, after which the department shall own any improvements.
- (c) Any redevelopment involving nonlibrary purposes shall:
- (1) Comply with county plans, ordinances, and zoning and development codes; and
- (2) Acquire all required government approvals and permits.

(d) Nothing in this section shall preclude the state librarian or the board of education from working with and receiving assistance from any other department or agency in carrying out the purposes of this section.

(e) Any lease entered into by the board pursuant to subsection (b) shall be fully executed no later than ten years from July 1, 2019.

(f) There is established in the state treasury the library facilities fund. All proceeds from the leases, permits, interest income generated from public library lands, and other revenue generated from the nonpermanent disposition of public library lands, including facilities, pursuant to this section shall be deposited into the library facilities fund. Except as otherwise provided by law, all moneys in the library facilities fund shall be used for state library programs."

SECTION 2. The board of education shall submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2021 and each regular session thereafter until the completion of each project authorized pursuant to this Act. The report shall provide the following:

- (1) A timeline for the pilot program pursuant to this Act, including:
 - (A) A timeline for the redevelopment of each selected site;
 - (B) An estimated start and completion date for each selected site; and
 - (C) Estimates for the time required to obtain any necessary county or state approvals required to complete the redevelopment of each selected site;
- (2) A summary of the state librarian's and board of education's activities, results, and recommendations to optimize the use of public library lands as a means to meet the mission of the public libraries;
- (3) A summary of all library and community engagement efforts undertaken or that will be undertaken by the department of education in carrying out the pilot program pursuant to this Act;
- (4) A summary of the state librarian's and board of education's current and projected budgeted expenses, including the identification of any contracts with third parties and the creation of temporary positions within the department of education in carrying out the pilot program pursuant to this Act;
- (5) A summary of any capacity and funding issues or challenges that the state librarian or board of education has encountered in carrying out the pilot program pursuant to this Act; and
- (6) Any proposed legislation.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary

for fiscal year 2019-2020 for a comprehensive planning study to review all state public library land sites and facilities to assist the state librarian and the board of education in identifying public library land sites for the pilot program established by this Act.

The sum appropriated shall be expended by the Hawaii state public library system for the purposes of this Act.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2019.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 286

S.B. NO. 1058

A Bill for an Act Relating to Proposed Constitutional Amendments.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-118.5, Hawaii Revised Statutes, is amended to read as follows:

"[[]§11-118.5[]] Constitutional amendments, proposed[-]; attorney general statement. (a) Any constitutional amendment proposed by the legislature shall include in final form the exact constitutional ratification question to be printed on a ballot. The constitutional ratification question shall be phrased in a manner to enable voters to express their choice on the constitutional amendment by providing a "yes" or "no" response. The language and meaning of a constitutional amendment shall be clear and it shall be neither misleading nor deceptive.

(b) The attorney general, in consultation with the legislative reference bureau, shall prepare a statement in English and Hawaiian for each proposed constitutional amendment in language that is clear and that indicates the purpose, limitations, and effects of the proposed amendment. The attorney general shall distribute each statement to the state office of elections and all county clerks for further distribution. The office of elections and county clerks shall make the statement available to the public at all polling places in the State and on a website operated by the office of elections."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on January 1, 2020.

(Became law on July 9, 2019, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

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¹ See also Floor Amendment 16.

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HB0843	168	1336, 2045	435, 915	193 ³
HB0845	209	1347, 1921	685, 990	178
HB0852	122	1899	635, 1044	118
HB0867	057	1348, 2001	244, 682, 991	184
HB0888	058	1308, 1922	666, 816	109^{4}
HB0898	210	1772	660, 1067	
HB0901	100	1367, 2000	382, 992	
HB0903	112	1278, 1995	614, 970	125
HB0913	211	1349, 1873	105, 1114	44
HB0914	212	1504, 1923	106, 1115	179
HB0941	064	1505, 1858	936	54
HB0942	099	1362, 2056	336, 1247	201
HB0944	065	1310, 1908	140, 894	
HB0945	066	1312, 1954	138, 893	
HB0981	053	1356, 1916	323, 995	180
HB0988	074	1311, 1946	261, 1253	21
HB0989	075	1313, 1952	482, 1254	45
HB0990	076	1378, 2023	344, 1256	19
HB0991	077	1450, 2024	346, 886	46

² See also Floor Amendment 14.

³ See also Senate Floor Amendment 26 or House Floor Amendment 10.

⁴ See also Senate Floor Amendment 24 or House Floor Amendment 8.

		Senate Committee	House Committee	Conference Committee
<u>Bill No.</u>	Act No.	Report No.	Report No.	Report No.
HB0993	078	1382, 1999	199, 769, 1257	88
HB0999	081	1469, 1998	673, 911	40
HB1007	086	1357, 1997	804	
HB1009	154	1424, 1900	159, 496, 1116	
HB1013	090	1417, 1953	187, 620, 1088	
HB1028	093	1257, 1996	568, 1132	4
HB1033	094	1494, 2033	117, 479, 1145	86
HB1053	024	1323, 1901	946	
HB1068	166	1220, 2034	784, 864	127
HB1070	116	1456, 2057	444, 869	195
HB1157	101	1333, 1864	407, 1068	74
HB1163	253	1449, 1940	508, 1082	90
HB1165	148	1324, 1944	533, 1177	
HB1176	187	1437, 1938	70, 744, 1126	
HB1180	009	1379, 1651	245, 904	
HB1248	136	1377, 2015	755, 971	154
HB1259	040	1215	809	155
HB1261	213	1287, 2006	941	
HB1268	111	1280	929	
HB1270	173	1250, 2014	576, 912	15
HB1272	183	1779	425, 887	
HB1273	165	1420, 1928	658, 917	92
HB1305	214	1380, 1866	268, 1195	
HB1307	110	1258, 1960	552, 833	136
HB1312	189	1472, 2007	527, 849	145
HB1319	041	1397, 1767	271, 1224	96
HB1375	042	1343, 1930	513, 1240	73
HB1383	273	1429, 2008	9615	202
HB1413	043	1736	778, 865	76
HB1417	082	1217, 2012	671, 1208	22
HB1433	274	1286, 2021	312, 834	137
HB1449	163	1251, 2060	577, 826	16
HB1453	140	1416, 2016	669, 1071	936
HB1455	164	1332, 2017	446, 1216	197
HB1547	264	1452, 20317	432, 1218	1998
HB1548	147	1271, 2032	571,977	95
HB1552	179	1446, 2062	73, 743, 1128	149
HB1558	146	1490, 2065	567, 978	94
HB1561	028	1232, 2066	706, 1036	1.40
HB1585	142	1491, 2067	227, 455, 979	148
HB1586	268	1524, 1904	563, 980	183
SB0009	215	313, 1139	1413, 2099	97
SB0019	216	148, 719	1405, 2147	17
SB0025	070	162, 842	1432, 1977	17
SB0033	275	49, 466, 1193 138, 534, 735	1687, 1990 1645, 2187	172
SB0050	156	· · ·	,	
SB0078	276	65, 1115	1670, 2208	62
SB0098	132	324, 806	1395, 1923	62
SB0107	010	776 775	1901	
SB0138 SB0144	241		1916	
SB0144 SB0148	109 004	256, 852 564, 907	1516, 2078 1559	
300140	004	504, 907	1339	

⁵ See also Floor Amendment 1.

⁷ See also Floor Amendment 13.

⁶ See also Senate Floor Amendment 22 or House Floor Amendment 6.

⁸ See also Senate Floor Amendment 27 or House Floor Amendment 11.

		Senate	House	Conference
Dill No	Act No.	Committee Benert No	Committee Report No	Committee Papart No
<u>Bill No.</u>		<u>Report No.</u>	<u>Report No.</u>	<u>Report No.</u>
SB0162	174	353, 1190	1346, 1599, 2161	175
SB0166	059	622, 1191	2137	
SB0192	277	259, 1058	1319, 1702, 2123	82
SB0197	107	830	1517, 2079	
SB0203	218	758	1523, 1937	
SB0216	135	9, 720	1469, 2192	132
SB0225	242	751	1350, 1634, 2069	29
SB0272	243	468, 909	1300, 1598, 2153	50
SB0281	060	105, 1025	1444, 2184	170
SB0292	219	774	1547, 2110	189
SB0316	061	76, 978	1504, 2195	
SB0325	012	778	1905	(7
SB0330	155	103, 701	1678, 1973	67 70
SB0335	244	639, 1021	1694, 2080	70
SB0366	127	536, 1176	1521, 2211	70
SB0375	151	46,979	1421, 2124	78
SB0380	020	651, 1060	1427, 1984	116
SB0381	278	487, 982	1352, 1596, 2085	116
SB0383	270 279	423, 868	1543, 2116 1329, 1595, 1963	103 32
SB0385		753		
SB0388	271	129, 980	1314, 1658, 2117	138
SB0390	153 096	180, 1061	1423, 2125	135 26
SB0394 SB0396	098	749 670	1907 1392	20
SB0390 SB0398	162	519, 1063	1502, 2096	112
SB0398 SB0409	280	357, 741	1446, 2103	165
SB0409 SB0411	220	272, 855	1440, 2103	105
SB0411 SB0413	220	272, 835	1445, 2102	6
SB0413 SB0414	243	829	1913	33
SB0414 SB0464	013	597, 1018	1920	55
SB0404 SB0471	062	520, 1179	1612, 1974	81
SB0491	030	13, 962	1425, 2216	01
SB0494	044	165	1908	9
SB0494 SB0495	221	260, 1180	1908)
SB0493 SB0512	006	163, 1142	1628, 2215	
SB0512 SB0522	254	292, 884	1380, 1667, 2122	173
SB0522 SB0535	255	843	1479, 1928	28
SB0536	255	502, 801	1310, 1576, 2072	20
SB0540	222	796	1308, 1593, 2073	139
SB0549	138	761	1699, 1939	107
SB0551	282	98, 812	1404, 2200	65
SB0552	223	840	1431, 2201	25
SB0558	011	772	1904	
SB0567	130	591, 1147	1374, 1692, 2166	166
SB0592	224	64, 1154	1527, 2169	123
SB0600	257	430, 817	1430, 1941	
SB0638	015	380, 811	1474, 1929	
SB0660	233	268, 815	1914	51
SB0661	143	526, 1168	1381, 1554, 1967	157
SB0663	131	647, 858	1345, 1569, 2105	174
SB0693	133	120, 8149	1396, 1922	64
SB0723	225	780	1657, 2081	52
SB0725	007	762	1560	
SB0753	063	34, 1043	1420, 2083	163
SB0754	103	405, 914	1437, 2126	111

⁹ See also Floor Amendment 3.

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SB0759	217	33, 995	1358, 1532, 2146	171
SB0763	258	547, 860	1651, 2182	164
SB0767	283	788	1561	35
SB0770	246	754	1633, 1930	60
SB0772	226	763	1402, 2202	13
SB0804	182	106, 1109	1321, 1589, 2074	79
SB0812	029	107, 1031	1693, 2214	
SB0817	284	190, 1110	1331, 1510, 1964	100
SB0852	108	171, 703	1475, 2174	36
SB0947	259	234, 1019	1453, 2133	7
SB0972	260	898	1610, 2150	162
SB0976	285	592, 1125	1391, 2172	108^{10}
SB0980	227	134, 809	1540, 1931	24
SB0981	161	443, 870	1539, 2091	59
SB0985	045	747	1654, 1971	71
SB0988	160	158, 1045	1461, 1992	
SB0989	228	470, 1046	1608, 1991	185
SB0991	229	841	1330, 1587, 2189	101
SB1002	046	159, 947	2140	106
SB1025	126	110, 1091	1646, 2188	
SB1033	032	659, 1035	1700, 2213	5
SB1037 SB1039	175 176	782 786	1919 1917	5 53
SB1059 SB1058	286	213, 1050	1467, 2082	69
SB1058 SB1091	159	412, 1185	1631, 2163	09
SB1091 SB1124	129	641, 1145	1351, 1533, 2075	169
SB1121 SB1130	069	686	1911	109
SB1148	152	72, 925	1623, 2141	121
SB1173	067	777	1342, 1534, 2157	23
SB1176	068	262, 728	1519, 2180	34
SB1188	034	152	1389, 2087	30
SB1192	047	83, 707	1481, 1952	158
SB1195	048	78, 708	1484, 2097	159
SB1197	049	80, 710	1486, 2168	204
SB1201	050	87, 712	1490, 2113	161
SB1204	051	575, 1001	1500, 1960	160
SB1210	071	890	1401, 1978	12
SB1211	016	764	1400, 1979	
SB1212	072	785	1406, 1980	80
SB1213	073	96, 875	1495, 2098	141
SB1221	079	685	1536, 2092 2138	58
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SB1220 SB1231	083	451	1452, 1989	102
SB1231 SB1232	085	832	1614, 2134	31
SB1232 SB1236	085	636, 876	1340, 1691, 2119	63
SB1230 SB1237	088	539, 917	1443, 2100	140
SB1238	089	153	1615, 1987	113
SB1230 SB1240	091	825	1616, 2120	18
SB1241	092	551, 880	1458, 2152	98
SB1246	139	186, 877	1686, 2165	142
SB1263	095	766	1683, 2198	14
SB1271	097	677	2139	
SB1288	014	757	1399, 1981	
SB1303	272	444, 984	1545, 2197	122

¹⁰ See also Senate Floor Amendment 23 or House Floor Amendment 7.

		Senate Committee	House Committee	Conference Committee
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<u>Bill No.</u>	Act No.	<u>Report No.</u>	<u>Report No.</u>	<u>Report No.</u>
SB1314	261	900	1912	133
SB1325	027	478, 981	1398, 2148	
SB1342	105	773	1933	6611
SB1348	247	421, 1015	1609, 2151	105
SB1360	232	673	1913	
SB1361	003	689	1393	
SB1378	031	269, 991	1332, 1586, 1983	
SB1394	267	645, 1129	1415, 2171	190
SB1404	262	475, 732	1641, 2093	143
SB1406	181	887	1327, 1602, 2077	
SB1417	121	344, 1114	1428, 2158	117
SB1418	266	279, 934	1506, 2094	156
SB1440	052	690	1511, 2154	104
SB1442	239	791	1298, 1585, 1969	167
SB1466	150	483, 802	1503, 2207	
SB1486	230	441,910	1522, 1927	61
SB1494	263	511, 733	1442, 2185	168
SB1498	231	335, 1171	1549, 1962	188
SB1525	158	888	1326, 1583, 1924	8

¹¹ See also Senate Floor Amendment 28 or House Floor Amendment 5.

TABLES SHOWING EFFECT OF ACTS

Thirtieth State Legislature

2019 Regular Session

Key: Am = Amended

R

N = New

= Repealed

____ = Part or section number to be assigned in HRS Supplement

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10-41	N	135	voluii		
11 (10 secs, pt)	N	136	46-15.1	Am	80
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C 11, pt VI (heading)	Am	136	78-23	Am	209 64
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11-91.5	R	136	84-13, 14	Am	119
11-92.1	Am	136	84-17.5, 31, 43	Am	120
11-92.2	R	136	87A-1, 32, 33, 34 to 36	Am	51
11-92.3	Am	136	88-6, 106	Am	53
11-93 to 95	R	136	88E-12	Am	86
11-111 11-118.5	Am Am	136 286	89-5, 11 89-16.6	Am Am	231 196
11-119	Am	136	91-14	Am	213
11-120	R	136	92-7, 8	Am	244
11-131, 132	Am	136	92-28	Am	193
11-133 to 136	R	136	93-3	Am	100
11-137, 139, 152 to	Am	136	97-6, 7	Am	109
154	A	125	103-55	Am	219
11-155 11-157	Am Am	135 136	103D-412 103D-709	Am	143
11-173.5	Am	130	103D-709	Am Am	73 191
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11-184	R	136			
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11-339	Am	8	121-19	Am	76
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16-25, 43, 46	Am	136	134-(12 secs, pt)	N	150
19-6	Am	136	134-3 134-7, 7.3	Am Am	257 150
26-5 26-11	Am Am	57 172	134-16	Am	130
26-12	Am	276	141-	N	153
26-12	Am	210	141-9	Am	122
26-14	Am	82	145 (9 secs, pt)	Ν	103
26H-4	Am	32	163D-19	Am	28
27-43	Am	238	171-2	Am	272
36- <u>-</u> 36- <u>27,</u> 30	N Am	144 163	171-36, 41.6 171-64.7	Am Am	111 272
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C 201, pt IX (heading) 201-111	Am Am	228 228	286- <u></u> 286- <u></u>	N N	134 233
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206M	N	56	286-271	Am	31
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235-102.5	Am	84	302A-803	Am	79
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